

13. ACCOUNTANTS' REPORT

MTT Shipping and Logistics Berhad

(Company No. 201901004019 (1313346-A))
(Incorporated in Malaysia)

**Accountants' Report on the
Combined financial statements**



13. ACCOUNTANTS' REPORT (Cont'd)

1

MTT Shipping and Logistics Berhad

(Company No. 201901004019 (1313346-A))

(Incorporated in Malaysia)

Combined statements of financial position

	Note	30.04.2025 RM'000	31.12.2024 RM'000	31.12.2023 RM'000	31.12.2022 RM'000
Assets					
Property, plant and equipment	3	1,771,317	1,710,704	1,341,712	1,128,669
Right-of-use assets	4	147,258	147,722	92,299	85,908
Investment property	5	4,389	4,409	4,468	4,526
Investment in associates	6	12,351	12,744	13,179	13,966
Investment in joint ventures	7	47,815	42,047	44,043	37,436
Other investments	8	6,432	6,432	6,432	6,432
Deferred tax assets	9	994	1,439	963	513
Total non-current assets		<u>1,990,556</u>	<u>1,925,497</u>	<u>1,503,096</u>	<u>1,277,450</u>
Inventories	10	21,744	27,246	18,653	18,068
Trade and other receivables	11	282,007	266,990	190,489	190,545
Contract assets	12.1	8,701	7,532	14,439	6,111
Current tax assets		1,056	1,629	445	3,618
Cash and cash equivalents	13	235,410	303,596	388,814	299,487
		548,918	606,993	612,840	517,829
Assets classified as held for sale	14	-	-	24,463	15,946
Total current assets		<u>548,918</u>	<u>606,993</u>	<u>637,303</u>	<u>533,775</u>
Total assets		<u>2,539,474</u>	<u>2,532,490</u>	<u>2,140,399</u>	<u>1,811,225</u>
Equity					
Share capital		#	#	#	#
Invested equity		12,589	12,589	12,589	12,589
Hedging reserve	15	-	-	-	(11,167)
Retained earnings		1,603,462	1,511,464	1,286,077	1,018,948
Translation reserve		(362)	(121)	88	(115)
Equity attributable to owners of the Company		<u>1,615,689</u>	<u>1,523,932</u>	<u>1,298,754</u>	<u>1,020,255</u>
Non-controlling interests		<u>16,599</u>	<u>15,890</u>	<u>14,789</u>	<u>13,652</u>
Total equity		<u>1,632,288</u>	<u>1,539,822</u>	<u>1,313,543</u>	<u>1,033,907</u>
Liabilities					
Deferred tax liabilities	9	10,596	11,287	9,329	10,529
Loans and borrowings	16	667,626	683,189	566,116	372,986
Lease liabilities		9,852	13,163	21,654	30,318
Total non-current liabilities		<u>688,074</u>	<u>707,639</u>	<u>597,099</u>	<u>413,833</u>
Trade and other payables	17	94,792	130,273	113,961	177,493
Contract liabilities	12.2	13,598	17,063	8,995	17,026
Loans and borrowings	16	101,119	127,605	96,416	159,328
Lease liabilities		9,603	10,013	10,286	9,630
Provision for taxation		-	75	99	8
Total current liabilities		<u>219,112</u>	<u>285,029</u>	<u>229,757</u>	<u>363,485</u>
Total liabilities		<u>907,186</u>	<u>992,668</u>	<u>826,856</u>	<u>777,318</u>
Total equity and liabilities		<u>2,539,474</u>	<u>2,532,490</u>	<u>2,140,399</u>	<u>1,811,225</u>

Denotes share capital of RM5.

The notes on pages 12 to 79 are an integral part of these combined financial statements.



13. ACCOUNTANTS' REPORT (Cont'd)

2

MTT Shipping and Logistics Berhad

(Company No. 201901004019 (1313346-A))

(Incorporated in Malaysia)

Combined statements of profit or loss and other comprehensive income

		1.1.2025 - 30.4.2025	1.1.2024 - 30.4.2024	1.1.2024 - 31.12.2024	1.1.2023 - 31.12.2023	1.1.2022 - 31.12.2022
	Note	Audited RM'000	Unaudited RM'000	Audited RM'000	Audited RM'000	Audited RM'000
Revenue	18	400,851	340,445	1,198,591	1,117,335	1,409,301
Direct costs		(279,548)	(250,356)	(867,361)	(735,437)	(790,327)
Gross profit		121,303	90,089	331,230	381,898	618,974
Other operating income		9,578	7,527	38,533	40,863	10,249
Administration expenses		(28,269)	(24,418)	(84,758)	(91,609)	(66,026)
Net (impairment)/reversal on impairment of financial assets	20	(807)	-	248	2	(127)
Results from operating activities		101,805	73,198	285,253	331,154	563,070
Finance income		840	2,919	5,973	7,747	1,345
Finance costs	19	(12,863)	(10,927)	(37,137)	(30,327)	(24,513)
Share of results of equity-accounted associates		(393)	-	(475)	(787)	(487)
Share of results of equity-accounted joint ventures		5,768	946	6,611	6,607	20,457
Profit before tax	20	95,157	66,136	260,225	314,394	559,872
Tax expense	21	(2,285)	(1,050)	(6,605)	(5,762)	(6,663)
Profit for the period/year		<u>92,872</u>	<u>65,086</u>	<u>253,620</u>	<u>308,632</u>	<u>553,209</u>



13. ACCOUNTANTS' REPORT (Cont'd)

3

Combined statements of profit or loss and other comprehensive income (continued)

		1.1.2025 - 30.4.2025	1.1.2024 - 30.4.2024	1.1.2024 - 31.12.2024	1.1.2023 - 31.12.2023	1.1.2022 - 31.12.2022
	Note	Audited RM'000	Unaudited RM'000	Audited RM'000	Audited RM'000	Audited RM'000
Other comprehensive income						
Items that are or may be reclassified subsequently to profit or loss						
Foreign currency translation differences for foreign operations		(406)	281	(347)	337	315
Cash flow hedge	15	-	-	-	11,167	(11,167)
Other comprehensive (expense)/income for the period/year		(406)	281	(347)	11,504	(10,852)
Total comprehensive income for the period/year		<u>92,466</u>	<u>65,367</u>	<u>253,273</u>	<u>320,136</u>	<u>542,357</u>
Profit attributable to:						
Owners of the Company		91,998	64,323	250,381	307,843	551,063
Non-controlling interests		<u>874</u>	<u>763</u>	<u>3,239</u>	<u>789</u>	<u>2,146</u>
Profit for the period/year		<u>92,872</u>	<u>65,086</u>	<u>253,620</u>	<u>308,632</u>	<u>553,209</u>
Total comprehensive income attributable to:						
Owners of the Company		91,757	64,491	250,172	319,213	540,085
Non-controlling interests		<u>709</u>	<u>876</u>	<u>3,101</u>	<u>923</u>	<u>2,272</u>
Total comprehensive income for the period/year		<u>92,466</u>	<u>65,367</u>	<u>253,273</u>	<u>320,136</u>	<u>542,357</u>
Basic earnings per ordinary share (RM)	22	<u>7.31</u>	<u>5.11</u>	<u>19.89</u>	<u>24.45</u>	<u>43.77</u>

The notes on pages 12 to 79 are an integral part of these combined financial statements.



13. ACCOUNTANTS' REPORT (Cont'd)

4

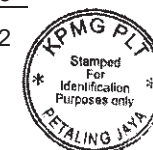
MTT Shipping and Logistics Berhad

(Company No. 201901004019 (1313346-A))

(Incorporated in Malaysia)

Combined statements of changes in equity

<div style="display: flex; justify-content: space-between;"> <-----Attributable to owners of the Company-----> <-----Non-distributable-----> Distributable </div>								
Note	Share capital RM'000	Invested equity RM'000	Translation reserve RM'000	Hedging reserve RM'000	Retained earnings RM'000	Total RM'000	Non-controlling interests RM'000	Total equity RM'000
At 1 January 2022	#	12,589	(304)	-	540,885	553,170	12,463	565,633
Foreign currency translation differences	-	-	189	-	-	189	126	315
Hedging reserve	-	-	-	(11,167)	-	(11,167)	-	(11,167)
Profit and total comprehensive income for the year	-	-	-	-	551,063	551,063	2,146	553,209
Dividends to the owners of the Company	23	-	-	-	(73,000)	(73,000)	-	(73,000)
Dividends to non-controlling interests	31	-	-	-	-	-	(1,113)	(1,113)
Acquisition of subsidiary	-	-	-	-	-	-	30	30
At 31 December 2022/1 January 2023	#	12,589	(115)	(11,167)	1,018,948	1,020,255	13,652	1,033,907
Foreign currency translation differences	-	-	203	-	-	203	134	337
Derecognition of hedging reserve	-	-	-	11,167	-	11,167	-	11,167
Profit and total comprehensive income for the year	-	-	-	-	307,843	307,843	789	308,632
Dividends to the owners of the Company	23	-	-	-	(40,714)	(40,714)	-	(40,714)
Dividends to non-controlling interests	31	-	-	-	-	-	(286)	(286)
Acquisition of subsidiary	-	-	-	-	-	-	500	500
At 31 December 2023/1 January 2024	#	12,589	88	-	1,286,077	1,298,754	14,789	1,313,543
Foreign currency translation differences	-	-	(209)	-	-	(209)	(138)	(347)
Profit and total comprehensive income for the year	-	-	-	-	250,381	250,381	3,239	253,620
Dividends to the owners of the Company	23	-	-	-	(24,994)	(24,994)	-	(24,994)
Dividends to non-controlling interests	31	-	-	-	-	-	(2,006)	(2,006)
Derecognition of subsidiary	-	-	-	-	-	-	6	6
At 31 December 2024/1 January 2025	#	12,589	(121)	-	1,511,464	1,523,932	15,890	1,539,822



13. ACCOUNTANTS' REPORT (Cont'd)

5

Combined statements of changes in equity (continued)

<div style="display: flex; justify-content: space-between;"> <-----Attributable to owners of the Company-----> <-----Non-distributable-----> Distributable </div>								
Note	Share capital RM'000	Invested equity RM'000	Translation reserve RM'000	Hedging reserve RM'000	Retained earnings RM'000	Total RM'000	Non-controlling interests RM'000	Total equity RM'000
At 31 December 2024/1 January 2025	#	12,589	(121)	-	1,511,464	1,523,932	15,890	1,539,822
Foreign currency translation differences	-	-	(241)	-	-	(241)	(165)	(406)
Profit and total comprehensive income for the period	-	-	-	-	91,998	91,998	874	92,872
At 30 April 2025	#	12,589	(362)	-	1,603,462	1,615,689	16,599	1,632,288
Unaudited								
At 1 January 2024	#	12,589	88	-	1,286,077	1,298,754	14,789	1,313,543
Foreign currency translation differences	-	-	168	-	-	168	113	281
Profit and total comprehensive income for the period	-	-	-	-	64,323	64,323	763	65,086
Dividends to the owners of the Company	23	-	-	-	(1,427)	(1,427)	-	(1,427)
Dividends to non-controlling interests	-	-	-	-	-	-	(573)	(573)
At 30 April 2024	#	12,589	256	-	1,348,973	1,361,818	15,092	1,376,910

Denotes share capital of RM5.

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13. ACCOUNTANTS' REPORT (Cont'd)

6

MTT Shipping and Logistics Berhad

(Company No. 201901004019 (1313346-A))

(Incorporated in Malaysia)

Combined statements of cash flows

	1.1.2025 - 30.4.2025 Audited RM'000	1.1.2024 - 30.4.2024 Unaudited RM'000	1.1.2024 - 31.12.2024 Audited RM'000	1.1.2023 - 31.12.2023 Audited RM'000	1.1.2022 - 31.12.2022 Audited RM'000
Cash flows from operating activities					
Profit before tax	95,157	66,136	260,225	314,394	559,872
Adjustments for:					
Bad debts written off	-	-	-	1	6
Depreciation of property, plant and equipment	37,947	24,278	89,050	78,748	71,710
Depreciation of right-of-use assets	1,383	1,341	4,051	3,395	3,571
Depreciation of investment property	20	20	59	58	59
Dividend income	(142)	-	(511)	(430)	(408)
(Gain)/Loss on disposal of property, plant and equipment	(278)	197	(12,982)	(3,620)	(4,223)
Gain on derecognition of subsidiary	-	(8)	(8)	-	-
Gain on disposal of assets classified as held for sale	-	(3,696)	(3,696)	(26,165)	-
Gain on lease modification	-	-	-	-	(17)
Impairment loss on property, plant and equipment	-	-	-	9,275	-
Interest expense	12,757	10,861	36,973	30,108	24,318
Interest income	(840)	(2,919)	(5,973)	(7,747)	(1,345)
Loss on disposal of investment in joint venture	-	329	329	-	-
Net impairment/(reversal on impairment) of financial assets	807	-	(248)	(2)	127
Share of results of equity-accounted associates	393	-	475	787	487
Share of results of equity-accounted joint venture	(5,768)	(946)	(6,611)	(6,607)	(20,457)
Unrealised (gain)/loss on foreign exchange, net	(1,904)	4,644	(5,992)	7,631	1,005
Write off of property, plant and equipment	3	-	41	5	2
Operating profit before changes in working capital	139,535	100,237	355,182	399,831	634,707
Changes in working capital:					
Inventories	5,502	(7,653)	(8,593)	(585)	(2,662)
Trade and other receivables	(23,016)	(31,747)	(77,809)	1,162	(63,285)
Trade and other payables	(31,019)	(7,225)	34,741	(48,313)	84,028
Cash generated from operations	91,002	53,612	303,521	352,095	652,788
Interest paid	(15,943)	(14,567)	(38,013)	(22,695)	(24,318)
Tax refund	-	-	-	962	6
Tax paid	(2,033)	(2,031)	(6,331)	(5,110)	(4,510)
Net cash from operating activities	73,026	37,014	259,177	325,252	623,966



13. ACCOUNTANTS' REPORT (Cont'd)

7

Combined statements of cash flows (continued)

	1.1.2025 - 30.4.2025 Audited RM'000	1.1.2024 - 30.4.2024 Unaudited RM'000	1.1.2024 - 31.12.2024 Audited RM'000	1.1.2023 - 31.12.2023 Audited RM'000	1.1.2022 - 31.12.2022 Audited RM'000
Cash flows from investing activities					
Acquisition of subsidiary, net of cash and cash equivalents (see Note 30)	-	-	-	(10,000)	-
Dividend received	12	-	506	425	402
Interest paid and capitalised	(673)	(697)	(2,106)	(1,285)	(628)
Interest received	955	3,068	5,938	7,624	1,348
Investment in associates	-	(40)	(40)	-	-
Investment in joint ventures	-	-	-	-	(3,150)
Other investments	-	-	-	-	(30)
Proceeds from disposal of assets classified as held for sale	-	28,159	28,159	42,111	-
Proceeds from disposal of investment in joint venture	-	8,278	8,278	-	-
Proceeds from disposal of property, plant and equipment	278	8,192	37,272	14,646	4,254
Purchase of property, plant and equipment and leasehold land	(97,563)	(172,585)	(537,793)	(333,905)	(279,210)
Net cash used in investing activities	(96,991)	(125,625)	(459,786)	(280,384)	(277,014)
Cash flows from financing activities					
Dividends paid	-	(2,000)	(27,000)	(81,000)	(34,113)
Proceeds from issue of shares to non-controlling interests	-	-	-	500	30
Proceeds from hire purchase	-	-	-	3,528	2,646
Repayment of hire purchase obligations	(660)	(654)	(1,919)	(2,260)	(1,922)
Proceeds from term loans	-	14,852	94,853	24,386	70,228
Repayment of term loans	(11,358)	(27,038)	(56,528)	(214,649)	(126,860)
Proceeds from issue of Sukuk Wakalah	-	-	-	420,430	-
Repayment of Sukuk Wakalah	-	-	(59,827)	(4,940)	-
Proceeds from other facilities	-	-	92,924	-	-
Repayment of other facilities	(1,728)	-	(2,609)	-	-
Payment of lease liabilities	(3,349)	(2,914)	(9,818)	(9,598)	(55,833)
Proceeds from bankers' acceptance	32,385	-	99,388	100,020	162,929
Repayment of bankers' acceptance	(44,104)	-	(68,726)	(137,295)	(169,872)
Proceeds from revolving credit	-	-	90,000	-	42,000
Repayment of revolving credit	(15,000)	-	(35,000)	(55,000)	(20,000)
Net cash (used in)/from financing activities	(43,814)	(17,754)	115,738	44,122	(130,767)



13. ACCOUNTANTS' REPORT (Cont'd)

8

Combined statements of cash flows (continued)

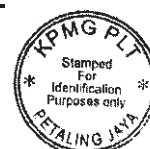
	Note	1.1.2025 - 30.4.2025 Audited RM'000	1.1.2024 - 30.4.2024 Unaudited RM'000	1.1.2024 - 31.12.2024 Audited RM'000	1.1.2023 - 31.12.2023 Audited RM'000	1.1.2022 - 31.12.2022 Audited RM'000
Net (decrease)/increase in cash and cash equivalents		(67,779)	(106,365)	(84,871)	88,990	216,185
Effect of exchange rate fluctuations on cash held		(52)	213	(177)	132	-
Effect of foreign currency translation		(355)	68	(170)	205	315
Cash and cash equivalents as at 1 January		299,596	384,814	384,814	295,487	78,987
Cash and cash equivalents as at 30 April/31 December	(i)	<u>231,410</u>	<u>278,730</u>	<u>299,596</u>	<u>384,814</u>	<u>295,487</u>

Notes to combined statements of cash flows:**(i) Cash and cash equivalents**

	Note	1.1.2025 - 30.4.2025 Audited RM'000	1.1.2024 - 30.4.2024 Unaudited RM'000	1.1.2024 - 31.12.2024 Audited RM'000	1.1.2023 - 31.12.2023 Audited RM'000	1.1.2022 - 31.12.2022 Audited RM'000
Deposits	13	19,873	103,753	34,430	45,784	35,232
Less: Pledged deposits		(4,000)	(4,000)	(4,000)	(4,000)	(4,000)
		15,873	99,753	30,430	41,784	31,232
Cash and bank balances	13	<u>215,537</u>	<u>178,977</u>	<u>269,166</u>	<u>343,030</u>	<u>264,255</u>
		<u>231,410</u>	<u>278,730</u>	<u>299,596</u>	<u>384,814</u>	<u>295,487</u>

(ii) Cash outflows for leases as a lessee

	Note	1.1.2025 - 30.4.2025 Audited RM'000	1.1.2024 - 30.4.2024 Unaudited RM'000	1.1.2024 - 31.12.2024 Audited RM'000	1.1.2023 - 31.12.2023 Audited RM'000	1.1.2022 - 31.12.2022 Audited RM'000
Included in net cash from operating activities						
Payment relating to short-term leases	20	6,562	15,188	42,075	26,191	12,246
Payment relating to leases of low-value assets	20	3,558	4,647	13,065	14,146	14,827
Interest paid in relation to lease liabilities	19	281	342	945	1,267	938
Included in net cash from financing activities:						
Payment of lease liabilities		<u>3,349</u>	<u>2,914</u>	<u>9,818</u>	<u>9,598</u>	<u>55,833</u>
Total cash outflows for leases		<u>13,750</u>	<u>23,091</u>	<u>65,903</u>	<u>51,202</u>	<u>83,844</u>



13. ACCOUNTANTS' REPORT (Cont'd)

9

Combined statements of cash flows (continued)**(iii) Reconciliation of movements of liabilities to cash flows arising from financing activities**

Audited	At 1.1.2025 RM'000	Net changes from financing cash flows RM'000	Acquisition of hire purchase RM'000	Acquisition of new lease RM'000	Foreign exchange RM'000	Lease modification RM'000	At 30.4.2025 RM'000
Term loans	279,150	(11,358)	-	-	-	-	267,792
Sukuk Wakalah	355,663	-	-	-	-	-	355,663
Other facilities	86,021	(1,728)	-	-	(2,584)	-	81,709
Hire purchase payables	4,298	(660)	1,000	-	-	-	4,638
Bankers' acceptance	30,662	(11,719)	-	-	-	-	18,943
Revolving credit	55,000	(15,000)	-	-	-	-	40,000
Lease liabilities	23,176	(3,349)	-	246	(618)	-	19,455
Total liabilities from financing activities	833,970	(43,814)	1,000	246	(3,202)	-	788,200

Unaudited	At 1.1.2024 RM'000	Net changes from financing cash flows RM'000	Acquisition of hire purchase RM'000	Acquisition of new lease RM'000	Foreign exchange RM'000	Lease modification RM'000	At 30.4.2024 RM'000
Term loans	240,825	(12,186)	-	-	-	-	228,639
Sukuk Wakalah	415,490	-	-	-	-	-	415,490
Hire purchase payables	6,217	(654)	-	-	-	-	5,563
Lease liabilities	31,940	(2,914)	-	-	794	-	29,820
Total liabilities from financing activities	694,472	(15,754)	-	-	794	-	679,512



13. ACCOUNTANTS' REPORT (Cont'd)

10

Combined statements of cash flows (continued)**(iii) Reconciliation of movements of liabilities to cash flows arising from financing activities (continued)**

Audited	At 1.1.2024 RM'000	Net changes from financing cash flows RM'000	Acquisition of hire purchase RM'000	Acquisition of new lease RM'000	Foreign exchange RM'000	Lease modification RM'000	At 31.12.2024 RM'000
Term loans	240,825	38,325	-	-	-	-	279,150
Sukuk Wakalah	415,490	(59,827)	-	-	-	-	355,663
Other facilities	-	90,315	-	-	(4,294)	-	86,021
Hire purchase payables	6,217	(1,919)	-	-	-	-	4,298
Bankers' acceptance	-	30,662	-	-	-	-	30,662
Revolving credit	-	55,000	-	-	-	-	55,000
Lease liabilities	31,940	(9,818)	-	-	(1,094)	2,148	23,176
Total liabilities from financing activities	694,472	142,738	-	-	(5,388)	2,148	833,970

Audited	At 1.1.2023 RM'000	Net changes from financing cash flows RM'000	Acquisition of hire purchase RM'000	Acquisition of new lease RM'000	Foreign exchange RM'000	Lease modification RM'000	At 31.12.2023 RM'000
Term loans	435,590	(190,263)	-	-	(4,502)	-	240,825
Sukuk Wakalah	-	415,490	-	-	-	-	415,490
Hire purchase payables	4,449	1,268	500	-	-	-	6,217
Bankers' acceptance	37,275	(37,275)	-	-	-	-	-
Revolving credit	55,000	(55,000)	-	-	-	-	-
Lease liabilities	39,948	(9,598)	-	647	943	-	31,940
Total liabilities from financing activities	572,262	124,622	500	647	(3,559)	-	694,472



13. ACCOUNTANTS' REPORT (Cont'd)

11

Combined statements of cash flows (continued)**(iii) Reconciliation of movements of liabilities to cash flows arising from financing activities (continued)**

Audited	At 1.1.2022 RM'000	Net changes from financing cash flows RM'000	Acquisition of hire purchase RM'000	Acquisition of new lease RM'000	Foreign exchange RM'000	Lease modification RM'000	At 31.12.2022 RM'000
Term loans	481,055	(56,632)	-	-	11,167	-	435,590
Hire purchase payables	3,725	724	-	-	-	-	4,449
Bankers' acceptance	44,218	(6,943)	-	-	-	-	37,275
Revolving credit	33,000	22,000	-	-	-	-	55,000
Lease liabilities	6,703	(55,833)	-	84,899	986	3,193	39,948
Total liabilities from financing activities	568,701	(96,684)	-	84,899	12,153	3,193	572,262

The notes on pages 12 to 79 are an integral part of these combined financial statements.



13. ACCOUNTANTS' REPORT (Cont'd)

12

MTT Shipping and Logistics Berhad

(Company No. 201901004019 (1313346-A))

(Incorporated in Malaysia)

Notes to the combined financial statements**1. Corporate information**

MTT Shipping and Logistics Berhad (the "Company") is a public limited liability company, incorporated and domiciled in Malaysia. The addresses of the principal place of business and registered office of the Company are as follows:

Principal place of business

Lot 10, Jalan Perpustakaan U1/62
 Temasya Glenmarie, Seksyen U1
 40150 Shah Alam
 Selangor Darul Ehsan

Registered office

Office Suite No.603 Block C
 Pusat Dagangan Phileo Damansara 1
 No.9, Jalan 16/11, Off Jalan Damansara
 46350 Petaling Jaya, Selangor

The Company is principally engaged in investment holding activities, whilst the principal activities of the combining entities are as stated in Note 27 to the combined financial statements.

2. Basis of preparation

The Company was incorporated on 31 January 2019 for the purpose of a restructuring exercise that will result in the Company becoming the holding company of the combining entities.

The combined financial statements of the Company and its combining entities (together referred to as the "Group" and individually referred to as "Group entity") have been prepared solely in connection with the proposed listing of and quotation for the entire enlarged issued ordinary shares of the Company on the Main Market of Bursa Malaysia Securities Berhad ("Proposed Listing") and for no other purpose.

The combined financial statements consist of the financial statements of the Company and the entities as disclosed in Note 27, under common control of Dato' Seri Ong Kean Lee, Ooi Lean Hin, Chan Huan Hin, Lee Hock Saing and Lee Kong Siong (collectively referred to as the "Controlling Shareholders").



13. ACCOUNTANTS' REPORT (Cont'd)

13

2. Basis of preparation (continued)

The combined financial statements of the Company for the periods ended 30 April 2025 and 2024, and years ended 31 December 2024, 2023 and 2022 were prepared in a manner as if the entities under common control were operating as a single economic entity at the beginning of the earliest comparative year presented or, if later, at the date that common control was established.

Entities under common control are entities which are ultimately controlled by the same parties and that control is not transitory. Control exists when the same parties have, as a result of contractual agreements, ultimate collective power to govern the financial and operating policies of each of the combining entities so as to obtain benefits from their activities, and that ultimate collective power is not transitory. The combined financial statements of commonly controlled entities are included in the combined financial statements from the day that control commences until the date that control ceases.

The financial information as prepared in the combined financial statements do not correspond with the consolidated financial statements of the Group after incorporating /effecting the relevant acquisitions as the combined financial statements reflect business combinations under common control for the purpose of the Listing. Such financial information from the combined financial statements does not purport to predict the financial positions, results of operation and cash flows of the Group.

(a) Statement of compliance

The combined financial statements of the Company for the periods ended 30 April 2025 and 2024, and years ended 31 December 2024, 2023 and 2022 have been prepared in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board ("MFRS Accounting Standards") and IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards").

The following are accounting standards, interpretations and amendments of the MFRS Accounting Standards that have been issued by the Malaysian Accounting Standards Board ("MASB") but have not been adopted by the Group:

MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2026

- Amendments to MFRS 9, *Financial Instruments* and MFRS 7, *Financial Instruments: Disclosures – Classification and Measurement of Financial Instruments*
- Amendments that are part of Annual Improvements – Volume 11:
 - Amendments to MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards*
 - Amendments to MFRS 7, *Financial Instruments: Disclosures*
 - Amendments to MFRS 9, *Financial Instruments*
 - Amendments to MFRS 10, *Consolidated Financial Statements*
 - Amendments to MFRS 107, *Statement of Cash Flows*
- Amendments to MFRS 9, *Financial Instruments* and MFRS 7, *Financial Instruments: Disclosures – Contracts Referencing Nature-dependent Electricity*



13. ACCOUNTANTS' REPORT (Cont'd)

14

2. Basis of preparation (continued)

(a) Statement of compliance (continued)

MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2027

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

MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after a date yet to be confirmed

- Amendments to MFRS 10, *Consolidated Financial Statements* and MFRS 128, *Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The Group plans to apply the abovementioned accounting standards, interpretations and amendments, where applicable:

- from the annual period beginning on 1 January 2026 for the amendments that are effective for annual periods beginning on or after 1 January 2026.
- from the annual period beginning on 1 January 2027 for the accounting standards that are effective for annual periods beginning on or after 1 January 2027.

The initial application of the abovementioned accounting standards, amendments and interpretations are not expected to have any material financial impact to the current period and prior periods combined financial statements of the Company.

(b) Basis of measurement

The combined financial statements have been prepared on the historical cost basis.

(c) Functional and presentation currency

These combined financial statements are presented in Ringgit Malaysia ("RM"), which is the Company's functional currency. All financial information is presented in RM and has been rounded to the nearest thousand, unless otherwise stated.



13. ACCOUNTANTS' REPORT (Cont'd)

15

2. Basis of preparation (continued)**(d) Use of estimates and judgements**

The preparation of the combined financial statements in conformity with MFRS Accounting Standards and IFRS Accounting Standards require management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

There are no significant areas of estimation uncertainty and critical judgements in applying accounting policies that have significant effect on the amounts recognised in the combined financial statements other than those disclosed in the following notes:

- Note 3 - Estimated useful lives and residual values of vessels
- Note 4 - Extension options and incremental borrowing rate in relation to leases

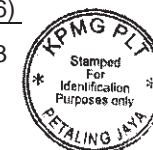


13. ACCOUNTANTS' REPORT (Cont'd)

16

3. Property, plant and equipment

	Note	Freehold land RM'000	Building RM'000	Vessels RM'000	Drydocking RM'000	Containers RM'000	Equipment and machineries RM'000	Others RM'000	Capital work in progress RM'000	Total RM'000
Cost										
At 1 January 2022		16,945	800	777,472	38,848	86,754	24,527	21,442	74,631	1,041,419
Additions		-	-	15,917	31,021	84,366	4,333	1,440	206,090	343,167
Borrowing costs capitalised at 3.89% - 4.75% per annum		-	-	-	-	-	-	-	628	628
Disposals		-	-	-	-	(921)	-	(316)	-	(1,237)
Write off		-	-	-	(10,182)	-	(5)	(3)	-	(10,190)
Reclassification		-	-	13,778	-	-	-	-	(13,778)	-
Transfer to assets held for sale	15	-	-	(15,572)	(6,834)	-	-	(7)	-	(22,413)
At 31 December 2022/1 January 2023		16,945	800	791,595	52,853	170,199	28,855	22,556	267,571	1,351,374
Additions		13,057	13,500	39,067	8,283	5,992	1,977	11,943	241,233	335,052
Acquisition through business combination		-	-	-	-	-	-	491	-	491
Borrowing costs capitalised at 4.82% - 5.24% per annum		-	-	-	-	-	-	-	1,285	1,285
Disposals		-	-	(18,480)	(7,060)	(330)	(3,900)	(1,014)	-	(30,784)
Write off		-	-	-	(10,334)	-	(2)	(26)	-	(10,362)
Reclassification		-	-	-	-	-	-	12,634	(12,634)	-
Transfer to assets held for sale	15	(15,054)	-	(11,249)	(4,862)	-	-	-	(677)	(31,842)
At 31 December 2023/1 January 2024		14,948	14,300	800,933	38,880	175,861	26,930	46,584	496,778	1,615,214
Additions		-	-	366,176	28,505	12,108	6,636	2,738	106,455	522,618
Disposals		(1,891)	-	(46,010)	(13,746)	(82)	(1,950)	(693)	(85)	(64,457)
Write off		-	-	-	(6,921)	-	(10)	(1,395)	-	(8,326)
Adjustments		-	-	-	-	-	-	(200)	-	(200)
Reclassification		-	-	456,449	-	-	-	-	(456,449)	-
Transfer to right-of-use assets	4	-	-	-	-	-	-	-	(40,046)	(40,046)
At 31 December 2024/1 January 2025		13,057	14,300	1,577,548	46,718	187,887	31,606	47,034	106,653	2,024,803



13. ACCOUNTANTS' REPORT (Cont'd)

17

3. Property, plant and equipment (continued)

	Note	Freehold land RM'000	Building RM'000	Vessels RM'000	Drydocking RM'000	Containers RM'000	Equipment and machineries RM'000	Others RM'000	Capital work in progress RM'000	Total RM'000
Cost (continued)										
At 31 December 2024/1 January 2025		13,057	14,300	1,577,548	46,718	187,887	31,606	47,034	106,653	2,024,803
Additions		-	-	22,522	25,266	5,893	1,127	1,620	42,135	98,563
Disposals		-	-	-	-	(63)	(1,148)	(65)	-	(1,276)
Write off		-	-	(3)	(7,792)	-	-	-	-	(7,795)
Reclassification		-	-	72,469	-	-	-	-	(72,469)	-
At 30 April 2025		13,057	14,300	1,672,536	64,192	193,717	31,585	48,589	76,319	2,114,295
Depreciation and impairment loss										
At 1 January 2022		-	-	-	-	-	-	-	-	-
Accumulated depreciation		-	49	76,395	17,835	47,692	12,230	14,655	-	168,856
Depreciation for the year		-	16	31,984	21,608	12,027	3,172	2,903	-	71,710
Disposals		-	-	-	-	(890)	-	(316)	-	(1,206)
Write off		-	-	-	(10,182)	-	(4)	(2)	-	(10,188)
Transfer to assets held for sale	15	-	-	(2,132)	(4,328)	-	-	(7)	-	(6,467)
At 31 December 2022/1 January 2023		-	65	106,247	24,933	58,829	15,398	17,233	-	222,705



13. ACCOUNTANTS' REPORT (Cont'd)

18

3. Property, plant and equipment (continued)

	Note	Freehold land RM'000	Building RM'000	Vessels RM'000	Drydocking RM'000	Containers RM'000	Equipment and machineries RM'000	Others RM'000	Capital work in progress RM'000	Total RM'000
Depreciation and impairment loss (continued)										
At 31 December 2022/1 January 2023										
Accumulated depreciation		-	65	106,247	24,933	58,829	15,398	17,233	-	222,705
		-	65	106,247	24,933	58,829	15,398	17,233	-	222,705
Depreciation for the year		-	151	36,924	19,027	16,674	3,264	2,708	-	78,748
Acquisition through business combination		-	-	-	-	-	-	268	-	268
Disposals		-	-	(9,702)	(4,942)	(326)	(3,900)	(888)	-	(19,758)
Write off		-	-	-	(10,334)	-	(2)	(21)	-	(10,357)
Transfer to assets held for sale	15	-	-	(2,517)	(4,862)	-	-	-	-	(7,379)
Impairment loss	3.1	1,891	-	6,232	1,067	-	-	-	85	9,275
At 31 December 2023/1 January 2024										
Accumulated depreciation		-	216	130,952	23,822	75,177	14,760	19,300	-	264,227
Accumulated impairment loss		1,891	-	6,232	1,067	-	-	-	85	9,275
		1,891	216	137,184	24,889	75,177	14,760	19,300	85	273,502
Depreciation for the year		-	285	51,235	12,788	16,831	3,602	4,309	-	89,050
Disposals		(1,891)	-	(26,289)	(9,189)	(82)	(1,950)	(648)	(85)	(40,134)
Write off		-	-	-	(6,922)	-	(8)	(1,355)	-	(8,285)
Adjustments		-	-	-	-	-	-	(34)	-	(34)
At 31 December 2024/1 January 2025										
		-	501	162,130	21,566	91,926	16,404	21,572	-	314,099



13. ACCOUNTANTS' REPORT (Cont'd)

19

3. Property, plant and equipment (continued)

	Freehold land RM'000	Building RM'000	Vessels RM'000	Drydocking RM'000	Containers RM'000	Equipment and machineries RM'000	Others RM'000	Capital work in progress RM'000	Total RM'000
Depreciation and impairment loss (continued)									
At 31 December 2024/1 January 2025									
Accumulated depreciation	-	501	155,898	20,499	91,926	16,404	21,572	-	306,800
Accumulated impairment loss	-	-	6,232	1,067	-	-	-	-	7,299
Depreciation for the period	-	501	162,130	21,566	91,926	16,404	21,572	-	314,099
Disposals	-	95	21,130	8,719	5,357	1,219	1,427	-	37,947
Write off	-	-	-	-	(63)	(1,148)	(65)	-	(1,276)
	-	-	-	(7,792)	-	-	-	-	(7,792)
At 30 April 2025									
Accumulated depreciation	-	596	177,028	21,426	97,220	16,475	22,934	-	335,679
Accumulated impairment loss	-	-	6,232	1,067	-	-	-	-	7,299
	-	596	183,260	22,493	97,220	16,475	22,934	-	342,978
Carrying amounts									
At 1 January 2022	16,945	751	701,077	21,013	39,062	12,297	6,787	74,631	872,563
At 31 December 2022/1 January 2023	16,945	735	685,348	27,920	111,370	13,457	5,323	267,571	1,128,669
At 31 December 2023/1 January 2024	13,057	14,084	663,749	13,991	100,684	12,170	27,284	496,693	1,341,712
At 31 December 2024/1 January 2025	13,057	13,799	1,415,418	25,152	95,961	15,202	25,462	106,653	1,710,704
At 30 April 2025	13,057	13,704	1,489,276	41,699	96,497	15,110	25,655	76,319	1,771,317



13. ACCOUNTANTS' REPORT (Cont'd)

20

3. Property, plant and equipment (continued)**3.1 Impairment loss**

During the financial year ended 31 December 2023, the following impairment losses were recognised in administrative expenses in the combined statement of profit or loss and other comprehensive income:

- MTT Realty Holdings Sdn. Bhd., a wholly-owned subsidiary of MTT Shipping Sdn. Bhd. entered into a Sale and Purchase Agreement for the sale of a freehold land. Hence, the land was transferred to asset held for sale. Immediately before the classification as held for sale, the Group assessed the recoverable amount of the land and recognised an impairment loss of RM1,976,000.
- MTT Shipping Kuantan Sdn. Bhd., a wholly-owned subsidiary of MTT Shipping Sdn. Bhd. has disposed its vessel after the year end. The Group assessed the recoverable amount of the vessel and recognised an impairment loss of RM7,299,000.

The recoverable amount of the land and vessel determined based on fair value less costs of disposal using the agreed sales price and adjusted for the estimated selling costs, were as follows:

	31.12.2023 RM'000
Recoverable amount	
Land	15,731
Vessel	<u>8,965</u>

Level 2 fair value

The fair value measurements were categorised as a Level 2 fair value based on the agreed sales price in the binding agreements with independent third parties. Costs of disposal were estimated based on agent fees and commission directly attributable to the sales.

3.2 Security

The following property, plant and equipment are charged as security for the loans and borrowings of the Group (Note 16):

- Freehold land and building with net carrying amount of RM26,760,000 (31.12.2024: RM26,855,000; 31.12.2023: RM27,141,000; 31.12.2022: RM735,000);
- Vessels with net carrying amount of RM302,295,000 (31.12.2024: RM306,105,000; 31.12.2023: RM314,353,000; 31.12.2022: RM587,256,000); and
- Containers with net carrying amount of RM6,889,000 (31.12.2024: RM7,481,000; 31.12.2023: RM9,256,000; 31.12.2022: RM11,111,000).



13. ACCOUNTANTS' REPORT (Cont'd)

21

3. Property, plant and equipment (continued)**3.3 Fully depreciated assets**

Included in property, plant and equipment are fully depreciated assets which are still in use, with cost totalling RM43,473,000 (31.12.2024: RM31,955,000; 31.12.2023: RM18,669,000; 31.12.2022: RM37,149,000).

3.4 Property, plant and equipment subject to operating lease

The Group's vessels currently engage in various charter hire contracts with third parties. Charter hire contracts fall under the definition of lease agreement. The Group only deals with reputable and reliable counterparties in order to minimise the risk of the non-completion of the contract by the counterparty.

The following are recognised in profit or loss:

	1.1.2025 - 30.4.2025	1.1.2024 - 30.4.2024	1.1.2024 - 31.12.2024	1.1.2023 - 31.12.2023	1.1.2022 - 31.12.2022
	Audited RM'000	Unaudited RM'000	Audited RM'000	Audited RM'000	Audited RM'000
Charter hire income	80,972	62,439	227,539	243,596	351,222

The operating lease payments to be received are as follows:

	30.4.2025 RM'000	31.12.2024 RM'000	31.12.2023 RM'000	31.12.2022 RM'000
Less than one year	223,352	121,518	110,064	225,442
One to two years	29,698	-	-	92,397
Total undiscounted lease payment	<u>253,050</u>	<u>121,518</u>	<u>110,064</u>	<u>317,839</u>

3.5 Material accounting policy information**(a) Recognition and measurement**

Freehold land and capital work in progress are measured at cost less any accumulated impairment losses. Other items of property, plant and equipment are measured at cost less any accumulated depreciation and any accumulated impairment losses.



3. Property, plant and equipment (continued)

3.5 Material accounting policy information (continued)

(b) Depreciation

Depreciation of new vessels is calculated using the straight-line method to write off the cost, less estimated residual value over their estimated useful life of 25 to 30 years, whilst for second-hand vessels purchased, depreciation is calculated using the straight-line method to write off the cost less estimated residual value over their remaining useful lives.

The Group reviews the estimated useful lives and residual values of the vessels in order to determine the amount of depreciation expense to be recorded for each financial period/year. Any changes in the economic useful lives and the residual values could impact the depreciation expense and consequently affect the Group's financial results. The economic useful lives and residual values of the vessels are reviewed at each reporting date, with any changes in estimates accounted for as a change in estimate and accordingly, the effects of the change are accounted for prospectively.

The residual values of the vessels are based on the average scrap steel price per light displacement ton of each respective complete vessel with all normal machinery and equipment on board.

Plant and equipment under construction (capital work-in-progress) are not depreciated until the assets are ready for their intended use.

For other assets, depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of plant and equipment from the date that they are available for use.

The estimated useful lives for the current and comparative periods are as follows:

Building	50 years
Containers	10 years
Equipment and machineries	5 to 10 years
Other plant and equipment	5 years

Drydocking expenditure is capitalised and depreciated over a period of 30 months or the period until the next drydocking date, whichever is shorter.

13. ACCOUNTANTS' REPORT (Cont'd)

23

4. Right-of-use assets

	Note	Leasehold land RM'000	Leasehold properties RM'000	Equipment RM'000	Total RM'000
At 1 January 2022		63,111	1,528	688	65,327
Additions		20,942	-	-	20,942
Remeasurement		3,583	-	(373)	3,210
Depreciation for the year		(3,237)	(19)	(315)	(3,571)
At 31 December 2022/ 1 January 2023		84,399	1,509	-	85,908
Acquisition through business combination		9,786	-	-	9,786
Depreciation for the year		(3,375)	(20)	-	(3,395)
At 31 December 2023/ 1 January 2024		90,810	1,489	-	92,299
Additions		15,175	-	-	15,175
Borrowing costs capitalised at 5.43% - 5.54% per annum		2,106	-	-	2,106
Transfer from property, plant and equipment	3	40,046	-	-	40,046
Remeasurement		2,147	-	-	2,147
Depreciation for the year		(4,032)	(19)	-	(4,051)
At 31 December 2024/ 1 January 2025		146,252	1,470	-	147,722
Additions		-	210	36	246
Borrowing cost capitalised at 5.53% - 5.58% per annum		673	-	-	673
Depreciation for the period		(1,209)	(149)	(25)	(1,383)
At 30 April 2025		145,716	1,531	11	147,258

The Group leases a number of leasehold lands with remaining unexpired lease terms between 30 to 91 years. The leasehold lands' main purpose is used for depot activities.

The Group leases a number of yards that run between 1 year and 3 years, with an option to renew the lease after that date. The yards' main purpose is used for depot activities.

The Group leases a leasehold property for administrative purposes with remaining unexpired lease term of 75 years which will be expiring on 21 February 2100.

The Group leases a number of warehouses and an equipment that run for two years, of which warehouses have an option to renew the lease after that date.



13. ACCOUNTANTS' REPORT (Cont'd)

24

4. Right-of-use assets (continued)**4.1 Security**

The following right-of-use assets are charged as security for the term loans of the Group (Note 16):

- Leasehold lands with net carrying amount of RM133,422,000 (31.12.2024: RM133,289,000; 31.12.2023: RM77,566,000; 31.12.2022: RM78,554,000); and
- Leasehold property with net carrying amount of RM1,463,000 (31.12.2024: RM1,470,000; 31.12.2023: RM1,489,000; 31.12.2022: RM1,509,000).

4.2 Extension options

Some leases of land and equipment contain extension options exercisable by the Group. The Group assesses at lease commencement whether it is reasonably certain to exercise the extension options. The Group reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant change in circumstances within its control.

Group entities consider all facts and circumstances including their past practice and any cost that will be incurred to change the asset if an option to extend is not taken, to help them determine the lease term.

The Group also applied judgement and assumptions in determining the incremental borrowing rate of the respective leases. Group entities first determine the closest available borrowing rates before using significant judgement to determine the adjustments required to reflect the term, security, value or economic environment of the respective leases.

4.3 Material accounting policy information**(a) Recognition and measurement**

All right-of-use assets are measured at cost less any accumulated depreciation and any accumulated impairment losses.

(b) Recognition exemption

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.



13. ACCOUNTANTS' REPORT (Cont'd)

25

5. Investment property

	Building RM'000
Cost	
At 1 January 2022/31 December 2022/1 January 2023/ 31 December 2023/1 January 2024/31 December 2024/ 1 January 2025/30 April 2025	<u>4,590</u>
Accumulated depreciation	
At 1 January 2022	5
Depreciation charge for the year	<u>59</u>
At 31 December 2022/1 January 2023	64
Depreciation charge for the year	<u>58</u>
At 31 December 2023/1 January 2024	122
Depreciation charge for the year	<u>59</u>
At 31 December 2024/1 January 2025	181
Depreciation charge for the period	<u>20</u>
At 30 April 2025	<u>201</u>
Carrying amount	
At 1 January 2022	<u>4,585</u>
At 31 December 2022/1 January 2023	<u>4,526</u>
At 31 December 2023/1 January 2024	<u>4,468</u>
At 31 December 2024/1 January 2025	<u>4,409</u>
At 30 April 2025	<u>4,389</u>

5.1 Security

Investment property with carrying amount of RM4,389,000 (31.12.2024: RM4,409,000; 31.12.2023: RM4,468,000; 31.12.2022: Nil) have been charged to secure banking facilities granted to the Group (Note 16).

5.2 Fair value information

The fair value of the investment property of the Group is as follows:

	30.4.2025 RM'000	31.12.2024 RM'000	31.12.2023 RM'000	31.12.2022 RM'000
Building	<u>7,127</u>	<u>6,813</u>	<u>6,845</u>	<u>4,560</u>



13. ACCOUNTANTS' REPORT (Cont'd)

26

5. Investment property (continued)**5.2 Fair value information (continued)**

There were no transfers between Level 1, Level 2 and Level 3 fair value measurements during the financial period/year ended 30 April 2025, 31 December 2024, 31 December 2023 and 31 December 2022.

The fair value of the investment property of the Group is categorised at Level 3. The property is valued by reference to transactions of similar properties surrounding with appropriate adjustments made for differences in the relevant characteristics of the properties.

Sales price of comparable land and buildings in close proximity are adjusted for differences in key attributes such as property sizes. The most significant unobservable input into this valuation approach is price per square foot. The estimated fair value would increase/(decrease) if the price per square foot is higher/(lower).

5.3 Material accounting policy information

Investment property is measured initially at cost, including transaction costs. Subsequent to initial recognition, investment property is carried at costs less any accumulated depreciation and any accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the investment property.

Investment property carried at cost are depreciated over the economic useful life of 78 years.

6. Investment in associates

	30.4.2025	31.12.2024	31.12.2023	31.12.2022
	RM'000	RM'000	RM'000	RM'000
Unquoted shares at cost	14,675	14,675	14,635	14,635
Share of post-acquisition accumulated loss	<u>(2,324)</u>	<u>(1,931)</u>	<u>(1,456)</u>	<u>(669)</u>
	<u>12,351</u>	<u>12,744</u>	<u>13,179</u>	<u>13,966</u>



13. ACCOUNTANTS' REPORT (Cont'd)

27

6. Investment in associates (continued)

Details of the associates are as follows:

Name of company	Principal place of business/ Country of incorporation	Nature of the relationship	Effective ownership interest and voting interest			
			30.4.2025	31.12.2024	31.12.2023	31.12.2022
			%	%	%	%
Perceptive Logistics Sdn. Bhd.	Malaysia	Provision of haulage, distribution and transportation services and is currently one of the service providers of the Group	30	30	30	30
MTT Kenyalang Maritime Sdn. Bhd. (f.k.a. MTT Likang Sdn. Bhd.)	Malaysia	Ship owning and operations	40	40	60	60
Lestari ZS Holdings Sdn. Bhd.	Malaysia	Dormant	39	39	39	-

6.1 Derecognition of subsidiary

On 20 February 2024, MTT Kenyalang Maritime Sdn. Bhd. has ceased to become a subsidiary of the Group upon the issuance of additional shares to other investor (see Note 27).

The following table summarises the information of the Group's material associates, adjusted for any differences in accounting policies and reconciles the information to the carrying amount of the Group's interest in the associates.

	Perceptive Logistics Sdn. Bhd. RM'000	Other immaterial associates RM'000	Total RM'000
2025			
Reconciliation of net assets to carrying amounts as at 30 April			
Group's share of net assets	11,717	36	11,753
Goodwill	598	-	598
Carrying amount in the statement of financial position	12,315	36	12,351
Group's share of profit or loss for the period ended 30 April			
Group's share of total comprehensive expense	(393)	-	(393)



13. ACCOUNTANTS' REPORT (Cont'd)

28

6. Investment in associates (continued)

	Perceptive Logistics Sdn. Bhd. RM'000	Other immaterial associates RM'000	Total RM'000
2025 (continued)			
Summarised financial information			
As at 30 April			
Non-current assets	42,164		
Current assets	18,917		
Non-current liabilities	(12,653)		
Current liabilities	(9,372)		
Net assets	<u>39,056</u>		
Period ended 30 April			
Total comprehensive expense	<u>(1,310)</u>		
Included in the total comprehensive income is:			
Revenue	<u>16,344</u>		
2024			
Reconciliation of net assets to carrying amounts as at 31 December			
Group's share of net assets	12,110	36	12,146
Goodwill	598	-	598
Carrying amount in the statement of financial position	<u>12,708</u>	<u>36</u>	<u>12,744</u>
Group's share of profit or loss for the year ended 31 December			
Group's share of total comprehensive expense	<u>(471)</u>	<u>(4)</u>	<u>(475)</u>
Summarised financial information			
As at 31 December			
Non-current assets	40,154		
Current assets	22,573		
Non-current liabilities	(13,389)		
Current liabilities	(8,972)		
Net assets	<u>40,366</u>		
Year ended 31 December			
Total comprehensive expense	<u>(1,570)</u>		
Included in the total comprehensive income is:			
Revenue	<u>54,821</u>		



13. ACCOUNTANTS' REPORT (Cont'd)

29

6. Investment in associates (continued)

	Perceptive Logistics Sdn. Bhd.
2023	
Reconciliation of net assets to carrying amounts as at 31 December	
Group's share of net assets	12,581
Goodwill	598
Carrying amount in the statement of financial position	<u>13,179</u>
Group's share of profit or loss for the year ended 31 December	
Group's share of total comprehensive expense	<u>(787)</u>
Summarised financial information	
As at 31 December	
Non-current assets	38,885
Current assets	23,236
Non-current liabilities	(12,905)
Current liabilities	(7,280)
Net assets	<u>41,936</u>
Year ended 31 December	
Total comprehensive expense	<u>(2,624)</u>
Included in the total comprehensive income is:	
Revenue	<u>48,630</u>
2022	
Reconciliation of net assets to carrying amounts as at 31 December	
Group's share of net assets	13,368
Goodwill	598
Carrying amount in the statement of financial position	<u>13,966</u>
Group's share of profit or loss for the year ended 31 December	
Group's share of total comprehensive expense	<u>(487)</u>
Summarised financial information	
As at 31 December	
Non-current assets	31,508
Current assets	25,442
Non-current liabilities	(5,087)
Current liabilities	(7,303)
Net assets	<u>44,560</u>
Year ended 31 December	
Total comprehensive expense	<u>(1,623)</u>
Included in the total comprehensive income is:	
Revenue	<u>41,152</u>



13. ACCOUNTANTS' REPORT (Cont'd)

30

6. Investment in associates (continued)**6.2 Unrecognised share of losses**

The Group has not recognised losses related to Lestari ZS Holdings Sdn. Bhd., totalling RM132,000 (31.12.2024: RM45,000; 31.12.2023: Nil; 31.12.2022: Nil), since the Group has no obligation in respect of these losses.

7. Investment in joint ventures

	30.4.2025	31.12.2024	31.12.2023	31.12.2022
	RM'000	RM'000	RM'000	RM'000
Unquoted shares at cost	13,295	13,295	14,555	14,555
Share of post-acquisition accumulated profit	<u>34,520</u>	<u>28,752</u>	<u>29,488</u>	<u>22,881</u>
	<u>47,815</u>	<u>42,047</u>	<u>44,043</u>	<u>37,436</u>

7.1 Disposal of unquoted shares

On 22 February 2024, the Group disposed part of its equity interest in Lestari Maritime Sdn. Bhd. for a consideration of RM8,278,000.

Details of the joint ventures are as follows:

Name of joint ventures	Principal place of business/ Country of incorporation	Nature of the relationship	Effective ownership interest and voting interest			
			30.4.2025	31.12.2024	31.12.2023	31.12.2022
			%	%	%	%
Lestari Maritime Sdn. Bhd.	Malaysia	Provision of dry bulk shipping and related services	39	39	51	51
Harbour 360 Sdn. Bhd.	Malaysia	Provision of harbour tug services	50	50	50	50



13. ACCOUNTANTS' REPORT (Cont'd)

31

7. Investment in joint ventures (continued)

The following table summarises the information of the Group's material joint ventures, adjusted for any differences in accounting policies and reconciles the information to the carrying amount of the Group's interest in the joint ventures.

	Lestari Maritime Sdn. Bhd. RM'000	Harbour 360 Sdn. Bhd. RM'000	Total RM'000
Summarised financial information			
As at 30 April 2025			
Non-current assets	76,957	15,399	92,356
Current assets	164,960	1,796	166,756
Cash and cash equivalents	77,211	1,220	78,431
Non-current liabilities	(23,003)	-	(23,003)
Current liabilities	(116,735)	(1,265)	(118,000)
Current financial liabilities (excluding trade and other payables)	(13,551)	-	(13,551)
Period ended 30 April 2025			
Total comprehensive income/(expense)	14,905	(90)	14,815
Included in the total comprehensive income/(expense) is:			
Revenue	195,273	855	196,128
Depreciation	(4,330)	(370)	(4,700)
Finance income	585	-	585
Finance cost	(557)	-	(557)
Tax expense	(5,025)	-	(5,025)
Reconciliation of net assets to carrying amounts as at 30 April 2025			
Group's share of net assets	39,850	7,965	47,815
Carrying amount in the statement of financial position	39,850	7,965	47,815
Group's share of profit or loss for the period ended 30 April 2025			
Group's share of total comprehensive income/(expense)	5,813	(45)	5,768



13. ACCOUNTANTS' REPORT (Cont'd)

32

7. Investment in joint ventures (continued)

	Lestari Maritime Sdn. Bhd. RM'000	Harbour 360 Sdn. Bhd. RM'000	Total RM'000
Summarised financial information			
As at 31 December 2024			
Non-current assets	81,486	15,770	97,256
Current assets	164,935	1,582	166,517
Cash and cash equivalents	70,806	1,293	72,099
Non-current liabilities	(25,870)	-	(25,870)
Current liabilities	(133,277)	(1,332)	(134,609)
Current financial liabilities (excluding trade and other payables)	<u>(32,226)</u>	<u>-</u>	<u>(32,226)</u>
Year ended 31 December 2024			
Total comprehensive income/(expense)	<u>17,400</u>	<u>(794)</u>	<u>16,606</u>
Included in the total comprehensive income/(expense) is:			
Revenue	692,915	1,851	694,766
Depreciation	(13,625)	(1,110)	(14,735)
Finance income	1,674	-	1,674
Finance cost	(2,043)	(2)	(1,045)
Tax (expense)/credit	<u>(2,457)</u>	<u>250</u>	<u>(2,207)</u>
Reconciliation of net assets to carrying amounts as at 31 December 2024			
Group's share of net assets	<u>34,037</u>	<u>8,010</u>	<u>42,047</u>
Carrying amount in the statement of financial position	<u>34,037</u>	<u>8,010</u>	<u>42,047</u>
Group's share of profit or loss for the year ended 31 December 2024			
Group's share of total comprehensive income/(expense)	<u>7,008</u>	<u>(397)</u>	<u>6,611</u>



13. ACCOUNTANTS' REPORT (Cont'd)

33

7. Investment in joint ventures (continued)

	Lestari Maritime Sdn. Bhd. RM'000	Harbour 360 Sdn. Bhd. RM'000	Total RM'000
Summarised financial information			
As at 31 December 2023			
Non-current assets	60,774	16,630	77,404
Current assets	194,167	1,376	195,543
Cash and cash equivalents	70,806	1,057	71,863
Non-current liabilities	(34,586)	-	(34,586)
Current liabilities	(150,481)	(1,192)	(151,673)
Current financial liabilities (excluding trade and other payables)	(46,124)	-	(46,124)
Year ended 31 December 2023			
Total comprehensive income/(expense)	18,966	(1,358)	17,608
Included in the total comprehensive income/(expense) is:			
Revenue	549,539	561	550,100
Depreciation	(13,441)	(740)	(14,181)
Finance income	2,026	-	2,026
Finance cost	(2,522)	(1)	(2,523)
Tax expense/(credit)	(5,206)	178	(5,028)
Reconciliation of net assets to carrying amounts as at 31 December 2023			
Group's share of net assets	35,636	8,407	44,043
Carrying amount in the statement of financial position	35,636	8,407	44,043
Group's share of profit or loss for the year ended 31 December 2023			
Group's share of total comprehensive income/(expense)	9,673	(679)	8,994
Share of profit forgone by the Group to joint venture partner	(2,387)	-	(2,387)
	7,286	(679)	6,607



13. ACCOUNTANTS' REPORT (Cont'd)

34

7. Investment in joint ventures (continued)

	Lestari Maritime Sdn. Bhd. RM'000	Harbour 360 Sdn. Bhd. RM'000	Total RM'000
Summarised financial information			
As at 31 December 2022			
Non-current assets	74,192	15,974	90,166
Current assets	136,621	2,201	138,822
Cash and cash equivalents	68,800	2,201	71,001
Non-current liabilities	(43,437)	-	(43,437)
Current liabilities	(111,788)	(4)	(111,792)
Current financial liabilities (excluding trade and other payables)	(19,601)	-	(19,601)
Year ended 31 December 2022			
Total comprehensive income/(expense)	40,166	(56)	40,110
Included in the total comprehensive income is:			
Revenue	427,063	-	427,063
Depreciation	(12,080)	-	(12,080)
Finance income	190	-	190
Finance cost	(1,809)	-	(1,809)
Tax expense	(2,084)	-	(2,084)
Reconciliation of net assets to carrying amounts as at 31 December 2022			
Group's share of net assets	28,350	9,086	37,436
Carrying amount in the statement of financial position	28,350	9,086	37,436
Group's share of profit or loss for the year ended 31 December 2022			
Group's share of total comprehensive income/(expense)	20,485	(28)	20,457



13. ACCOUNTANTS' REPORT (Cont'd)

35

8. Other investments

	Note	30.4.2025 RM'000	31.12.2024 RM'000	31.12.2023 RM'000	31.12.2022 RM'000
Transferable club membership - at cost	8.1	105	105	105	105
Redeemable secured loan stocks ("RSLs") at amortised cost	8.2	<u>6,327</u>	<u>6,327</u>	<u>6,327</u>	<u>6,327</u>
		<u>6,432</u>	<u>6,432</u>	<u>6,432</u>	<u>6,432</u>

8.1 The club membership is held in trust by a shareholder of the Group.

8.2 Held by MTTS Holdings Sdn. Bhd., a wholly-owned subsidiary of MTT Shipping Sdn. Bhd. through a subscription agreement for up to 2,000,000 RSLs at a subscription price of USD1.00 each.

The RSLs has the following terms, rights, benefits and privileges:

- The RSLs has a perpetual tenure with no fixed redemption date;
- Dividend will be issued at fixed rate of 6% per annum throughout the entire tenure, calculated based on the nominal value of the RSLs, payable on each coupon payment date specified in the subscription agreement;
- The RSLs is not tradable or transferable;
- The RSLs will not be listed and rated;
- Subscribers are entitled to issue a notice to the issuer to terminate the subscription agreement if the issuer commits any continuing or material breach of any of its obligations under the subscription agreement;
- Upon occurrence of any or more of the special redemption events set out in the subscription agreement, the subscriber shall have the right to immediately request or demand to redeem the RSLs in full, by giving a notice of redemption in writing to the issuer.



13. ACCOUNTANTS' REPORT (Cont'd)

36

9. Deferred tax assets/(liabilities)

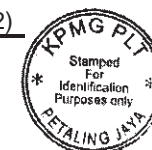
Recognised deferred tax assets/(liabilities)

Deferred tax assets and liabilities are attributable to the following:

	Assets				Liabilities				Net			
	30.4.2025	31.12.2024	31.12.2023	31.12.2022	30.4.2025	31.12.2024	31.12.2023	31.12.2022	30.4.2025	31.12.2024	31.12.2023	31.12.2022
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Property, plant and equipment	894	1,334	678	282	(10,196)	(10,377)	(10,286)	(10,432)	(9,302)	(9,043)	(9,608)	(10,150)
Other items	393	404	1,242	419	(693)	(1,209)	-	(285)	(300)	(805)	1,242	134
Tax assets/(liabilities)	1,287	1,738	1,920	701	(10,889)	(11,586)	(10,286)	(10,717)	(9,602)	(9,848)	(8,366)	(10,016)
Set off of tax	(293)	(299)	(957)	(188)	293	299	957	188	-	-	-	-
Net tax assets/(liabilities)	994	1,439	963	513	(10,596)	(11,287)	(9,329)	(10,529)	(9,602)	(9,848)	(8,366)	(10,016)

Movement of temporary differences during the year

	At 1.1.2022	Recognised in profit or loss (Note 21)	At 31.12.2022/1.1.2023	Recognised in profit or loss (Note 21)	At 31.12.2023/1.1.2024	Recognised in profit or loss (Note 21)	At 31.12.2024/1.1.2025	Recognised in profit or loss (Note 21)	At 30.4.2025
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Property, plant and equipment	(5,318)	(4,832)	(10,150)	542	(9,608)	565	(9,043)	(259)	(9,302)
Other items	464	(330)	134	1,108	1,242	(2,047)	(805)	505	(300)
	(4,854)	(5,162)	(10,016)	1,650	(8,366)	(1,482)	(9,848)	246	(9,602)



13. ACCOUNTANTS' REPORT (Cont'd)

37

9. Deferred tax assets/(liabilities) (continued)**Unrecognised deferred tax assets**

Deferred tax assets have not been recognised in respect of the following items (stated at gross):

	30.4.2025	31.12.2024	31.12.2023	31.12.2022
	RM'000	RM'000	RM'000	RM'000
Unabsorbed tax losses under Section 54A	3,954	3,954	3,954	3,954
Unabsorbed tax losses	680	680	37	-
Other deductible temporary differences	33	33	-	-
	<u>4,667</u>	<u>4,667</u>	<u>3,991</u>	<u>3,954</u>
Tax losses for which no deferred tax asset was recognised expire as follows:				
Expiring in 2033	37	37	37	-
Expiring in 2034	<u>643</u>	<u>643</u>	<u>-</u>	<u>-</u>

The Group has deferred tax benefit of approximately RM949,000 (31.12.2024: RM949,000; 31.12.2023: RM949,000; 31.12.2022: RM949,000) arising from the unabsorbed tax losses which arose from its shipping business under Section 54A of the Income Tax Act, 1967. The effect of this has not been included in the combined financial statements as there is no assurance beyond any reasonable doubt that future taxable shipping income will be generated to allow the benefit to be realised.

10. Inventories

	30.4.2025	31.12.2024	31.12.2023	31.12.2022
	RM'000	RM'000	RM'000	RM'000
At cost:				
Consumables				
- Bunker fuel and diesel	15,440	20,100	15,352	14,302
- Lubricant oil and other bonded stores	5,577	6,354	3,270	3,744
- Tyres	107	90	31	22
- Flexitanks	620	702	-	-
	<u>21,744</u>	<u>27,246</u>	<u>18,653</u>	<u>18,068</u>
Recognised in profit or loss:				
Inventories recognised as direct costs	<u>53,312</u>	<u>184,848</u>	<u>170,103</u>	<u>160,655</u>

10.1 Material accounting policy information

The cost of inventories is measured using the first-in, first-out method.



13. ACCOUNTANTS' REPORT (Cont'd)

38

11. Trade and other receivables

	Note	30.4.2025 RM'000	31.12.2024 RM'000	31.12.2023 RM'000	31.12.2022 RM'000
Trade					
Amounts due from					
- related companies	11.1	12,417	11,825	11,768	19,043
- associates	11.1	37	53	12	32
Trade receivables from contracts with customers		<u>141,079</u>	<u>176,183</u>	<u>126,817</u>	<u>115,784</u>
		153,533	188,061	138,597	134,859
Less: Impairment loss					
- trade receivables		<u>(859)</u>	<u>(52)</u>	<u>(303)</u>	<u>(305)</u>
		<u>152,674</u>	<u>188,009</u>	<u>138,294</u>	<u>134,554</u>
Non-trade					
Amounts due from					
- associate	11.2	71,920	34,367	-	-
- joint ventures	11.2	22,430	22,441	27,096	26,596
Other receivables		6,434	3,492	10,308	13,959
Deposits		1,386	1,674	1,538	2,153
Prepayments	11.3	<u>27,163</u>	<u>17,007</u>	<u>15,737</u>	<u>15,767</u>
		129,333	78,981	54,679	58,475
Less: Impairment loss		<u>-</u>	<u>-</u>	<u>(2,484)</u>	<u>(2,484)</u>
		<u>129,333</u>	<u>78,981</u>	<u>52,195</u>	<u>55,991</u>
		<u>282,007</u>	<u>266,990</u>	<u>190,489</u>	<u>190,545</u>

11.1 Trade amounts due from related companies and associates are repayable within the credit term of 30 to 60 days (31.12.2024: 30 to 60 days; 31.12.2023: 60 to 90 days; 31.12.2022: 30 to 60 days).

11.2 Non-trade amounts due from an associate and joint ventures are unsecured, interest free and repayable on demand.

11.3 Included in the prepayments are advance payments paid to suppliers for the acquisition of leasehold land and containers.



13. ACCOUNTANTS' REPORT (Cont'd)

39

12. Contract with customers

	Note	30.4.2025 RM'000	31.12.2024 RM'000	31.12.2023 RM'000	31.12.2022 RM'000
Contract assets	12.1	<u>8,701</u>	<u>7,532</u>	<u>14,439</u>	<u>6,111</u>
Contract liabilities	12.2	<u>13,598</u>	<u>17,063</u>	<u>8,995</u>	<u>17,026</u>

12.1 Contract assets primarily relate to the Group's rights to consideration for work completed over-time but not yet billed at the reporting date. Typically, the amount will be billed within 30 days and payment is expected within normal credit terms.

12.2 Contract liabilities primarily relate to the obligation to transfer goods or services to customers for which the Group has received the considerations. The contract liabilities are expected to be recognised as revenue within 1 year.

13. Cash and cash equivalents

	30.4.2025 RM'000	31.12.2024 RM'000	31.12.2023 RM'000	31.12.2022 RM'000
Deposits with licensed banks	19,873	34,430	45,784	35,232
Cash and bank balances	<u>215,537</u>	<u>269,166</u>	<u>343,030</u>	<u>264,255</u>
	<u>235,410</u>	<u>303,596</u>	<u>388,814</u>	<u>299,487</u>

At 30 April 2025, deposits placed with licensed banks included RM4,000,000 (31.12.2024: RM4,000,000; 31.12.2023: RM4,000,000; 31.12.2022: RM4,000,000) which was pledged for revolving credit granted to the Group (Note 16).

14. Assets classified as held for sale

The vessel and freehold land owned by the Group were presented as assets held for sale following the plans to sell the vessel and freehold land as disclosed in Note 3.

	Note	30.4.2025 RM'000	31.12.2024 RM'000	31.12.2023 RM'000	31.12.2022 RM'000
Plant and equipment					
Cost	3	-	-	31,842	22,413
Accumulated depreciation	3	<u>-</u>	<u>-</u>	<u>(7,379)</u>	<u>(6,467)</u>
Carrying value		<u>-</u>	<u>-</u>	<u>24,463</u>	<u>15,946</u>

The carrying value of the vessel and freehold land were the same as the carrying value before the assets were reclassified as held for sale.

13. ACCOUNTANTS' REPORT (Cont'd)

40

15. Hedging reserve

The hedging reserve comprises the effective portion of the cumulative net change in the fair value of cash flow hedges related to hedged transactions that have not yet occurred.

During the financial year ended 31 December 2022, the Group adopted cash flow hedge accounting whereby only the foreign currency risk of the forecast transactions has been designated as the hedge item. During the financial year ended 31 December 2023, the cash flow hedge accounting has been discontinued and hence, the amount accumulated in the hedging reserve of RM11,167,000 was immediately reclassified to profit or loss.

15.1 Material accounting policy information

Hedge accounting

At inception of a designated hedging relationship, the Group documents the risk management objective and strategy for undertaking the hedge. The Group also documents the economic relationship between the hedged item and the hedging instrument, including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other.

Cash flow hedge

A cash flow hedge is a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with all, or a component of, a recognised asset or liability or a highly probable forecast transaction and which could affect the profit or loss. In a cash flow hedge, the portion of the gain or loss on the hedging instrument that is determined to be an effective hedge is recognised in other comprehensive income and accumulated in equity and the ineffective portion is recognised in profit or loss. The effective portion of changes in the fair value of the derivative that is recognised in other comprehensive income is limited to the cumulative change in fair value of the hedged item, determined on a present value basis, from inception of the hedge.

Subsequently, the cumulative gain or loss recognised in other comprehensive income is reclassified from equity into profit or loss in the same period or periods during which the hedged forecast cash flows affect profit or loss. If the hedge item is a non-financial asset or liability, the associated gain or loss recognised in other comprehensive income is removed from equity and included in the initial amount of the asset or liability. However, loss recognised in other comprehensive income that will not be recovered in one or more future periods is reclassified from equity into profit or loss immediately.

The Group designates only the change in fair value of the spot element of forward contracts as the hedging instrument in cash flow hedging relationships. The change in fair value of the forward element of forward exchange contracts ("forward points") and/or the foreign currency basis spread are separately accounted for as cost of hedging and recognised in a cost of hedging reserve within equity.



13. ACCOUNTANTS' REPORT (Cont'd)

41

15. Hedging reserve (continued)

15.1 Material accounting policy information (continued)

Cash flow hedge (continued)

Cash flow hedge accounting is discontinued prospectively when the hedging instrument expires or is sold, terminated or exercised, the hedge is no longer highly effective, the forecast transaction is no longer expected to occur or the hedge designation is revoked. If the hedge is for a forecast transaction, the cumulative gain or loss on the hedging instrument remains in equity until the forecast transaction occurs. When hedge accounting for cash flow hedges is discontinued, the amount that has been accumulated in the hedging reserve and the cost of hedging reserve remains in equity until, for a hedge of a transaction resulting in recognition of a non-financial item, it is included in the non-financial item's cost on its initial recognition or, for other cash flow hedges, it is reclassified to profit or loss in the same period or periods as the hedged expected future cash flows affect profit or loss.

If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in the hedging reserve and the cost of hedging reserve are immediately reclassified to profit or loss.

16. Loans and borrowings

	Note	30.4.2025 RM'000	31.12.2024 RM'000	31.12.2023 RM'000	31.12.2022 RM'000
Non-current					
Term loans	16.1	232,687	244,350	206,155	370,164
Sukuk Wakalah	16.2	355,663	355,663	355,663	-
Other facilities	16.3	76,470	80,651	-	-
Hire purchase payables	16.5	2,806	2,525	4,298	2,822
		<u>667,626</u>	<u>683,189</u>	<u>566,116</u>	<u>372,986</u>
Current					
Term loans	16.1	35,105	34,800	34,670	65,426
Sukuk Wakalah	16.2	-	-	59,827	-
Other facilities	16.3	5,239	5,370	-	-
Hire purchase payables	16.5	1,832	1,773	1,919	1,627
Bankers' acceptance	16.4	18,943	30,662	-	37,275
Revolving credit	16.4	40,000	55,000	-	55,000
		<u>101,119</u>	<u>127,605</u>	<u>96,416</u>	<u>159,328</u>
		<u>768,745</u>	<u>810,794</u>	<u>662,532</u>	<u>532,314</u>



13. ACCOUNTANTS' REPORT (Cont'd)

42

16. Loans and borrowings (continued)**16.1 Term loans****Security**

The term loans are secured by the following:

- (a) Pledge of land, containers, vessels and building of the Group as disclosed in Note 3 and 4;
- (b) Floating charge over the assets of certain subsidiaries of MTT Shipping Sdn. Bhd.;
- (c) Corporate guarantee by MTT Shipping Sdn. Bhd.; and
- (d) Personal guarantees from certain Directors of the Group.

16.2 Sukuk Wakalah**Security**

The Sukuk Wakalah is secured by the first ranking assignment and charge over deposits in the finance service reserve accounts.

16.3 Other facilities

During the financial year ended 31 December 2024, the Group entered into a financing arrangement with its supplier for the purchase of a vessel with a net carrying amount of RM127,663,000.

16.4 Bankers' acceptance and revolving credit**Security**

The bankers' acceptance and revolving credit are secured by the following:

- (a) Pledge of containers, leasehold property and investment property of the Group as disclosed in Note 3, 4 and 5;
- (b) Personal guarantees from certain Directors of the Group; and
- (c) Lien on fixed deposits of MTT Shipping Sdn. Bhd. as disclosed in Note 13.



13. ACCOUNTANTS' REPORT (Cont'd)

43

16. Loans and borrowings (continued)

16.5 Hire purchase payables

Hire purchase liabilities are payable as follows:

	30.4.2025			31.12.2024			31.12.2023			31.12.2022		
	Future minimum lease payments RM'000	Interest RM'000	Present value of minimum lease payments RM'000	Future minimum lease payments RM'000	Interest RM'000	Present value of minimum lease payments RM'000	Future minimum lease payments RM'000	Interest RM'000	Present value of minimum lease payments RM'000	Future minimum lease payments RM'000	Interest RM'000	Present value of minimum lease payments RM'000
Less than one year	2,026	194	1,832	1,959	186	1,773	2,205	286	1,919	1,829	202	1,627
Between one and five years	2,963	157	2,806	2,658	133	2,525	4,617	319	4,298	3,054	232	2,822
	<u>4,989</u>	<u>351</u>	<u>4,638</u>	<u>4,617</u>	<u>319</u>	<u>4,298</u>	<u>6,822</u>	<u>605</u>	<u>6,217</u>	<u>4,883</u>	<u>434</u>	<u>4,449</u>



13. ACCOUNTANTS' REPORT (Cont'd)

44

17. Trade and other payables

	Note	30.4.2025 RM'000	31.12.2024 RM'000	31.12.2023 RM'000	31.12.2022 RM'000
Trade					
Amounts due to:					
- corporate shareholder	17.1	121	43	28	29
- related companies	17.1	1,492	1,854	1,580	18,358
- associates	17.1	72	148	102	100
Trade payables		48,416	52,045	46,865	37,286
		50,101	54,090	48,575	55,773
Non-trade					
Amounts due to:					
- corporate shareholder	17.2	261	261	-	-
- related companies	17.2	-	-	19	-
Other payables		1,121	614	2,060	1,288
Deposits received	17.3	159	73	9,360	43,099
SST payables		1,312	1,247	-	-
Dividend payable		-	-	-	40,000
Accruals		41,838	73,988	53,947	37,333
		44,691	76,183	65,386	121,720
		94,792	130,273	113,961	177,493

17.1 Trade amounts due to a corporate shareholder of MTT Shipping Sdn. Bhd., related companies, and associates are repayable within the credit term of 30 to 60 days (31.12.2024: 30 to 60 days; 31.12.2023: 30 to 60 days; 31.12.2022: 30 to 60 days).

17.2 Non-trade amounts due to a corporate shareholder and related companies are unsecured, interest free and repayable on demand.

17.3 Included in deposits received are deposits amounting to Nil (31.12.2024: Nil; 31.12.2023: RM9,278,000; 31.12.2022: RM43,031,000) for the disposal of vessel and land as disclosed in Note 14.



13. ACCOUNTANTS' REPORT (Cont'd)

45

18. Revenue

	1.1.2025 - 30.4.2025 Audited RM'000	1.1.2024 - 30.4.2024 Unaudited RM'000	1.1.2024 - 31.12.2024 Audited RM'000	1.1.2023 - 31.12.2023 Audited RM'000	1.1.2022 - 31.12.2022 Audited RM'000
Revenue from contract with customers	<u>400,851</u>	<u>340,445</u>	<u>1,198,591</u>	<u>1,117,335</u>	<u>1,409,301</u>

18.1 Disaggregation of revenue

	Note	1.1.2024 - 30.4.2025 Audited RM'000	1.1.2024 - 30.4.2024 Unaudited RM'000	1.1.2024 - 31.12.2024 Audited RM'000	1.1.2023 - 31.12.2023 Audited RM'000	1.1.2022 - 31.12.2022 Audited RM'000
Major service lines						
Freight income						
- domestic	a	200,264	172,325	594,828	569,903	620,695
Freight income						
- regional	b	82,444	65,735	232,687	214,699	242,001
Dry bulk shipping income		21,995	26,177	99,384	50,534	157,738
Charter hire income		80,972	62,439	227,539	243,596	351,222
Other shipping related income		3,057	2,657	8,257	6,434	9,919
Depot related income		<u>12,119</u>	<u>11,112</u>	<u>35,896</u>	<u>32,169</u>	<u>27,726</u>
		<u>400,851</u>	<u>340,445</u>	<u>1,198,591</u>	<u>1,117,335</u>	<u>1,409,301</u>
Timing and recognition						
At a point in time		13,225	11,918	38,114	33,978	36,840
Over-time		<u>387,626</u>	<u>328,527</u>	<u>1,160,477</u>	<u>1,083,357</u>	<u>1,372,461</u>
		<u>400,851</u>	<u>340,445</u>	<u>1,198,591</u>	<u>1,117,335</u>	<u>1,409,301</u>

Note a

Revenue from domestic services comprise freight income from container services from ports within Malaysia.

Note b

Revenue from regional services comprise freight income from container services both to and from regional ports such as Singapore, Brunei, Thailand, Indonesia, China and India.



18. Revenue (continued)

18.2 Nature of services

Freight income, charter hire income and other shipping related income

Freight income are recognised over-time in proportion to the stage of completion of the voyages at the end of the reporting period, which is determined on time proportion method. Payment terms for revenue from customers are generally 45 to 75 days (30.4.2024: 45 to 75 days; 31.12.2024: 45 to 75 days; 31.12.2023: 45 to 75 days; 31.12.2022: 45 to 75 days) from invoice date.

Charter hire income are recognised on a straight-line basis over the lease term.

Other shipping related income other than freight income and charter hire income are recognised at a point in time when the services are rendered to the customers. Payment terms for revenue from customers are generally 45 to 75 days (30.4.2024 : 45 to 75 days; 31.12.2024: 45 to 75 days; 31.12.2023: 45 to 75 days; 31.12.2022: 45 to 75 days) from invoice date.

There are no variable elements in the consideration being provided by the Group.

Depot related income

Revenue from storage is recognised over the period of the contract by reference to the progress towards the satisfaction of the performance obligation. Payment terms for revenue from customers is 7 to 60 days (30.4.2024: 7 to 60 days; 31.12.2024: 7 to 60 days; 31.12.2023: 7 to 60 days; 31.12.2022: 7 to 60 days) from invoice date.

Revenue from depot related income other than storage are recognised at a point in time when the services are rendered to the customers. Payment terms for revenue from customers is 7 to 30 days (30.4.2024: 7 to 30 days; 31.12.2024: 7 to 30 days; 31.12.2023: 7 to 30 days; 31.12.2022: 7 to 30 days) from invoice date.

There are no variable elements in the consideration being provided by the Group.

The Group applies the following practical expedients:

- exemption on disclosure of information on remaining performance obligations that have original expected durations of one year or less.
- exemption not to adjust the promised amount of consideration for the effects of a significant financing component when the period between the transfer of a promised good or service to a customer and when the customer pays for that good or service is one year or less.

13. ACCOUNTANTS' REPORT (Cont'd)

47

19. Finance costs

	1.1.2025 - 30.4.2025 Audited RM'000	1.1.2024 - 30.4.2024 Unaudited RM'000	1.1.2024 - 31.12.2024 Audited RM'000	1.1.2023 - 31.12.2023 Audited RM'000	1.1.2022 - 31.12.2022 Audited RM'000
Recognised in profit or loss:					
Interest expense on borrowings	12,476	10,519	36,028	28,841	23,380
Interest expense on lease liabilities	281	342	945	1,267	938
Other finance costs	106	66	164	219	195
	<u>12,863</u>	<u>10,927</u>	<u>37,137</u>	<u>30,327</u>	<u>24,513</u>
Capitalised into qualifying assets:					
- Property, plant and equipment	-	-	-	1,285	628
- Right-of-use assets	<u>673</u>	<u>697</u>	<u>2,106</u>	<u>-</u>	<u>-</u>

20. Profit before tax

	Note	1.1.2025 - 30.4.2025 Audited RM'000	1.1.2024 - 30.4.2024 Unaudited RM'000	1.1.2024 - 31.12.2024 Audited RM'000	1.1.2023 - 31.12.2023 Audited RM'000	1.1.2022 - 31.12.2022 Audited RM'000
Profit before tax is arrived at after charging/ (crediting):						
Material expenses/ (income)						
Depreciation of property, plant and equipment	3	37,947	24,278	89,050	78,748	71,710
Depreciation of right-of-use assets	4	1,383	1,341	4,051	3,395	3,571
Depreciation of investment property	5	20	20	59	58	59
Net impairment/ (reversal on impairment) of financial assets		807	-	(248)	(2)	127
Bad debts written off		-	-	-	1	6
Dividend income:						
- from redeemable secured loan						
stocks		(130)	-	(412)	(430)	(408)
- others		(12)	-	(99)	-	-
Loss on disposal of investment in joint venture		-	329	329	-	-



13. ACCOUNTANTS' REPORT (Cont'd)

48

20. Profit before tax (continued)

	Note	1.1.2025 - 30.4.2025 Audited RM'000	1.1.2024 - 30.4.2024 Unaudited RM'000	1.1.2024 - 31.12.2024 Audited RM'000	1.1.2023 - 31.12.2023 Audited RM'000	1.1.2022 - 31.12.2022 Audited RM'000
Profit before tax is arrived at after charging/ (crediting) (continued):						
Material expenses/ (income) (continued)						
Impairment loss on property, plant and equipment	3	-	-	-	9,275	-
Personnel expenses (including key management personnel):						
- Salaries, wages and others		12,355	12,926	49,569	46,271	46,145
- Defined contribution plans		1,809	1,898	7,256	6,849	6,767
- Social security costs		155	133	416	372	323
- Other staff related expenses		512	534	1,735	1,751	1,160
(Gain)/Loss on disposal of property, plant and equipment		(278)	197	(12,982)	(3,620)	(4,223)
Gain on disposal of asset classified as held for sale		-	(3,696)	(3,696)	(26,165)	-
Gain on lease modification		-	-	-	-	(17)
Loss/(Gain) on foreign exchange, net						
- realised		5,841	(2,301)	8,064	6,973	1,339
- unrealised		(1,904)	4,644	(5,992)	7,631	1,005
Rental income		<u>(655)</u>	<u>(323)</u>	<u>(1,347)</u>	<u>(874)</u>	<u>(769)</u>
Expenses arising from leases						
Expenses relating to short-term leases	a	6,562	15,188	42,075	26,191	12,246
Expenses relating to leases of low-value assets	a	<u>3,558</u>	<u>4,647</u>	<u>13,065</u>	<u>14,146</u>	<u>14,827</u>

Note a

The Group leases office buildings, containers, vessels, and equipment with contract terms of 1 to 3 years. The Group has elected not to recognise right-of-use assets and lease liabilities for the leases as these leases are either short-term in nature or in respect of low-value items.



13. ACCOUNTANTS' REPORT (Cont'd)

49

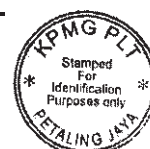
21. Tax expense

Recognised in profit or loss

	1.1.2025 - 30.4.2025 Audited RM'000	1.1.2024 - 30.4.2024 Unaudited RM'000	1.1.2024 - 31.12.2024 Audited RM'000	1.1.2023 - 31.12.2023 Audited RM'000	1.1.2022 - 31.12.2022 Audited RM'000
Current tax expense					
- Current year	2,531	1,050	6,764	7,411	1,563
- Prior year	-	-	(1,641)	1	(62)
Total current tax recognised in profit or loss	2,531	1,050	5,123	7,412	1,501
Deferred tax expense					
Origination and reversal of temporary differences	(246)	-	1,308	(1,798)	4,794
Under provision in prior year	-	-	174	148	368
Total deferred tax recognised in profit or loss	(246)	-	1,482	(1,650)	5,162
Total income tax expense	2,285	1,050	6,605	5,762	6,663

Reconciliation of tax expense

	1.1.2025 - 30.4.2025 Audited RM'000	1.1.2024 - 30.4.2024 Unaudited RM'000	1.1.2024 - 31.12.2024 Audited RM'000	1.1.2023 - 31.12.2023 Audited RM'000	1.1.2022 - 31.12.2022 Audited RM'000
Profit before tax	95,157	66,136	260,225	314,394	559,872
Income tax using Malaysian tax rate of 24%	22,838	15,873	62,454	75,455	134,369
Effect of tax rate in foreign jurisdiction	(68)	(83)	(389)	65	(252)
Non-deductible expenses	7,070	5,028	17,006	16,944	9,948
Income not subject to tax	(27,555)	(19,768)	(71,161)	(86,860)	(137,708)
(Over)/Under provision in prior year	-	-	(1,467)	149	306
Deferred tax assets not recognised	-	-	162	9	-
	2,285	1,050	6,605	5,762	6,663



13. ACCOUNTANTS' REPORT (Cont'd)

50

21. Tax expense (continued)

Taxation is calculated at the Malaysian statutory tax rate of 24% (2024 - 2022: 24%) of the estimated chargeable profit for the year. There is no taxation charge for operation of Malaysian registered sea-going vessels which is exempted from taxation pursuant to Section 54A of the Income Tax Act, 1967.

22. Earnings per ordinary share**Basic earnings per ordinary share**

The calculation of basic earnings per ordinary share for the period/year ended 30 April 2025, 30 April 2024, 31 December 2024, 31 December 2023 and 31 December 2022 was based on the profit attributable to ordinary shareholders and a weighted average number of ordinary shares outstanding, calculated as follows:

	1.1.2025 - 30.4.2025 Audited	1.1.2024 - 30.4.2024 Unaudited	1.1.2024 - 31.12.2024 Audited	1.1.2023 - 31.12.2023 Audited	1.1.2022 - 31.12.2022 Audited
Profit for the period/year attributable to owners of the Group (RM'000)	<u>91,998</u>	<u>64,323</u>	<u>250,381</u>	<u>307,843</u>	<u>551,063</u>
Weighted average number of ordinary shares ('000)	<u>12,589</u>	<u>12,589</u>	<u>12,589</u>	<u>12,589</u>	<u>12,589</u>
Basic earnings per ordinary share (RM)	<u>7.31</u>	<u>5.11</u>	<u>19.89</u>	<u>24.45</u>	<u>43.77</u>



13. ACCOUNTANTS' REPORT (Cont'd)

51

23. Dividends to the owners of the Group

Dividends recognised by the Group are:

	RM per share	Total amount RM'000	Date of payment
31.12.2024			
<i>In respect of MTT Shipping Sdn. Bhd.</i>			
Interim 2024 ordinary (single tier dividend)	0.60	6,000	22 October 2024
Interim 2024 ordinary (single tier dividend)	1.40	14,000	20 December 2024
<i>In respect of ICS Depot Services Sdn. Bhd.</i>			
Interim 2024 ordinary (single tier dividend)	0.55	1,427	30 April 2024
Interim 2024 ordinary (single tier dividend)	0.28	713	20 September 2024
Interim 2024 ordinary (single tier dividend)	1.10	2,854	16 December 2024
		<u>24,994</u>	
31.12.2023			
<i>In respect of MTT Shipping Sdn. Bhd.</i>			
Interim 2023 ordinary (single tier dividend)	4.00	40,000	26 September 2023
<i>In respect of ICS Depot Services Sdn. Bhd.</i>			
Interim 2023 ordinary (single tier dividend)	0.28	714	3 April 2023
		<u>40,714</u>	
31.12.2022			
<i>In respect of MTT Shipping Sdn. Bhd.</i>			
Interim 2022 ordinary (single tier dividend)	3.30	33,000	28 September 2022
Interim 2022 ordinary (single tier dividend)	4.00	40,000	3 January 2023
		<u>73,000</u>	



13. ACCOUNTANTS' REPORT (Cont'd)

52

24. Capital commitments

	30.4.2025	31.12.2024	31.12.2023	31.12.2022
	RM'000	RM'000	RM'000	RM'000
Property, plant and equipment				
Contracted but not provided for in the combined financial statements	<u>198,953</u>	<u>234,448</u>	<u>385,591</u>	<u>536,059</u>

25. Operating segments

The Group has two reportable segments, as described below:

- Shipping activities, which refer to activities of transporting cargo by container vessel within Malaysia and regionally to ports in Singapore, Thailand, Brunei, Indonesia, Myanmar and India, as well as charter of container vessels to third party shipping companies.
- Depot activities, which refer to handling and storage of empty containers within our container depot yard.

For each of the business segment, the Group's Managing Director, being the Chief Operating Decision Maker ("CODM"), reviews the internal management reports on a monthly basis.

Performance is measured based on segment profit before tax as the management believes that such information is the most relevant in evaluating the results of the operation.

Segment assets

The total segment assets is measured based on all assets of a segment, as included in the internal management reports that are reviewed by the Group's Managing Director. Segment total assets is used to measure the return on assets of each segment.

Segment liabilities

Segment liabilities information is neither included in the internal management reports nor provided regularly to the Group's Managing Director. Hence, no disclosure is made on segment liabilities.

Geographical information

The revenue and non-current assets of the Group are primarily based in Malaysia. Hence, no geographical information is provided.



13. ACCOUNTANTS' REPORT (Cont'd)

53

25. Operating segments (continued)

	Shipping RM'000	Depot RM'000	Elimination RM'000	Total RM'000
30.4.2025 (Audited)				
Segment profit	93,288	1,869	-	95,157
<i>Included in the measure of segment profit/(loss) are:</i>				
Revenue	388,731	15,597	(3,477)	400,851
Share of loss of associates	(393)	-	-	(393)
Share of profit of joint ventures	5,768	-	-	5,768
Segment assets	2,298,511	250,723	(9,760)	2,539,474
<i>Included in the measure of segment assets are:</i>				
Investments in associates	12,351	-	-	12,351
Investments in joint ventures	47,815	-	-	47,815
Additions to non-current assets other than financial instruments and deferred tax assets	88,198	10,611	-	98,809
30.4.2024 (Unaudited)				
Segment profit	65,102	1,034	-	66,136
<i>Included in the measure of segment profit/(loss) are:</i>				
Revenue	329,333	13,988	(2,876)	340,445
Share of profit of joint ventures	946	-	-	946
<i>Included in the measure of segment assets are:</i>				
Investments in associates	13,179	-	-	13,179
Investments in joint ventures	36,381	-	-	36,381
Additions to non-current assets other than financial instruments and deferred tax assets	157,373	15,212	-	172,585
31.12.2024 (Audited)				
Segment profit	255,513	4,712	-	260,225
<i>Included in the measure of segment profit are:</i>				
Revenue	1,162,696	45,841	(9,946)	1,198,591
Share of loss of associates	(475)	-	-	(475)
Share of profit of joint ventures	6,611	-	-	6,611



13. ACCOUNTANTS' REPORT (Cont'd)

54

25. Operating segments (continued)

	Shipping RM'000	Depot RM'000	Elimination RM'000	Total RM'000
31.12.2024 (Audited) (continued)				
Segment assets	<u>2,307,082</u>	<u>234,188</u>	<u>(8,780)</u>	<u>2,532,490</u>
<i>Included in the measure of segment assets are:</i>				
Investments in associates	12,744	-	-	12,744
Investments in joint ventures	42,047	-	-	42,047
Additions to non-current assets other than financial instruments and deferred tax assets	<u>484,658</u>	<u>53,135</u>	<u>-</u>	<u>537,793</u>
31.12.2023 (Audited)				
Segment profit	<u>311,723</u>	<u>2,671</u>	<u>-</u>	<u>314,394</u>
<i>Included in the measure of segment profit are:</i>				
Revenue	1,085,165	39,568	(7,398)	1,117,335
Share of loss of associates	(787)	-	-	(787)
Share of profit of joint ventures	<u>6,607</u>	<u>-</u>	<u>-</u>	<u>6,607</u>
Segment assets	<u>1,963,326</u>	<u>185,092</u>	<u>(8,019)</u>	<u>2,140,399</u>
<i>Included in the measure of segment assets are:</i>				
Investments in associates	13,179	-	-	13,179
Investments in joint ventures	44,043	-	-	44,043
Additions to non-current assets other than financial instruments and deferred tax assets	<u>329,596</u>	<u>15,733</u>	<u>-</u>	<u>345,329</u>
31.12.2022 (Audited)				
Segment profit	<u>558,880</u>	<u>992</u>	<u>-</u>	<u>559,872</u>
<i>Included in the measure of segment profit are:</i>				
Revenue	1,381,575	34,849	(7,123)	1,409,301
Share of loss of associates	(487)	-	-	(487)
Share of profit of joint ventures	<u>20,457</u>	<u>-</u>	<u>-</u>	<u>20,457</u>
Segment assets	<u>1,654,874</u>	<u>163,580</u>	<u>(7,229)</u>	<u>1,811,225</u>
<i>Included in the measure of segment assets are:</i>				
Investments in associates	13,966	-	-	13,966
Investments in joint ventures	37,436	-	-	37,436
Additions to non-current assets other than financial instruments and deferred tax assets	<u>311,433</u>	<u>52,676</u>	<u>-</u>	<u>364,109</u>



13. ACCOUNTANTS' REPORT (Cont'd)

55

26. Financial instruments

26.1 Categories of financial instruments

The table below provides an analysis of financial instruments categorised as amortised cost ("AC"):

	Carrying amount RM'000	AC RM'000
30.4.2025		
Financial assets		
Other investments	6,432	6,432
Trade and other receivables (i)	254,844	254,844
Cash and cash equivalents	235,410	235,410
	<u>496,686</u>	<u>496,686</u>
Financial liabilities		
Trade and other payables (ii)	(93,480)	(93,480)
Loans and borrowings	(768,745)	(768,745)
	<u>(862,225)</u>	<u>(862,225)</u>
31.12.2024		
Financial assets		
Other investments	6,432	6,432
Trade and other receivables (i)	249,983	249,983
Cash and cash equivalents	303,596	303,596
	<u>560,011</u>	<u>560,011</u>
Financial liabilities		
Trade and other payables (ii)	(129,026)	(129,026)
Loans and borrowings	(810,794)	(810,794)
	<u>(939,820)</u>	<u>(939,820)</u>
31.12.2023		
Financial assets		
Other investments	6,432	6,432
Trade and other receivables (i)	174,752	174,752
Cash and cash equivalents	388,814	388,814
	<u>569,998</u>	<u>569,998</u>
Financial liabilities		
Trade and other payables	(113,961)	(113,961)
Loans and borrowings	(662,532)	(662,532)
	<u>(776,493)</u>	<u>(776,493)</u>



13. ACCOUNTANTS' REPORT (Cont'd)

56

26. Financial instruments (continued)

26.1 Categories of financial instruments (continued)

	Carrying amount RM'000	AC RM'000
31.12.2022		
Financial assets		
Other investments	6,432	6,432
Trade and other receivables (i)	174,778	174,778
Cash and cash equivalents	299,487	299,487
	<u>480,697</u>	<u>480,697</u>
Financial liabilities		
Trade and other payables	(177,493)	(177,493)
Loans and borrowings	(532,314)	(532,314)
	<u>(709,807)</u>	<u>(709,807)</u>

- (i) Excluding prepayments
(ii) Excluding SST payables

26.2 Net gains and losses arising from financial instruments

	1.1.2025 - 30.4.2025 Audited RM'000	1.1.2024 - 30.4.2024 Unaudited RM'000	1.1.2024 - 31.12.2024 Audited RM'000	1.1.2023 - 31.12.2023 Audited RM'000	1.1.2022 - 31.12.2022 Audited RM'000
Net gains/(losses) arising on:					
Derivatives designated as hedging instrument:					
- recognised in other comprehensive income	-	-	-	11,167	(11,167)
Financial assets measured at AC	(12,237)	7,170	(6,104)	17,199	4,284
Financial liabilities measured at AC	(4,119)	(17,179)	(25,527)	(52,685)	(28,583)
	<u>(16,356)</u>	<u>(10,009)</u>	<u>(31,631)</u>	<u>(24,319)</u>	<u>(35,466)</u>

26.3 Financial risk management

The Group has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk



26. Financial instruments (continued)

26.4 Credit risk

Credit risk is the risk of a financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's exposure to credit risk arises principally from its receivables from customers, related companies and associates and financial guarantees given to banks for credit facilities granted to subsidiaries. There are no significant changes as compared to prior periods.

Trade receivables and contract assets

Risk management objectives, policies and processes for managing the risk

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Normally credit evaluations are performed on customers requiring credit over a certain amount.

At each reporting date, the Group assesses whether any of the trade receivables and contract assets are credit impaired.

There are no significant changes as compared to previous year.

Exposure to credit risk and credit quality

As at the end of the reporting period, the maximum exposure to credit risk arising from trade receivables and contract assets are represented by the carrying amounts in the combined statement of financial position.

Management has taken reasonable steps to ensure that receivables that are neither past due nor impaired are stated at their realisable values. A significant portion of these receivables are regular customers that have been transacting with the Group. The Group uses ageing analysis to monitor the credit quality of the trade receivables and contract assets. Any trade receivables and contract assets having significant balances past due more than 60 days, which are deemed to have higher credit risk, are monitored individually.

Recognition and measurement of impairment loss

The Group assumes that the credit risks on trade receivables and contract assets have increased significantly since initial recognition if it is past due more than 120 days and all prior actions taken to recover have not been successful.

In managing credit risk of trade receivables and contract assets, the Group manages its customers and takes appropriate actions (including but not limited to legal actions) to recover long overdue balances. The Group assessed the risk of loss of each customer individually based on their financial information, past trend of payments and external credit ratings, where applicable.

The Group considers the trade receivables and contract assets to be in default when the customer is unlikely to pay its credit obligations in full.

13. ACCOUNTANTS' REPORT (Cont'd)

58

26. Financial instruments (continued)

26.4 Credit risk (continued)

Trade receivables and contract assets (continued)

Recognition and measurement of impairment loss (continued)

The following table provides information about the exposure to credit risk for trade receivables from contracts with customers and contract assets which are grouped together as they are expected to have similar risk nature.

	Gross carrying amount RM'000	Loss allowance RM'000	Net balance RM'000
30.4.2025			
Current (not past due)	92,104	-	92,104
1 - 30 days past due	23,751	-	23,751
31 - 60 days past due	9,394	-	9,394
61 - 120 days past due	7,527	-	7,527
	<u>132,776</u>	<u>-</u>	<u>132,776</u>
Credit impaired			
More than 120 days past due	17,004	(859)	16,145
	<u>149,780</u>	<u>(859)</u>	<u>148,921</u>
Trade receivables	141,079	(859)	140,220
Contract assets	8,701	-	8,701
	<u>149,780</u>	<u>(859)</u>	<u>148,921</u>
31.12.2024			
Current (not past due)	98,068	-	98,068
1 - 30 days past due	33,000	-	33,000
31 - 60 days past due	17,941	-	17,941
61 - 120 days past due	18,157	-	18,157
	<u>167,166</u>	<u>-</u>	<u>167,166</u>
Credit impaired			
More than 120 days past due	16,549	(52)	16,497
	<u>183,715</u>	<u>(52)</u>	<u>183,663</u>
Trade receivables	176,183	(52)	176,131
Contract assets	7,532	-	7,532
	<u>183,715</u>	<u>(52)</u>	<u>183,663</u>



13. ACCOUNTANTS' REPORT (Cont'd)

59

26. Financial instruments (continued)

26.4 Credit risk (continued)

Trade receivables and contract assets (continued)

Recognition and measurement of impairment loss (continued)

	Gross carrying amount RM'000	Loss allowance RM'000	Net balance RM'000
31.12.2023			
Current (not past due)	88,213	-	88,213
1 - 30 days past due	27,752	-	27,752
31 - 60 days past due	8,439	-	8,439
61 - 120 days past due	8,029	-	8,029
	<u>132,433</u>	<u>-</u>	<u>132,433</u>
Credit impaired			
More than 120 days past due	8,823	(303)	8,520
	<u>141,256</u>	<u>(303)</u>	<u>140,953</u>
Trade receivables	126,817	(303)	126,514
Contract assets	14,439	-	14,439
	<u>141,256</u>	<u>(303)</u>	<u>140,953</u>
31.12.2022			
Current (not past due)	90,929	-	90,929
1 - 30 days past due	18,394	-	18,394
31 - 60 days past due	7,268	-	7,268
61 - 120 days past due	3,459	-	3,459
	<u>120,050</u>	<u>-</u>	<u>120,050</u>
Credit impaired			
More than 120 days past due	1,845	(305)	1,540
	<u>121,895</u>	<u>(305)</u>	<u>121,590</u>
Trade receivables	115,784	(305)	115,479
Contract assets	6,111	-	6,111
	<u>121,895</u>	<u>(305)</u>	<u>121,590</u>



13. ACCOUNTANTS' REPORT (Cont'd)

60

26. Financial instruments (continued)

26.4 Credit risk (continued)

Trade receivables and contract assets (continued)

Recognition and measurement of impairment loss (continued)

The movements in the allowance for impairment in respect of trade receivables during the year of the Group are shown below.

	Trade receivables Lifetime ECL			
	30.4.2025 RM'000	31.12.2024 RM'000	31.12.2023 RM'000	31.12.2022 RM'000
At 1 January	52	303	305	178
Amounts written off	-	(3)	-	-
Net remeasurement of loss allowance	807	(248)	(2)	127
At 30 April/ 31 December	859	52	303	305

Cash and cash equivalents

The cash and cash equivalents are held with banks and financial institutions. As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the combined statement of financial position.

These banks and financial institutions have low credit risks. In addition, some of the bank balances are insured by government agencies. Consequently, the Group is of the view that the loss allowance is not material and hence, it is not provided for.

Inter-company balances

Inter-company balances are both trade and non-trade in nature, which comprise of transactions with related parties. The Group also provides unsecured advances to its joint ventures and an associate.

As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the combined statement of financial position.

As at the end of the reporting period, the Group did not recognise any allowance for impairment losses.



13. ACCOUNTANTS' REPORT (Cont'd)

61

26. Financial instruments (continued)

26.4 Credit risk (continued)

Other receivables

Credit risk on other receivables are mainly sundry receivables.

As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the combined statement of financial position.

The movements in the allowance for impairment in respect of other receivables during the year of the Group are shown below.

	Other receivables Lifetime ECL			
	30.4.2025 RM'000	31.12.2024 RM'000	31.12.2023 RM'000	31.12.2022 RM'000
At 1 January	-	2,484	2,484	2,484
Amounts written off	-	(2,484)	-	-
At 30 April/31 December	-	-	2,484	2,484

Other investments

Credit risk on other investments are mainly from club membership and redeemable secured loan stocks.

As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the combined statement of financial position.

As at the end of the reporting period, the Group did not recognise any allowance for impairment losses.

Financial guarantees

Financial guarantees issued are initially measured at fair value. Subsequently, they are measured at higher of:

- the amount of the loss allowance; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance to the principles of MFRS 15, *Revenue from Contracts with Customers*.

Risk management objectives, policies and processes for managing the risk

The Group provides unsecured financial guarantees to banks in respect of banking facilities granted to certain subsidiaries. The Group monitors the ability of the subsidiaries to service their loans on an individual basis.



13. ACCOUNTANTS' REPORT (Cont'd)

62

26. Financial instruments (continued)**26.4 Credit risk (continued)****Financial guarantees (continued)***Exposure to credit risk, credit quality and collateral*

The maximum exposure to credit risk amounts to RM258,418,000 (31.12.2024: RM268,525,000; 31.12.2023: RM269,534,000; 31.12.2022: RM469,206,000) representing the outstanding banking facilities of the subsidiaries as at the end of the reporting period.

The financial guarantees are provided as credit enhancements to the subsidiaries' secured loans.

Recognition and measurement of impairment loss

The Group assumes that there is a significant increase in credit risk when a subsidiary's financial position deteriorates significantly. The Group considers a financial guarantee to be credit impaired when:

- The subsidiary is unlikely to repay its credit obligation to the bank in full; or
- The subsidiary is continuously loss making and is having a deficit shareholders' fund.

The Group determines the probability of default of the guaranteed loans individually using internal information available.

As at the end of the reporting period, the Group did not recognise any allowance for impairment losses.

26.5 Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's exposure to liquidity risk arises principally from its various payables and loans and borrowings.

The Group maintains a level of cash and cash equivalents and bank facilities deemed adequate by the management to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they fall due.

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.



13. ACCOUNTANTS' REPORT (Cont'd)

63

26. Financial instruments (continued)

26.5 Liquidity risk (continued)

Maturity analysis

The table below summarises the maturity profile of the Group's financial liabilities as at the end of the reporting period based on undiscounted contractual payments.

	Carrying amount RM'000	Contractual interest rate/ Discount rate %	Contractual cash flows RM'000	Less than 1 year RM'000	1 - 2 years RM'000	2 - 5 years RM'000	More than 5 years RM'000
30.4.2025							
<i>Non-derivative financial liabilities</i>							
Term loans	267,792	4.00 - 5.58	332,114	46,378	45,928	119,053	120,755
Sukuk Wakalah	355,663	5.21 - 5.48	419,391	19,172	192,877	74,961	132,381
Other facilities	81,709	3.83	97,437	8,322	8,255	24,681	56,179
Hire purchase payables	4,638	2.80 - 5.84	4,989	2,026	1,611	1,352	-
Bankers' acceptance	18,943	5.02 - 5.34	19,138	19,138	-	-	-
Revolving credit	40,000	5.05	40,166	40,166	-	-	-
Trade and other payables (i)	93,480	-	93,480	93,480	-	-	-
	862,225		1,006,715	228,682	248,671	220,047	309,315
Lease liabilities	19,455	3.51 - 5.31	20,229	10,162	8,452	1,615	-
	<u>881,680</u>		<u>1,026,944</u>	<u>238,844</u>	<u>257,123</u>	<u>221,662</u>	<u>309,315</u>

(i) Excluding SST payables



13. ACCOUNTANTS' REPORT (Cont'd)

64

26. Financial instruments (continued)

26.5 Liquidity risk (continued)

Maturity analysis (continued)

	Carrying amount RM'000	Contractual interest rate/ Discount rate %	Contractual cash flows RM'000	Less than 1 year RM'000	1 - 2 years RM'000	2 - 5 years RM'000	More than 5 years RM'000
31.12.2024							
<i>Non-derivative financial liabilities</i>							
Term loans	279,150	4.00 - 5.54	405,391	59,397	57,098	144,426	144,470
Sukuk Wakalah	355,663	5.21 - 5.48	425,694	19,172	195,960	75,839	134,723
Other facilities	86,021	3.79	103,131	8,584	8,544	25,488	60,515
Hire purchase payables	4,298	2.80 - 5.84	4,617	1,959	1,517	1,141	-
Bankers' acceptance	30,662	5.00 - 5.40	31,019	31,019	-	-	-
Revolving credit	55,000	5.10 - 5.56	55,246	55,246	-	-	-
Trade and other payables (i)	129,026	-	129,026	129,026	-	-	-
	939,820		1,154,124	304,403	263,119	246,894	339,708
Lease liabilities	23,176	3.51 - 5.31	24,240	10,711	10,130	3,399	-
	962,996		1,178,364	315,114	273,249	250,293	339,708

(i) Excluding SST payables



13. ACCOUNTANTS' REPORT (Cont'd)

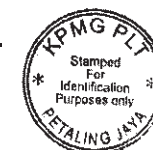
65

26. Financial instruments (continued)

26.5 Liquidity risk (continued)

Maturity analysis (continued)

	Carrying amount RM'000	Contractual interest rate/ Discount rate %	Contractual cash flows RM'000	Less than 1 year RM'000	1 - 2 years RM'000	2 - 5 years RM'000	More than 5 years RM'000
31.12.2023							
<i>Non-derivative financial liabilities</i>							
Term loans	240,825	4.00 - 7.11	288,512	45,757	45,194	105,120	92,441
Sukuk Wakalah	415,490	5.01 - 5.48	506,981	81,199	19,119	264,783	141,880
Hire purchase payables	6,217	2.80 - 5.84	6,822	2,205	1,959	2,658	-
Trade and other payables	113,961	-	113,961	113,961	-	-	-
	776,493		916,276	243,122	66,272	372,561	234,321
Lease liabilities	31,940	3.43 - 4.64	33,846	11,255	10,242	12,349	-
	<u>808,433</u>		<u>950,122</u>	<u>254,377</u>	<u>76,514</u>	<u>384,910</u>	<u>234,321</u>
31.12.2022							
<i>Non-derivative financial liabilities</i>							
Term loans	435,590	4.00 - 6.77	526,156	88,177	84,531	221,441	132,007
Hire purchase payables	4,449	2.80 - 5.84	4,883	1,829	1,265	1,789	-
Bankers' acceptance	37,275	4.13 - 5.35	37,522	37,522	-	-	-
Revolving credit	55,000	4.19 - 4.63	55,207	55,207	-	-	-
Trade and other payables	177,493	-	177,493	177,493	-	-	-
	709,807		801,261	360,228	85,796	223,230	132,007
Lease liabilities	39,948	3.43 - 4.64	43,027	10,915	11,682	20,430	-
	<u>749,755</u>		<u>844,288</u>	<u>371,143</u>	<u>97,478</u>	<u>243,660</u>	<u>132,007</u>



13. ACCOUNTANTS' REPORT (Cont'd)

66

26. Financial instruments (continued)

26.6 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates that will affect the Group's financial position or cash flows.

26.6.1 Currency risk

The Group is exposed to foreign currency risk on sales, purchases and loans and borrowings that are denominated in a currency other than its functional currency. The currencies giving rise to this risk are primarily US Dollar ("USD") and Singapore Dollar ("SGD").

Risk management objectives, policies and processes for managing the risk

During the financial year ended 31 December 2022, the Group hedged 100% of its foreign currency denominated loans and borrowings. The Group uses a contracted transaction to hedge its foreign currency risk. Most of the contracted transactions have maturities of one to three years after the end of reporting period. The contracted transactions are rolled over at maturity as ordinary course of business.

Exposure to foreign currency risk

The Group's exposure to foreign currency (a currency which is other than the functional currency of the Group entities) risk, based on carrying amounts as at the end of the reporting period are as follows:

	Denominated in USD RM'000	SGD RM'000
30.4.2025		
Trade and other receivables	43,341	1,285
Cash and bank balances	138,791	36
Trade and other payables	(57,764)	(1,650)
Other facilities	(81,708)	-
Lease liabilities	(16,537)	-
Net exposure in the statement of financial position	26,123	(329)
31.12.2024		
Trade and other receivables	190,057	1,186
Cash and bank balances	203,994	37
Trade and other payables	(23,644)	(1,455)
Other facilities	(86,021)	-
Lease liabilities	(19,679)	-
Net exposure in the statement of financial position	264,707	(232)



13. ACCOUNTANTS' REPORT (Cont'd)

67

26. Financial instruments (continued)

26.6 Market risk (continued)

26.6.1 Currency risk (continued)

Exposure to foreign currency risk (continued)

	Denominated in USD RM'000	SGD RM'000
31.12.2023		
Trade and other receivables	154,365	1,871
Cash and bank balances	85,461	42
Trade and other payables	(145,793)	(3,616)
Term loans	(24,603)	-
Lease liabilities	(28,285)	-
Net exposure in the statement of financial position	41,145	(1,703)
31.12.2022		
Trade and other receivables	91,430	3,549
Cash and bank balances	161,861	41
Trade and other payables	(13,949)	(394)
Lease liabilities	(33,945)	-
Net exposure in the statement of financial position	205,397	3,196

Currency risk sensitivity analysis

Foreign currency risk mainly arises from the Group entities which have USD and SGD functional currency. The exposure to currency risk of Group entities which do not have a USD and SGD functional currency is not material and hence, sensitivity analysis is not presented.

A 10% (2024 - 2022: 10%) strengthening of the RM against the following currencies at the end of the reporting period would have increased/(decreased) post-tax profit or loss by the amounts shown below. This analysis is based on foreign currency exchange rate variances that the Group considered to be reasonably possible at the end of the reporting period. This analysis assumes that all other variables, in particular interest rates, remained constant and ignores any impact of forecasted transactions.

	Profit or loss			
	30.4.2025 RM'000	31.12.2024 RM'000	31.12.2023 RM'000	31.12.2022 RM'000
USD	(1,985)	(20,118)	(3,127)	(15,610)
SGD	25	18	129	(243)
	<u>(1,960)</u>	<u>(20,100)</u>	<u>(2,998)</u>	<u>(15,853)</u>



13. ACCOUNTANTS' REPORT (Cont'd)

68

26. Financial instruments (continued)

26.6 Market risk (continued)

26.6.1 Currency risk (continued)

Currency risk sensitivity analysis (continued)

A 10% (2024 - 2022: 10%) weakening of RM against the above currencies at the end of the reporting period would have had an equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remained constant.

26.6.2 Interest rate risk

The Group's fixed rate borrowings are exposed to a risk of change in their fair value due to changes in interest rates. The Group's variable rate borrowings are exposed to a risk of change in cash flows due to changes in interest rates.

Exposure to interest rate risk

The interest rate profile of the Group's significant interest-bearing financial instruments and lease liabilities, based on carrying amounts as at the end of the reporting period are as follows:

	30.4.2025 RM'000	31.12.2024 RM'000	31.12.2023 RM'000	31.12.2022 RM'000
Fixed rate instruments				
Financial assets	19,873	34,430	45,784	35,232
Financial liabilities	(548,354)	(558,896)	(554,506)	(156,812)
	<u>(528,481)</u>	<u>(524,466)</u>	<u>(508,722)</u>	<u>(121,580)</u>
Floating rate instruments				
Financial liabilities	<u>(239,846)</u>	<u>(275,074)</u>	<u>(139,966)</u>	<u>(415,450)</u>

Interest rate risk sensitivity analysis(a) *Fair value sensitivity analysis for fixed rate instruments*

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rates at the end of the reporting period would not affect profit or loss.



13. ACCOUNTANTS' REPORT (Cont'd)

69

26. Financial instruments (continued)

26.6 Market risk (continued)

26.6.2 Interest rate risk (continued)

Interest rate risk sensitivity analysis (continued)(b) *Cash flow sensitivity analysis for variable rate instruments*

A change of 100 basis points ("bp") in interest rates at the end of the reporting period would increase/(decrease) post-tax profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

	Profit or loss	
	100 bp increase RM'000	100 bp decrease RM'000
30.4.2025		
Floating rate instruments	<u>(1,823)</u>	<u>1,823</u>
31.12.2024		
Floating rate instruments	<u>(2,091)</u>	<u>2,091</u>
31.12.2023		
Floating rate instruments	<u>(1,064)</u>	<u>1,064</u>
31.12.2022		
Floating rate instruments	<u>(3,157)</u>	<u>3,157</u>

26.7 Hedging activities

Cash flow hedge

During the financial year ended 31 December 2022, the Group adopted cash flow hedge accounting whereby only the foreign currency risk of the forecast transactions has been designated as the hedged item.

During the financial year ended 31 December 2023, the cash flow hedge accounting has been discontinued and hence, the amount accumulated in the hedging reserve was immediately reclassified to profit or loss. The Group has recognised a net gain of RM11,167,000 in other comprehensive income.



13. ACCOUNTANTS' REPORT (Cont'd)

70

26. Financial instruments (continued)

26.8 Fair value information

The carrying amounts of cash and cash equivalents, trade and other receivables, trade and other payables and short-term loans and borrowings reasonably approximate their fair value due to the relatively short-term nature of these financial instruments.

The table below analyses other financial instruments at fair value.

	Fair value of financial instruments not carried at fair value			Total fair value RM'000	Total carrying amount RM'000
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000		
30.04.2025					
Financial liabilities					
Term loans	-	-	215,934	215,934	267,792
Sukuk Wakalah	-	-	301,552	301,552	355,663
Other facilities	-	-	66,438	66,438	81,709
Hire purchase payables	-	-	4,326	4,326	4,638
	-	-	588,250	588,250	709,802
31.12.2024					
Financial liabilities					
Term loans	-	-	225,241	225,241	279,150
Sukuk Wakalah	-	-	301,552	301,552	355,663
Other facilities	-	-	69,993	69,993	86,021
Hire purchase payables	-	-	4,033	4,033	4,298
	-	-	600,819	600,819	725,132
31.12.2023					
Financial liabilities					
Term loans	-	-	198,617	198,617	240,825
Sukuk Wakalah	-	-	338,047	338,047	415,490
Hire purchase payables	-	-	5,494	5,494	6,217
	-	-	542,158	542,158	662,532
31.12.2022					
Financial liabilities					
Term loans	-	-	359,244	359,244	435,590
Hire purchase payables	-	-	4,083	4,083	4,449
	-	-	363,327	363,327	440,039



13. ACCOUNTANTS' REPORT (Cont'd)

71

27. Combining entities

Details of the combining entities are as follows:

Name	Principal place of business/ Country of incorporation	Principal activities	Effective ownership interest			
			30.4.2025 %	31.12.2024 %	31.12.2023 %	31.12.2022 %
MTT Shipping Sdn. Bhd.	Malaysia	Ship owning and shipping services for marine transportation	100	100	100	100
ICS Depot Services Sdn. Bhd.*	Malaysia	Container storage and container related services	71.35	71.35	71.35	71.35
<u>Subsidiaries of MTT Shipping Sdn. Bhd.</u>						
MTT Shipping Bakapit Sdn. Bhd.	Malaysia	Dormant	100	100	100	100
MTT Shipping Bintulu Sdn. Bhd.	Malaysia	Ship owning and operations	100	100	100	100
MTT Shipping Butterworth Sdn. Bhd.	Malaysia	Dormant	100	100	100	100
MTT Shipping (East Malaysia) Sdn. Bhd.	Malaysia	Dormant (previously shipping agent)	100	100	100	100
MTT Shipping Kemaman Sdn. Bhd.	Malaysia	Ship owning and operations	100	100	100	100
MTT Shipping Kertih Sdn. Bhd.	Malaysia	Ship owning and operations	100	100	100	100
MTT Shipping Kota Kinabalu Sdn. Bhd.	Malaysia	Ship owning and operations	100	100	100	100
MTT Shipping Kuantan Sdn. Bhd.	Malaysia	Ship owning and operations	100	100	100	100
MTT Shipping Kuching Sdn. Bhd.	Malaysia	Ship owning and operations	100	100	100	100
MTT Shipping Kudat Sdn. Bhd.	Malaysia	Ship owning and operations	100	100	100	100
MTT Shipping Kunak Sdn. Bhd.	Malaysia	Ship owning and operations	100	100	100	100
MTT Shipping Labuan Sdn. Bhd.	Malaysia	Ship owning and operations	100	100	100	100
MTT Shipping Lahad Datu Sdn. Bhd.	Malaysia	Dormant	100	100	100	100
MTT Shipping Langkawi Sdn. Bhd.	Malaysia	Ship owning and operations	100	100	100	100
MTT Shipping Lawas Sdn. Bhd.	Malaysia	Ship owning and operations	100	100	100	100
MTT Shipping Limbang Sdn. Bhd.	Malaysia	Ship owning and operations	100	100	100	100
MTT Shipping Lumut Sdn. Bhd.	Malaysia	Ship owning and operations	100	100	100	100
MTT Shipping Miri Sdn. Bhd.	Malaysia	Ship owning and operations	100	100	100	100
MTT Shipping Muara Sdn. Bhd.	Malaysia	Dormant	100	100	100	100
MTT Shipping Pasir Gudang Sdn. Bhd.	Malaysia	Ship owning and operations	100	100	100	100
MTT Shipping Pelepas Sdn. Bhd.	Malaysia	Ship owning and operations	100	100	100	100
MTT Shipping Perawang Sdn. Bhd.	Malaysia	Ship owning and operations	100	100	100	100
MTT Shipping Port Dickson Sdn. Bhd.	Malaysia	Ship owning and operations	100	100	100	100
MTT Shipping Port Klang Sdn. Bhd.	Malaysia	Ship owning and operations	100	100	100	100
MTT Shipping Pulau Tioman Sdn. Bhd.	Malaysia	Ship owning and operations	100	100	100	100
MTT Shipping Rajang Sdn. Bhd.	Malaysia	Ship owning and operations	100	100	100	100



13. ACCOUNTANTS' REPORT (Cont'd)

72

27. Combining entities (continued)

Details of the combining entities are as follows (continued):

Name	Principal place of business/ Country of incorporation	Principal activities	Effective ownership interest			
			30.4.2025	31.12.2024	31.12.2023	31.12.2022
			%	%	%	%
<u>Subsidiaries of MTT Shipping Sdn. Bhd.</u>						
<u>(continued)</u>						
MTT Shipping Tanjong Manis Sdn. Bhd.	Malaysia	Dormant	100	100	100	100
MTT Shipping Tawau Sdn. Bhd.	Malaysia	Ship owning and operations	100	100	100	100
Sea Lion Container Line Sdn. Bhd.	Malaysia	Ship owning and operations	100	100	100	100
MTT Kenyalang Maritime Sdn. Bhd. (f.k.a. MTT Likang Sdn. Bhd.)	Malaysia	Ship owning and operations	@	@	60	60
MTT Realty Holdings Sdn. Bhd.	Malaysia	Dormant	100	100	100	100
MTTS Holding Sdn. Bhd.	Malaysia	Investment holding	100	100	100	100
Nautica Ship Management Sdn. Bhd.	Malaysia	Ship management services	100	100	100	100
MTT Shipping Logistics Centre Sdn. Bhd.	Malaysia	Container storage and container related services	100	100	100	100
United Bulk Logistics Sdn. Bhd.	Malaysia	Liquid bulk logistics services	60	60	60	-
Priority Link Sdn. Bhd.	Malaysia	Investment holding	70	70	70	70
LP Multi Terminal Sdn. Bhd.#	Malaysia	Dormant	-	-	100	100
Kapal Solutions Sdn. Bhd.*	Malaysia	Software solutions services	55	55	55	55
Sea Navigator Limited	Hong Kong	Shipping and other services	60	60	60	60
Sumbumi Sdn. Bhd.*	Malaysia	Investment holding	100	100	100	-

* These entity/subsidiaries are not audited by member firms of KPMG PLT.

The subsidiary has ceased operations and entered into voluntary liquidation in January 2021. The winding up of the Company was completed in January 2024.

@ The entity has ceased to become a subsidiary on 20 February 2024 upon the issuance of additional shares to other investor and now accounted for as an investment in associate (see Note 6).



13. ACCOUNTANTS' REPORT (Cont'd)

73

28. Capital management

The Group's objectives when managing capital is to maintain an optimal capital structure and to safeguard the Group's ability to continue as a going concern, so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Directors monitor and are determined to maintain an optimal net debt-to-equity ratio and to comply with applicable externally imposed debt covenants or conditions.

There was no change in the Group's approach to capital management during the financial years/period.

29. Related parties**Significant related party transactions**

Related party transactions have been entered into in the normal course of business under negotiated terms. The significant related party transactions of the Group are shown below. The balances relating to the below transactions are shown in Notes 11 and 17.

	1.1.2025 - 30.4.2025 Audited RM'000	1.1.2024 - 30.4.2024 Unaudited RM'000	1.1.2024 - 31.12.2024 Audited RM'000	1.1.2023 - 31.12.2023 Audited RM'000	1.1.2022 - 31.12.2022 Audited RM'000
Companies with common directors					
Freight income	26,184	23,725	75,628	80,855	93,551
Depot related services income	2,005	97	5,366	5,360	4,632
Supply and fit of flexitank income	129	127	261	-	-
Freight expenses	3,495	2,692	9,884	8,491	5,505
Commission expenses	380	303	1,027	1,088	1,443
Rental income	160	20	323	60	-
Rental expenses	-	6	6	66	96
Administration expenses	8	8	25	25	24
Trucking service expenses	-	-	20	-	-
Sale of containers	-	-	-	-	131
Joint ventures					
Freight income	-	-	-	377	-
Freight expenses	-	-	-	29,232	135,032
Commission expenses	82	349	1,051	196	-
Management fee income	48	48	144	95	-



13. ACCOUNTANTS' REPORT (Cont'd)

74

29. Related parties (continued)

Significant related party transactions (continued)

	1.1.2025 - 30.4.2025 Audited RM'000	1.1.2024 - 30.4.2024 Unaudited RM'000	1.1.2024 - 31.12.2024 Audited RM'000	1.1.2023 - 31.12.2023 Audited RM'000	1.1.2022 - 31.12.2022 Audited RM'000
Associates					
Depot related					
services income	265	303	830	701	680
Freight expenses	168	164	797	732	926
Purchase of assets	-	-	1,663	-	-
Rental income	196	196	588	588	588
Rental expenses	363	363	1,090	1,090	1,090
Corporate shareholder					
Freight expenses	178	104	340	348	442
Key management personnel					
Directors					
- Fees	8	8	949	956	924
- Remuneration	1,644	1,580	9,140	9,372	11,544
- Post-employment benefits	263	253	1,464	1,501	1,848
- Other short-term employee benefits	361	204	770	109	61

30. Acquisition of subsidiary

During the financial year ended 31 December 2023, the Group acquired the entire equity interest in Sumbumi Sdn. Bhd. for a total cash consideration of RM10,000,000, which can be analysed as follows:

	31.12.2023 RM'000
Leasehold land	9,786
Other net assets	214
Cash consideration/Net cash outflow	10,000



13. ACCOUNTANTS' REPORT (Cont'd)

75

31. Non-controlling interests

Summary financial information before intra-group elimination of the Group's subsidiaries that have non-controlling interest ("NCI"), not adjusted for the percentage ownership held by the NCI are as follows:

	Sea Navigator Limited RM'000	ICS Depot Services Sdn. Bhd. RM'000	Other subsidiaries with immaterial NCI RM'000	Total RM'000
30.4.2025				
NCI percentage of ownership interest and voting interest	40%	28.65%		
Carrying amount of NCI	5,262	11,349	(12)	16,599
Profit/(Loss) allocated to NCI	360	563	(49)	874

**Summarised financial information
before intragroup elimination**

As at 30 April

Non-current assets	-	42,874
Current assets	24,231	14,802
Non-current liabilities	-	(10,773)
Current liabilities	(11,077)	(7,289)
Net assets	13,154	39,614

Period ended 30 April

Revenue	15,903	10,744
Profit for the year	899	1,966
Total comprehensive income	488	1,966

Cash flows from operating activities	2,568	3,493
Cash flows used in investing activities	-	(1,044)
Cash flows used in financing activities	-	(1,447)
Net increase in cash and cash equivalents	2,568	1,002



13. ACCOUNTANTS' REPORT (Cont'd)

76

31. Non-controlling interests (continued)

	Sea Navigator Limited RM'000	ICS Depot Services Sdn. Bhd. RM'000	Other subsidiaries with immaterial NCI RM'000	Total RM'000
31.12.2024				
NCI percentage of ownership interest and voting interest	40%	28.65%		
Carrying amount of NCI	5,068	10,786	36	15,890
Profit/(Loss) allocated to NCI	2,074	1,487	(322)	3,239

**Summarised financial information
before intragroup elimination****As at 31 December**

Non-current assets	-	43,302
Current assets	23,974	13,906
Non-current liabilities	-	(11,795)
Current liabilities	(11,304)	(7,766)
Net assets	12,670	37,647

Year ended 31 December

Revenue	55,260	32,160
Profit for the year	5,184	5,193
Total comprehensive income	4,837	5,193

Cash flows (used in)/from operating activities	(3,810)	9,913
Cash flows used in investing activities	-	(3,133)
Cash flows used in financing activities	-	(11,233)
Net decrease in cash and cash equivalents	(3,810)	(4,453)
Dividends paid to NCI	-	2,006



13. ACCOUNTANTS' REPORT (Cont'd)

77

31. Non-controlling interests (continued)

	Sea Navigator Limited RM'000	ICS Depot Services Sdn. Bhd. RM'000	Other subsidiaries with immaterial NCI RM'000	Total RM'000
31.12.2023				
NCI percentage of ownership interest and voting interest	40%	28.65%		
Carrying amount of NCI	3,131	11,303	355	14,789
(Loss)/Profit allocated to NCI	(346)	1,266	(131)	789

**Summarised financial information
before intragroup elimination****As at 31 December**

Non-current assets	-	42,460
Current assets	32,942	17,759
Non-current liabilities	-	(13,682)
Current liabilities	(25,114)	(7,084)
Net assets	7,828	39,453

Year ended 31 December

Revenue	61,142	29,540
(Loss)/Profit for the year	(865)	4,419
Total comprehensive (expense)/income	(528)	4,419

Cash flows from operating activities	2,354	8,657
Cash flows from investing activities	-	171
Cash flows used in financing activities	-	(1,796)
Net increase in cash and cash equivalents	2,354	7,032
Dividends paid to NCI	-	286



13. ACCOUNTANTS' REPORT (Cont'd)

78

31. Non-controlling interests (continued)

	Sea Navigator Limited RM'000	ICS Depot Services Sdn. Bhd. RM'000	Other subsidiaries with immaterial NCI RM'000	Total RM'000
31.12.2022				
NCI percentage of ownership interest and voting interest	40%	28.65%		
Carrying amount of NCI	3,343	10,324	(15)	13,652
Profit/(Loss) allocated to NCI	1,342	838	(34)	2,146

**Summarised financial information
before intragroup elimination****As at 31 December**

Non-current assets	-	47,022
Current assets	13,420	10,226
Non-current liabilities	-	(14,905)
Current liabilities	(5,063)	(6,308)
Net assets	8,357	36,035

Year ended 31 December

Revenue	30,827	26,400
Profit for the year	3,357	2,923
Total comprehensive income	3,672	2,923

Cash flows from operating activities	1,747	7,972
Cash flows used in investing activities	-	(4,257)
Cash flows used in financing activities	(2,783)	(4,360)
Net decrease in cash and cash equivalents	(1,036)	(645)
Dividends paid to NCI	1,113	-



13. ACCOUNTANTS' REPORT (Cont'd)

79

32. Subsequent events**32.1 Acquisition of Sea Navigator Limited**

On 12 June 2025, MTTS Holding Sdn. Bhd. acquired the remaining 40% of the equity interest of Sea Navigator Limited, comprising 2,184,000 ordinary shares for total consideration of USD2,000,000. Following the acquisition, Sea Navigator Limited became a wholly-owned subsidiary of the Group.

32.2 New shipbuilding contracts

On 26 May 2025, MTT Shipping Sdn. Bhd. has entered into two shipbuilding contracts with a shipbuilding company to construct two vessels costing USD19,080,000 each.

32.3 Disposal of asset

On 21 August 2025, MTT Shipping Sdn. Bhd. has entered into a Memorandum of Agreement with a third-party buyer to dispose its vessel, MTT Pengerang for a cash consideration of USD13,000,000 and the vessel was delivered on 13 October 2025.

32.4 Acquisition of vacant land

On 29 August 2025, MTT Shipping Logistics Centre Sdn. Bhd. has entered into a sale and purchase agreement for the acquisition of a parcel of vacant land for total consideration of RM27,460,000.

32.5 Share issuance

On 7 September 2025, the Company had allotted and issued one new ordinary share to Linda Tan Li Chien, an independent person to the current shareholders of the Company at an issue price of RM1.00 per ordinary share.

32.6 Acquisition of MTT Shipping Sdn. Bhd.

On 17 October 2025, the Company has entered into a conditional share sale agreement to acquire 100% of the equity interest of MTT Shipping Sdn. Bhd., comprising 10,000,000 ordinary shares for total consideration of RM1,500,919,000, to be satisfied by the issuance of 1,500,919,000 new ordinary shares of the Company at an issue price of RM1.00 per ordinary share.

32.7 Acquisition of ICS Depot Services Sdn. Bhd.

On 17 October 2025, the Company has entered into a conditional share sale agreement with the existing shareholders of ICS Depot Services Sdn. Bhd. except for Peony Investment S.A. to acquire 71.35% of the equity interest in ICS Depot Services Sdn. Bhd. comprising 2,588,393 ordinary shares for total consideration of RM28,266,402, to be satisfied by the issuance of 28,266,402 new ordinary shares of the Company at an issue price of RM1.00 per ordinary share.



13. ACCOUNTANTS' REPORT (Cont'd)

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FOR THE PURPOSE OF INCLUSION
 IN THE PROSPECTUS EXPOSURE

[•] 2025

Dear Sirs,

Reporting Accountants' opinion on the combined financial statements contained in the Accountants' Report of MTT Shipping and Logistics Berhad

Opinion

We have audited the combined financial statements of MTT Shipping and Logistics Berhad (the "Company") and its combining entities (collectively referred to as the "Group"), which comprise the combined statements of financial position as at 30 April 2025, 31 December 2024, 31 December 2023 and 31 December 2022, and the combined statements of profit or loss and other comprehensive income, combined statements of changes in equity and combined statements of cash flows for the period and years then ended, and notes to the combined financial statements, including material accounting policy information, as set out on pages 1 to 79. The combined financial statements of the Company have been prepared in connection with the proposed listing of and quotation for the entire issued ordinary shares of the Company on the Main Market of Bursa Malaysia Securities Berhad ("Bursa Securities") and for no other purposes.

In our opinion, the combined financial statements give a true and fair view of the combined financial positions of the Group as at 30 April 2025, 31 December 2024, 31 December 2023 and 31 December 2022 and of its combined financial performances and its combined cash flows for the period and years then ended in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board ("MFRS Accounting Standards") and IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards").

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in *the Reporting Accountants' Responsibilities for the Audit of the Combined 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.

13. ACCOUNTANTS' REPORT (Cont'd)

MTT Shipping and Logistics Berhad
*Accountants' Report on the
 Combined Financial Statements*

FOR THE PURPOSE OF INCLUSION
 IN THE PROSPECTUS EXPOSURE

Independence and Other Ethical Responsibilities

We are independent of the Group 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.

Responsibilities of the Directors for the Combined Financial Statements

The Board of Directors of the Company (the "Directors") are responsible for the preparation of the combined financial statements of the Group that gives a true and fair view in accordance with MFRS Accounting Standards and IFRS Accounting Standards. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of the combined financial statements of the Group that are free from material misstatement, whether due to fraud or error.

In preparing the combined financial statements of the Group, the Directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Reporting Accountants' Responsibilities for the Audit of the Combined Financial Statements

Our objectives are to obtain reasonable assurance about whether the combined financial statements of the Group as a whole are free from material misstatement, whether due to fraud or error, and to issue a reporting accountant's 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 combined financial statements.

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

- Identify and assess the risks of material misstatement of the combined financial statements of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Group.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

13. ACCOUNTANTS' REPORT (Cont'd)

MTT Shipping and Logistics Berhad
*Accountants' Report on the
 Combined Financial Statements*

FOR THE PURPOSE OF INCLUSION
 IN THE PROSPECTUS EXPOSURE

**Reporting Accountants' Responsibilities for the Audit of the Combined Financial Statements
 (continued)**

- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our reporting accountants' report to the related disclosures in the combined financial statements of the Group 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 reporting accountants' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the combined financial statements of the Group, including the disclosures, and whether the combined financial statements of the Group represent the underlying transactions and events in a manner that gives a true and fair view.
- 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 combined financial statements of the Group. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

Other matters

The comparative information for the combined statements of profit or loss and other comprehensive income, the combined statements of changes in equity and combined statements of cash flows, and notes to the combined financial statements of the Group for the financial period ended 30 April 2024 has not been audited.

Restriction on distribution and use

This report is made solely to the Company in connection with the proposed listing of and quotation for the entire issued ordinary shares of the Company on the Main Market of Bursa Securities and should not be relied upon for any other purposes. We do not assume responsibility to any other person for the content of this report.

KPMG PLT
 (LLP0010081-LCA & AF 0758)
 Chartered Accountants

Lam Shuh Siang
 Approval Number: 03045/02/2027 J
 Chartered Accountant