



**NTPM HOLDINGS BERHAD**  
Registration No. 199601012313 (384662-U)

**启顺控股有限公司**  
(Incorporated in Malaysia)

**Rooted Strength, Limitless Heights**

Annual Report 2024

## Rooted Strength, Limitless Heights

The role of roots is of great importance in nature. The way it exerts incredible force, holding trees in position for years, and simultaneously delivering nutrients throughout the tree represents persistence and stability. With a sturdy foundation, the Group seeks sustainable solutions in optimizing the resources through efficient operational frameworks, promising a greater output, a fulfilled aspiration, and immovable positioning within the market. NTPM Holdings endeavors to stay rooted with strength and commitment intended towards achieving glorious heights in sustainable growth.

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# CORPORATE INFORMATION

## BOARD OF DIRECTORS

### Lee See Jin

Chairman cum Managing Director

### Lee Chong Choon

Executive Director cum Group Chief Executive Officer ("Group CEO")

### Tan Choon Thye

Independent Non-Executive Director

### Dato' Dr. Juita Binti Ghazalie

Independent Non-Executive Director

### Chang Hui Yuin

Independent Non-Executive Director

### Nishant Grover

Non-Independent Non-Executive Director

## AUDIT COMMITTEE

### Tan Choon Thye

Independent Non-Executive Director, Chairman

### Dato' Dr. Juita Binti Ghazalie

Independent Non-Executive Director, Member

### Chang Hui Yuin

Independent Non-Executive Director, Member

## NOMINATING COMMITTEE

### Tan Choon Thye

Independent Non-Executive Director, Chairman

### Dato' Dr. Juita Binti Ghazalie

Independent Non-Executive Director, Member

### Chang Hui Yuin

Independent Non-Executive Director, Member

## RISK MANAGEMENT COMMITTEE

### Lee Chong Choon

Executive Director cum Group CEO, Chairman

### Tan Choon Thye

Independent Non-Executive Director, Member

### Dato' Dr. Juita Binti Ghazalie

Independent Non-Executive Director, Member

### Chang Hui Yuin

Independent Non-Executive Director, Member

## INVESTMENT COMMITTEE

### Tan Choon Thye

Independent Non-Executive Director, Chairman

### Lee See Jin

Chairman cum Managing Director, Member

### Lee Chong Choon

Executive Director cum Group CEO, Member

### Dato' Dr. Juita Binti Ghazalie

Independent Non-Executive Director, Member

### Chang Hui Yuin

Independent Non-Executive Director, Member

## HEAD OFFICE

No. 886, Jalan Bandar Baru, Sungai Kecil 14300 Nibong Tebal, Seberang Perai Selatan Pulau Pinang  
Tel No : 04-593 1296 / 04-593 1326  
Fax No : 04-593 3373  
Email : [marketing@ntpm.com.my](mailto:marketing@ntpm.com.my)  
Website : <https://www.ntpm.com.my>

## COMPANY SECRETARIES

### Low Seow Wei

(SSM PC No. 202008000437)  
(MAICSA 7053500)

### Yeow Sze Min

(SSM PC No. 201908003120)  
(MAICSA 7065735)

## REGISTERED OFFICE

Suite 18.05, MWE Plaza,  
No. 8, Lebuhr Farquhar,  
10200 George Town, Pulau Pinang.  
Tel No : 04-263 1966  
Fax No : 04-262 8544  
Email : [info@sshshb.com.my](mailto:info@sshshb.com.my)

## AUDITORS

### Ernst & Young PLT

Chartered Accountants  
Block J, Level 13A, Wisma AIA,  
Jalan Seri Tanjung Pinang,  
Tanjung Tokong, 10470, Pulau Pinang

## PRINCIPAL BANKERS

CIMB Islamic Bank Berhad  
Hong Leong Bank Berhad  
HSBC Bank Malaysia Berhad  
Malayan Banking Berhad  
United Overseas Bank (Malaysia) Bhd

## SHARE REGISTRAR

### Securities Services (Holdings) Sdn Bhd

Suite 18.05, MWE Plaza,  
No. 8, Lebuhr Farquhar,  
10200 George Town, Pulau Pinang.  
Tel No : 04-263 1966  
Fax No : 04-262 8544  
Email : [info@sshshb.com.my](mailto:info@sshshb.com.my)

## STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia  
Securities Berhad  
Stock Name : NTPM  
Stock Code : 5066



# MANAGING DIRECTOR'S REVIEW AND MANAGEMENT DISCUSSION AND ANALYSIS

## OVERVIEW OF THE GROUP'S BUSINESS AND OPERATIONS

On behalf of the Board of Directors of NTPM Holdings Berhad ("NTHB" or "the Company"), it gives me great pleasure to present the Annual Report and the Audited Financial Statements of the Company and its subsidiaries ("the Group") for the financial year ended 30 April 2024 ("FY2024").

NTHB is an investment holding company. The Group is principally involved in the manufacture and distribution of tissue paper and personal care products. The Group's segments comprise the Tissue Paper Products Segment and the Personal Care Products Segment. The Tissue Paper Products Segment includes facial tissue, toilet rolls, kitchen towel rolls tissues, serviettes and napkins and paper core. The Personal Care Products Segment includes feminine hygienic products, cotton products, baby diapers, wet tissue and products for incontinence. The Group's products are sold under brands such as Premier, Cutie, Royal Gold, Budget, Vina, Intimate, Blossom and Diapex. The Group also provides hygienic solution to companies and institutions including tissue products, soaps and dispensers with brands such as CONV. Currently, the Group operates five (5) manufacturing plants of which two (2) are located in Parit Buntar, Perak, two (2) are located in Nibong Tebal, Penang and one (1) is located in Binh Duong, Vietnam.

During FY2024, the global situation worsened with the war between Israel and Hamas and continued geopolitics rhetoric. Large shipping firms have expressed growing concern over disruptions to global shipping due to attacks on cargo ships in the Red Sea. With the situation in the Red Sea appearing to escalate and shipping rates rising, the impact on global trade and pressure on commodity prices persists. The Red Sea crisis has caused major fluctuations in input material prices for the Company, including the prices of pulp and waste paper. Additionally, we have experienced significant increases in transportation costs and freight rates, as well as fluctuations in foreign exchange rates. Despite the uncertainties and fluctuations in the overall economic environment for FY2024, the Group managed to record a 4.3% increase in revenue to RM905.5 million, and profit before tax increased from RM174 thousand to RM6.8 million.

## FINANCIAL REVIEW

	FY2024	FY2023	Increase/(Decrease)	
	RM'000	RM'000	RM'000	%
<b>Revenue</b>	<b>905,508</b>	868,289	37,219	4.3%
Other income	<b>6,175</b>	7,354	(1,179)	(16.0%)
Purchase of trading stocks	<b>(68,138)</b>	(58,653)	9,485	16.2%
Changes in inventories of finished goods and work in progress	<b>(23,891)</b>	21,791	45,682	209.6%
Raw materials and consumables used	<b>(390,229)</b>	(453,253)	(63,024)	(13.9%)
Transportation costs	<b>(52,440)</b>	(50,901)	1,539	3.0%
Employee benefits expenses	<b>(179,850)</b>	(167,177)	12,673	7.6%
Utilities cost	<b>(54,275)</b>	(51,764)	2,511	4.9%
Other expenses	<b>(65,200)</b>	(48,766)	16,434	33.7%
<b>Earnings before interest, taxes, depreciation, and amortisation</b>	<b>77,660</b>	66,920	10,740	16.1%
Depreciation	<b>(52,029)</b>	(52,098)	(69)	(0.1%)
<b>Earnings before interest and taxes</b>	<b>25,631</b>	14,822	10,809	72.9%
Finance costs	<b>(18,808)</b>	(14,648)	4,160	28.4%
<b>Profit before taxation</b>	<b>6,823</b>	174	6,649	3,821.3%
Taxation	<b>(14,716)</b>	(6,055)	8,661	143.0%
<b>Loss after taxation</b>	<b>(7,893)</b>	(5,881)	2,012	34.2%



# MANAGING DIRECTOR'S REVIEW AND MANAGEMENT DISCUSSION AND ANALYSIS

## FINANCIAL REVIEW (Cont'd)

### Revenue

Despite operating under the continuing challenging environment, the Group has recorded a total revenue of RM905.5 million in FY2024, which was a 4.3% increase from the RM868.3 million recorded in FY2023. This improvement in revenue was driven by the increase in sales of the Personal Care Products Segment. In terms of product mix, Tissue Paper Products Segment, being the dominant range of products, contributed about 68% (2023: 71%) of the total revenue, with the Personal Care Products Segment making up the balance. In FY2024, revenue for Tissue Paper Products decreased by 0.7% from RM619.0 million in FY2023 to RM614.6 million in FY2024 while Personal Care Products have grown by 16.7% from RM249.3 million in FY2023 to RM291.0 million in FY2024.

In terms of geographical segmentation, in FY2024, 73% of the Group's revenue was contributed by our customers located in Malaysia, an increase of about RM35.2 million or 5.6% as compared to RM624.7 million in FY2023. Of the remaining 27%, our customers in Singapore contributed 10% and in Vietnam, 8%. These three main locations contributed roughly the same percentage of the Group's revenue in FY2024 as in FY2023.

### Earnings before interest, taxes, depreciation, and amortisation ("EBITDA")

In FY2024, the Group recorded an EBITDA of RM77.7 million, an increase of a 16.1% as compared to RM66.9 million registered in FY2023 mainly due to the utilisation of our lower cost raw materials inventory. However, the Group's profit margin was impacted by:

- the elevated costs of replenished raw materials, especially the imported raw materials as well as freight and transport charges;
- the weakening of Ringgit Malaysia and Vietnamese Dongs against US Dollars;
- the increase in unrealised foreign exchange loss recognised in FY2024 as compared to FY2023; and
- general inflationary pressure on the selling and distribution costs and the administrative costs.

### Earnings before interest and taxes ("EBIT")

The Group recorded an EBIT of RM25.6 million in FY2024 an increase of RM10.8 million or 72.9% as compared to RM14.8 million in FY2023. Depreciation expense has decreased by 0.1%.



### Finance costs

The Group's finance costs have increased by RM4.2 million or 28.4% from RM14.6 million in FY2023 to RM18.8 million in FY2024 due to the increase in interest rate.

### Loss after taxation

The Group recorded a loss after taxation of RM7.9 million in FY2024, an increase of 34.2% as compared to the loss after taxation of RM5.9 million in FY2023. The Group's effective tax rate for FY2024 is higher than the statutory tax rate mainly due to the unutilised tax losses of certain subsidiaries, where deferred tax assets were not recognised as the recognition criteria were not satisfied.

# MANAGING DIRECTOR'S REVIEW AND MANAGEMENT DISCUSSION AND ANALYSIS

## FINANCIAL REVIEW (Cont'd)

### Financial Position and Cash Flow

	FY2024	FY2023	Increase/(Decrease)	
	RM'000	RM'000	RM'000	%
Property, plant & equipment	546,826	559,865	(13,039)	(2.3%)
Right-of-use assets	36,194	37,035	(841)	(2.3%)
Other assets	5,643	2,142	3,501	163.5%
<b>Total non-current assets</b>	<b>588,663</b>	<b>599,042</b>	<b>(10,379)</b>	<b>(1.7%)</b>
Trade and other receivables	143,918	156,920	(13,002)	(8.3%)
Inventories	219,405	266,610	(47,205)	(17.7%)
Other assets	67,978	59,026	8,952	(15.2%)
<b>Total current assets</b>	<b>431,301</b>	<b>482,556</b>	<b>(51,255)</b>	<b>(10.6%)</b>
<b>Total Assets</b>	<b>1,019,964</b>	<b>1,081,598</b>	<b>(61,634)</b>	<b>(5.7%)</b>
Total loans and borrowings	333,449	397,396	(63,947)	(16.1%)
Trade payables	47,709	50,835	(3,126)	(6.1%)
Other liabilities	133,653	122,996	10,657	8.7%
<b>Total Liabilities</b>	<b>514,811</b>	<b>571,227</b>	<b>(56,416)</b>	<b>(9.9%)</b>
<b>Total Equity</b>	<b>505,153</b>	<b>510,371</b>	<b>(5,218)</b>	<b>(1.0%)</b>

The Group's total shareholders' fund registered RM505.2 million as at 30 April 2024 as compared to RM510.4 million as at 30 April 2023, due to net losses in FY2024 as well as the payment of first interim dividend in FY2024.

The Group's total assets as at 30 April 2024 decreased by 5.7% to RM1,020.0 million as compared to RM1,081.6 million as at 30 April 2023. The decrease was primarily due to the decrease in current assets. The property, plant and equipment decreased from RM559.9 million as at 30 April 2023 to RM546.8 million as at 30 April 2024. The Group's current assets decreased by RM51.3 million from RM482.6 million as at 30 April 2023 to RM431.3 million as at 30 April 2024 due to the decrease in trade and other receivables of RM13.0 million and inventories of RM47.2 million.

The Group's total liabilities as at 30 April 2024 decreased by 9.9% to RM514.8 million as compared to RM571.2 million as at 30 April 2023. The decrease in total liabilities was contributed by the decrease in loans and borrowings to RM333.5 million in FY2024 (FY2023: RM397.4 million). As a result, the net gearing ratio decreased to 35% in FY2024 (FY2023: 41%).

The Group's cash and cash equivalents increased by RM11.5 million to RM55.6 million as at 30 April 2024 as compared to RM44.1 million as at 30 April 2023, due to the following:

- Net cash generated from operating activities of RM114.9 million as a result of the increase in cash utilised for working capital purposes in FY2024;
- Net cash outflow of RM24.6 million for investing activities, of which an amount of RM24.4 million was for the capital expenditures, partly offset by sales proceeds received from the disposal of property, plant and equipment of RM0.28 million; and
- Net cash used in financing activities of RM78.9 million mainly due to the net drawdown of bank borrowing amounting RM67.2 million, first interim dividend of RM9.0 million and lease payment of RM2.7 million.



# MANAGING DIRECTOR'S REVIEW AND MANAGEMENT DISCUSSION AND ANALYSIS

## SEGMENTAL PERFORMANCE

	FY2024		
	Tissue Paper Products RM'000	Personal Care Products RM'000	Total RM'000
<b>Revenue</b>	<b>614,551</b>	<b>290,957</b>	<b>905,508</b>
<b>Net segmental result</b>	<b>(7,744)</b>	<b>32,900</b>	<b>25,156</b>
<b>Interest income and finance cost</b>	<b>(12,307)</b>	<b>(6,026)</b>	<b>(18,333)</b>
<b>(Loss) / Profit before tax</b>	<b>(20,051)</b>	<b>26,874</b>	<b>6,823</b>

	FY2023		
	Tissue Paper Products RM'000	Personal Care Products RM'000	Total RM'000
<b>Revenue</b>	<b>619,001</b>	<b>249,288</b>	<b>868,289</b>
<b>Net segmental result</b>	<b>(12,353)</b>	<b>26,871</b>	<b>14,518</b>
<b>Interest income and finance cost</b>	<b>(10,164)</b>	<b>(4,180)</b>	<b>(14,344)</b>
<b>(Loss) / Profit before tax</b>	<b>(22,517)</b>	<b>22,691</b>	<b>174</b>

### Tissue Paper Products Segment

During FY2024, the Tissue Paper Products Segment remained the primary contributor, accounting for 68% of the Group's total revenue. Its revenue decreased from RM619.0 million in FY2023 to RM614.6 million in FY2024, primarily attributed to the decrease in sales volume and a slight increase in average selling price. The segment recorded a loss before tax of RM20.1 million in FY2024, an improvement of 11% compared to a loss before tax of RM22.5 million in FY2023. This improvement in loss before tax was primarily attributed to overall decrease in the cost of raw materials utilised.



# MANAGING DIRECTOR'S REVIEW AND MANAGEMENT DISCUSSION AND ANALYSIS

## SEGMENTAL PERFORMANCE (Cont'd)

### Personal Care Products Segment

In FY2024, the Personal Care Products Segment recorded a revenue of RM291.0 million, an increase of 16.7% as compared to RM249.3 million recorded in FY2023. The increase in revenue was contributed by all the products in the segment especially baby diapers. The increase in revenue was driven by the increase in sales volume, offset by the slight decrease in average selling prices. It reported a profit before tax of RM26.9 million in FY2024, a 18.4% increase from RM22.7 million in FY2023.

## MANAGING RISKS

The following are the risks that could adversely affect the Group's prospects. The Group will continue to map its plans and strategies to mitigate these risks.

### Cost inflation



Cost inflation is the risk that can be brought about by the uncertainties in the global markets, war and fluctuations in foreign exchange rates. The Group has significant exposures to commodity price fluctuations, such as pulp, waste paper and non-woven materials, which may affect the Group's pricing strategy and profitability level. Cost inflation risks also include, amongst others, any increase in the costs of labour, energy, and transportation. To mitigate the impact of cost inflation, the Group focuses on optimising its supply chain and operational efficiency. This includes exploring alternative sourcing options, negotiating favourable terms with the suppliers and adopting lean practices to minimise costs at each stage of the supply chain.

### Market competition



Rivalry among industry players is a significant factor that can impact profits in a competitive market. This rivalry often leads to intense price competition and declining profit margins as companies strive to gain a competitive advantage and attract customers. To navigate the challenges posed by rivalry, the Group focuses on long-term sustainable growth, differentiation and cost management. These strategies may include investing in research and development to innovate, understanding customer needs and preferences, building strong customer relationships and continually improving operational efficiency. Additionally, the Group will stay vigilant about market trends and competitor actions to adapt and respond proactively to changing market conditions.

### Credit Risk



Credit risk is the risk of an unexpected loss if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group sells its products to a wide variety of customers under certain credit terms and is therefore exposed to credit risks.

The Group typically grants credit terms of between 30 days and 90 days, subject to a credit limit set upon the evaluation of the credit worthiness of each customer. The Group routinely assesses the financial strength of its customers and mitigates any identified exposure primarily by lowering credit limits of high-risk accounts. Certain trade receivables in Malaysia are covered by trade insurance policy. As a result, the Group believes that its exposure to credit risk is limited.

### Currency Risk



The Group is exposed to foreign exchange risk arising from the foreign exchange rate fluctuations between the currency of its sales and its imports of direct materials, as well as its borrowings and investments which are denominated in foreign currencies. The Group may enter into forward contracts to mitigate the risk of foreign exchange rate fluctuations as and when appropriate. The Group also takes active steps to minimise its foreign currency exchange exposure in its procurement and purchasing arrangements with both its local and foreign suppliers.





# MANAGING DIRECTOR'S REVIEW AND MANAGEMENT DISCUSSION AND ANALYSIS

## STRATEGY FOR SUSTAINABLE PROFITABLE GROWTH

The global economy remains uncertain. The Group's journey throughout FY2024 was braced with unprecedented uncertainties and challenges, such as the supply chain interruptions and price volatility of raw materials and other necessary supplies or services. The Group will remain vigilant and will continue to work on improving its competitiveness and market presence by continuing to expand and improve its distribution channel within and outside Malaysia. Beyond that, the Group's mission to drive growth remains focused on the following development strategies:

- continue to focus on product innovation and strive to stand out from our peers by optimising our product mix to increase the brand competitiveness and profit margin of the Group;
- continue to expand the Group's Personal Care Products Segment in Malaysia, Thailand and Vietnam;
- continue to make the best use of our resources to optimise our cost-effectiveness;
- continue to improve the production and operation efficiencies of the Group to support sustainable business growth; and
- continue to take a new marketing position for recycled grade with eco-friendly products.

## DIVIDEND

The Board of Directors is not recommending any final dividend for FY2024. The total net dividend for FY2024 amounted to 0.80 sen per ordinary share.

## FUTURE CHALLENGES AND OUTLOOK

The Group will continue with its positioning to capitalise on the growing demand for eco-friendly products by conducting briefings with customers to promote the green features of our products with recycled and low carbon contents. The Group will continue to expand its sustainable recycled grade manufacturing process maximising conversion of wastes into useful products. The Group believes that its aspirations of being a green company would bring in improvement of sales in addition to reducing environmental carbon footprint.

The Personal Care Products Segment remains an important growth segment with the sustained high level of health awareness about intimate hygiene and the Group will continue to devote resources to develop more high-quality products. The Group has streamlined its inhouse production capacity and sales effort in Thailand and Vietnam of its personal care products.

In FY2024, with geopolitical tensions, wars, uncertain US Dollars movement and high interest cost, market conditions remained very challenging and such market conditions are likely to persist. The Group also faces intense challenges from direct import of China tissue paper products and high material costs as well as high sea freight cost. Premised on our strategy for sustainable profitable growth, the Group continues to expand its products range as well as introduce automation in production to reduce cost. It will explore new export markets such as US and Europe leveraging on the prevailing evolution in global supply chain. Barring any unforeseen circumstances, we expect the business of the Group to remain resilient in the competitive sector.

## ACKNOWLEDGEMENT

On behalf of the Board of Directors, I would like to extend my sincere gratitude to our shareholders and the management and employees of the Group for their unrelenting commitment, dedication, passion and contribution to the success of the Group, especially in such a challenging year. I would also like to express my appreciation to all other stakeholders including the government authorities, customers, suppliers, vendors, bankers and business partners for their support extended to the Group.

Last but not least, I would like to thank my fellow Board members for their invaluable service to the Group. I look forward to your continued support.

**Lee See Jin**

Chairman cum Managing Director

Date: 23 August 2024



# 董事经理的营运总结回顾检讨及管理层的讨论与分析

## 本集团业务及营运概述

本人很荣幸能代表启顺造纸业有限公司(“NTHB”或“本公司”)董事会及其子公司(以下简称“本集团”)报告截至2024年4月30日的财政年(“2024财政年”)的年度报告和经审查的财务报表。

NTHB主要是一家投资控股公司。本集团是纸巾和个人护理产品的主要制造商和分销商，并由两大部门即纸巾产品部和个人护理产品部组成。纸巾产品部的产品包括面巾、厕纸、厨房纸巾、餐纸巾、餐巾和纸芯。个人护理产品则有女性卫生用品、棉制品、婴儿尿片、湿纸巾和成人失禁用品。其家喻户晓的品牌包括Premier, Cutie, Royal Gold, Budget, Vina, Intimate, Blossom 和 Diapex。同时，本集团也为公司和机构提供卫生用品，包括使用CONV品牌的纸巾用品、肥皂及纸巾分配器。目前，本集团拥有五家制造工厂，其中两家位于霹靂州的巴里文打，两家位于檳城州的高渊及一间位于越南的平阳 (Binh Duong)。

2024财政年，以色列和哈马斯之间的战争导致全球局势恶化。以色列最大的航运公司对由于红海货船袭击而可能导致的全球航运中断表示越来越担忧。随着航运费用的上涨以及红海局势的升级，对全球贸易的潜在影响和对商品价格的压力令人担忧。红海危机导致了本公司原材料价格(包括纸浆和废纸)的重大波动。此外，我们还经历了运输成本、运费和外汇汇率的显著上涨。尽管在2024财政年整体经济环境存在不确定性和波动，但本集团的收入取得了4.3%的增长，达到9亿550万令吉，税前利润也从17.4万令吉增至682万令吉，主要是原材料成本的降低。

## 财务回顾

	FY2024	FY2023	Increase/(Decrease)	
	(2024财政年)	(2023财政年)	(增长/减少)	
	RM'000	RM'000	RM'000	%
<b>Revenue (收入)</b>	<b>905,508</b>	868,289	37,219	4.3%
Other income (其他收入)	6,175	7,354	(1,179)	(16.0%)
Purchase of trading stocks (购买贸易库存)	(68,138)	(58,653)	9,485	16.2%
Changes in inventories of finished goods and work in progress (成品与在制品的库存变动)	(23,891)	21,791	45,682	209.6%
Raw materials and consumables used (原材料和消耗品)	(390,229)	(453,253)	(63,024)	(13.9%)
Transportation costs (运输费用)	(52,440)	(50,901)	1,539	3.0%
Employee benefits expenses (雇员福利支出)	(179,850)	(167,177)	12,673	7.6%
Utilities cost (水电气费)	(54,275)	(51,764)	2,511	4.9%
Other expenses (其他支出)	(65,200)	(48,766)	16,434	33.7%
<b>Earnings before interest, taxes, depreciation, and amortisation (税息折旧及摊销前利润)</b>	<b>77,660</b>	66,920	10,740	16.1%
Depreciation (折旧)	(52,029)	(52,098)	(69)	(0.1%)
<b>Earnings before interest and taxes (息税前利润)</b>	<b>25,631</b>	14,822	10,809	72.9%
Finance costs (财务成本)	(18,808)	(14,648)	4,160	28.4%
<b>Profit before taxation (税前利润)</b>	<b>6,823</b>	174	6,649	3,821.3%
Taxation (税务)	(14,716)	(6,055)	8,661	143.0%
<b>Loss after taxation (税后亏损)</b>	<b>(7,893)</b>	(5,881)	2,012	34.2%

## 收入

尽管营运环境充满挑战，本集团在2024财政年的总收入为9亿550万令吉，比截至2023年4月30日的财政年(“2023财政年”)的8亿6830万令吉增长了4.3%。这是由于个人护理产品销售的增长，尤其是纸巾产品。在产品分类来说，纸巾产品是主要的产品，占总收入的68% (2023年：71%)，其余的收入来自于个人护理产品。在2024财政年，纸巾产品的收入从2023财政年的6亿190万令吉减少至6亿146万令吉，下降了0.7%，而个人护理产品的收入增长了16.7%，从2023财政年的2亿493万令吉增加至2024财政年的2亿910万令吉。

以区域来看，本集团2024财政年的73%收入来自马来西亚的客户，比2023财政年的6亿247万令吉增加了约3,520万令吉或5.6%。其余的27%中，新加坡客户占10%和越南客户占了8%。以上三个主要地点对本集团收入的贡献大致与2023财政年相同。

# 董事经理的营运总结回顾检讨及管理层的讨论与分析

## 财务回顾 (续)

### 税息折旧及摊销前利润

本集团在2024财政年的税息折旧及摊销前利润为7,770万令吉，比2023财政年的6,690万令吉增长了16.1%。主要是采用了成本较低的原材料库存。然而，集团的利润率受到以下因素的影响：

- 原材料成本的大幅飙升，尤其是进口原材料及运费成本的增加；
- 令吉和越南盾兑美元的疲弱表现；
- 相比于2023财政年，2024财政年的未实现外汇亏损有所增加；和
- 销售和分销成本以及管理成本面对一般的通胀压力。

### 息税前利润

本集团在2024财政年的息税前利润达2,560万令吉，比2023财政年的1,480万令吉增长了1,080万令吉或72.9%。然而折旧费用下降了0.1%。

### 财务成本

本集团在2024财政年的净融资成本增加了420百万令吉或28.4%，从1,460万令吉上涨至1,880万令吉，主要原因是银行借款和贷款的利息增加了。

### 税后亏损

本集团在2024财政年取得税后亏损达790万令吉，较2023财政年取得的590万令吉税后亏损增加了34.2%。本集团在2024财年的有效税率高于法定税率，这是因为某些子公司的未使用税项亏损未能确认为递延所得税资产。

## 财务状况及现金流量

	FY2024	FY2023	Increase/(Decrease)	
	(2024财政年)	(2023财政年)	(增长/减少)	
	RM'000	RM'000	RM'000	%
Property, plant & equipment (物业, 厂房和设备)	546,826	559,865	(13,039)	(2.3%)
Right-of-use assets (资产使用权)	36,194	37,035	(841)	(2.3%)
Other assets (其他资产)	5,643	2,142	3,501	163.5%
<b>Total non-current assets (总非流动资产)</b>	<b>588,663</b>	<b>599,042</b>	<b>(10,379)</b>	<b>(1.7%)</b>
Trade and other receivables (贸易和其他应收款)	143,918	156,920	(13,002)	(8.3%)
Inventories (库存)	219,405	266,610	(47,205)	(17.7%)
Other assets (其他资产)	67,978	59,026	8,952	(15.2%)
<b>Total current assets (总流动资产)</b>	<b>431,301</b>	<b>482,556</b>	<b>(51,255)</b>	<b>(10.6%)</b>
<b>Total Assets (总资产)</b>	<b>1,019,964</b>	<b>1,081,598</b>	<b>(61,634)</b>	<b>(5.7%)</b>
Total loans and borrowings (总借贷及贷款)	333,449	397,396	(63,947)	(16.1%)
Trade payables (贸易应付款)	47,709	50,835	(3,126)	(6.1%)
Other liabilities (其他债务)	133,653	122,996	10,657	8.7%
<b>Total Liabilities (总负债)</b>	<b>514,811</b>	<b>571,227</b>	<b>(56,416)</b>	<b>(9.9%)</b>
<b>Total Equity (总股本)</b>	<b>505,153</b>	<b>510,371</b>	<b>(5,218)</b>	<b>(1.0%)</b>



# 董事经理的营运总结回顾检讨及管理層讨论与分析

## 财务回顾 (续)

### 财务状况及现金流量 (续)

本集团截至2024年4月30日的总股本为5亿520万令吉，较于2023年4月30日的5亿1040万令吉有所下降。资金减少主要是因为净亏损以及支付了2024财政年首次中期股息所致。

本集团2024年4月30日的总资产为10亿200万令吉，较2023年4月30日的10亿8160万令吉减少了5.7%，主要是流动资产的减少。固定资产的价值从2023年4月30日的5亿5990万令吉下降至2024年4月30日的5亿4680万令吉。本集团的流动资产从2023年4月30日的4亿8260万令吉减少了5,130万令吉，下降至2024年4月30日的4亿3130万令吉，主要是贸易和收账款减少了1,300万令吉以及库存减少了4,720万令吉。

本集团2024年4月30日的总负债从2023年4月30日的5亿7120万令吉减少了9.9%下降至5亿1480万令吉。总负债减少主要是贷款和借款的减少所致，从2023财政年的3亿9740万令吉下降至2024财政年的3亿3350万令吉。因此，2024财政年的净负债比率下降至35% (2023年4月30日: 41%)。

截至2024年4月30日，本集团的现金及现金等价物相比于2023年4月30日的4410万令吉增加了1150万令吉，达5,560万令吉。主要原因如下：

- 营运资金的现金增加是因为2024财政年经营活动时使用了1亿1490万令吉净现金；
- 投资活动净现金流出2,460万令吉，其中2,440万令吉用于资本支出，部分的28万令吉被出售固定资产抵消了；和
- 融资活动的现金净额为7,890万令吉，主要是由于银行借款净提取6720万令吉，分别被首次中期股息和租赁支付的900万令吉和270万令吉所抵消。



## 分部营运表现

	FY2024 (2024财政年)		
	Tissue Paper Products (纸巾产品) RM'000	Personal Care Products (个人护理产品) RM'000	Total (总数) RM'000
Revenue (收入)	614,551	290,957	905,508
Net segmental result (各分部净收入)	(7,744)	32,900	25,156
Interest income and finance cost (利息收入及财务成本)	(12,307)	(6,026)	(18,333)
(Loss) / Profit before tax 税前(亏损)/利润	(20,051)	26,874	6,823

	FY2023 (2023财政年)		
	Tissue Paper Products (纸巾产品) RM'000	Personal Care Products (个人护理产品) RM'000	Total (总数) RM'000
Revenue (收入)	619,001	249,288	868,289
Net segmental result (各分部净收入)	(12,353)	26,871	14,518
Interest income and finance cost (利息收入及财务成本)	(10,164)	(4,180)	(14,344)
(Loss) / Profit before tax 税前(亏损)/利润	(22,517)	22,691	174



# 董事经理的营运总结回顾检讨及管理層讨论与分析

## 分部营运表现 (续)

### 纸巾产品部

2024财政年，纸巾产品部门依然是本集团主要收入来源的贡献者，占了集团总收入的68%。纸巾产品部的收入从2023财政年的6亿190万令吉减少至2024财政年的6亿146万令吉，主要原因是销售量的下降和平均售价的微小上升。尽管如此，该部门的税前亏损在2024财政年为2010万令吉，相较于2023财政年的2250万令吉，减少了11%。税前亏损的减少主要归因于原材料成本的降低。

### 个人护理产品部

个人护理产品部在2024财政年取得2亿9100万令吉的收入，较2023财政年的2亿4930万令吉增长了16.7%。所有个人护理产品都为此部门增加了收入，特别是婴儿尿裤。收入的增长是由销售量增加所推动的，但被平均产品售价的微小下降抵消了。个人护理产品部的税前利润为2,690万令吉，较2023财政年的2,270万令吉增加了18.4%。

## 风险管理

以下的风险或将影响本集团的前景，我们也一如既往的规划和实施策略来降低这些风险。

### 成本型通货膨胀



成本型通货膨胀是指可能受到全球市场的不确定性、战争以及外汇汇率波动等因素引起的风险。本集团面临显著的对纸浆、废纸和无纺布等商品价格波动的风险，这可能会影响我们的定价策略和盈利水平。成本型通货膨胀风险也涉及劳动力、能源和运输成本的增加。为缓解成本型通货膨胀的影响，本集团专注于优化供应链，其中包括寻求替代采购选项、与供应商谈判合理有利条款以及采取精益管理方针以降低供应链各阶段的成本。

### 市场竞争



行业内的竞争是影响市场利润的一个重要因素。这种竞争通常导致激烈的价格竞争和利润率下降，因为公司努力争取竞争优势并吸引客户。为了应对竞争带来的挑战，本集团专注于长期可持续增长、差异化和成本管理。这些策略包括投资研发以创新、了解客户需求和喜好的产品、建立良好的客户关系以及不断提升运营效率。此外，本集团将密切关注市场趋势和竞争对手的动向，以适应并积极应对市场变化。

### 信用风险



信用风险是指因客户或交易伙伴无法履行金融合约义务而引起的无法预测损失的风险。本集团依据若干账期条件向各类客户销售产品，通常授予30天到90天的账期，会因此面临信用风险。

为此，本集团会定期评估客户的财务状况，信用限额则视个别客户的信用评估而定，一旦发现高风险账户，将降低其信用限额。在马来西亚的部份应收款购买了贸易保险。因此，本集团相信其信用风险有限。

### 货币风险



由于本集团的销售，进口原材料和贷款主要是通过外币主导和进行，为此会受到外币汇率的波动，并形成外汇风险。本集团可能会根据需要签订远期合同，以减轻外汇汇率波动的风险。本集团亦积极采取措施，减少与本地和外国供应商的采购和购买安排中的外汇风险。

# 董事经理的营运总结回顾检讨及管理 层讨论与分析

## 永续经营策略

全球经济依然不明朗。今年确实是本集团经历了前所未有的挑战，即供应链中断、原材料和其他必要供应或服务的价格波动。本集团将保持警惕，继续扩展和改善在马来西亚国内及国外的分销渠道，努力提高市场竞争力和占有率。除此之外，本集团将专注以下发展策略推动经营增长：

- 继续着重在产品创新，通过优化产品组合提升品牌竞争力和利润率，以期在同业中脱颖而出；
- 继续在马来西亚、泰国和越南扩展个人护理产品的业务；
- 继续善用资源以提高成本效益；
- 继续提升生产和运改善作效率，以支持可持续发展业务增长；和
- 以全新的市场定位，继续推广环保和再生纸级别产品。

## 股息

董事局不建议派发2024财政年的最终股息。2024财政年每股的总净股息达0.80仙。

## 前景和展望

为了应对日益增长的环保产品需求，本集团将通过与客户进行简报，继续推广环保产品的特性，特别是回收材料和含低碳量的产品。作为一家绿色公司，本集团将继续扩展可持续回收等级的制造技术，最大化将废料转化为有用产品，相信这将有助于提升销售，同时减少环境碳足迹。

个人护理产品依然是一个重要的增长部门，随着消费者对私密卫生的健康意识持续提高，本集团将继续投入资源开发更多高质量的产品。本集团也提升了泰国和越南制造工厂的个人护理产品的生产能力和分销渠道。

在2024财政年，本集团预计将继续面对地缘政治紧张的局面、战争和不确定的美元波动以及高利息成本的挑战。除了这些因素，我们还面对中国纸巾产品进口的竞争、高原材料价格以及海运成本提高等严峻挑战。为了持续盈利增长，本集团继续扩大产品范围，并引进生产自动化技术以降低成本。随着全球供应链的演变，本集团将探索如美国和欧洲等新的出口市场。在没有任何不可预见的情况下，我们预计本集团在竞争激烈的行业中保持韧性。

## 鸣谢

我谨此代表NTHB董事会，诚挚的感谢所有股东、集团管理层和员工，在这充满挑战的一年里为集团所付出的不懈努力和奉献。我还要感谢政府机构、客户、供应商、金融机构和商业伙伴们的支持和为集团的成功做出贡献。

最后，我要感谢董事会成员们对本集团无限贡献。我期望您们的持续支持。

李斯仁  
主席兼董事经理  
日期：2024年8月23日



## BOARD OF DIRECTORS' PROFILE

### LEE SEE JIN

Chairman cum Managing Director

Male | Aged 85 | Malaysian

**Mr. Lee See Jin** was appointed to the Board of Directors of NTPM Holdings Berhad ("NTHB") on 20 October 1996 and re-designated as Chairman cum Managing Director on 29 March 2019. He is a member of the Investment Committee of the Company.

He obtained the Higher School Certificate in 1960. He is a Director of all subsidiaries of NTHB. He is a founder of the Group and has been in the paper industry for more than 40 years. Over these years, he has gained in-depth experience and knowledge of the paper industry in Malaysia.

He is the father of Mr. Lee Chong Choon, an Executive Director cum Group Chief Executive Officer ("Group CEO") and a major shareholder of the Company. He has no conflict of interest with the Group. Other than our Company, Mr. Lee See Jin does not hold any directorship in public companies and public listed companies. He has no conviction for any offences within the past five (5) years other than traffic offences (if any) and has not been imposed any public sanction or penalty by the relevant regulatory bodies during the financial year ended 30 April 2024. He attended all six (6) Board of Directors' Meetings held in the financial year ended 30 April 2024.

### LEE CHONG CHOON

Executive Director cum Group CEO

Male | Aged 59 | Malaysian

**Mr. Lee Chong Choon** was appointed to the Board of Directors of NTHB on 10 November 1999. He is the Chairman of Risk Management Committee and a member of the Investment Committee of the Company.

He is an Executive Director cum Group CEO and a Director of all the subsidiaries of NTHB. He holds a Diploma in Civil Engineering from the Singapore Polytechnic. He has extensive experience in process engineering and has provided the NTHB Group with technical manufacturing experience expertise. He was the Financial Controller of Nibong Tebal Paper Mill Sdn. Bhd. ("NTPM") from 1995 to 1997 and the Country Sales Manager of NTPM from 1997 to 1999. He has also been instrumental in spearheading the progress of the Group and the development of the Group's products.

He is the son of Mr. Lee See Jin, the Chairman cum Managing Director and a major shareholder of the Company. He has no conflict of interest with the Group. Other than our Company, Mr. Lee Chong Choon does not hold any directorship in public companies and public listed companies. He has no conviction for any offences within the past five (5) years other than traffic offences (if any) and has not been imposed any public sanction or penalty by the relevant regulatory bodies during the financial year ended 30 April 2024. He attended all six (6) Board of Directors' Meetings held in the financial year ended 30 April 2024.

### TAN CHOON THYE

Independent Non-Executive Director

Male | Aged 70 | Malaysian

**Mr. Tan Choon Thye** was appointed as an Independent Non-Executive Director of NTHB on 20 March 2020. He is the Chairman of Audit Committee, Nominating Committee and Investment Committee. He is also a member of Risk Management Committee of the Company.

He graduated from University of Malaya in 1979 with a Bachelor of Electrical Engineering (Honours) and then received his Master of Business Administration from University of Hawaii, United States of America in 1982.

He has over 20 years of investment banking and 10 years of commercial banking experience being with CIMB banking group from July 1988 to January 2006 and from August 2007 to July 2019. During the period, he has worked in Indonesia being seconded there as an Executive Director of PT CIMB Niaga Securities and in China being seconded there as a Deputy President, Bank of Yingkou, an investee bank of CIMB Bank and as the General Manager of CIMB Bank Shanghai Branch.

He has no family relationship with other Directors and/or major shareholders of the Company, nor any conflict of interest with the Group. Other than our Company, Mr. Tan Choon Thye is an Independent Non-Executive Director of two public listed companies, namely M&A Equity Holdings Berhad and Bank of Chengdu Co., Ltd. (listed on Shanghai Stock Exchange, China). He has no conviction for any offences within the past five (5) years other than traffic offences (if any) and has not been imposed any public sanction or penalty by the relevant regulatory bodies during the financial year ended 30 April 2024. He attended all six (6) Board of Directors' Meeting held in the financial year ended 30 April 2024.



## BOARD OF DIRECTORS' PROFILE

**DATO' DR. JUITA BINTI GHAZALIE** | Independent Non-Executive Director | Female | Aged 68 | Malaysian

**Dato' Dr. Juita Binti Ghazalie** was appointed as an Independent Non-Executive Director of NTHB on 23 September 2022. She was appointed as a member of the Company's Audit Committee, Investment Committee and Risk Management Committee on 23 September 2022 and Nominating Committee on 20 June 2023.

Dato' Dr Juita graduated with a Master in Public Health and Medicine & Surgery Degree from Universiti Kebangsaan Malaysia and Ain Shims University at Cairo in Egypt respectively in 1995 and 1981.

Dato' Dr Juita had worked with the Ministry of Health, Malaysia for 35 years with focus on public health. She had been appointed as Director of Hospital Pulau Pinang, Hospital Sultanah Bahiyah, Alor Setar and Perak State Health Department during her tenure with the Ministry of Health, Malaysia. Her wealth of experience in public health will provide valuable insights on the Group's business strategies and direction.

She has no family relationship with other Directors and/or major shareholders of the Company, nor any conflict of interest with the Group. Other than that, Dato' Dr. Juita does not hold any directorship in public companies and public listed companies. She has no conviction for any offences within the past five (5) years other than traffic offences (if any) and has not been imposed any public sanction or penalty by the relevant regulatory bodies during the financial year ended 30 April 2024. She attended all six (6) Board of Directors' Meeting held in the financial year ended 30 April 2024.

**CHANG HUI YUIN** | Independent Non-Executive Director | Female | Aged 41 | Malaysian

**Ms. Chang Hui Yuin** was appointed as an Independent Non-Executive Director of NTHB on 23 September 2022. She was appointed as a member of the Company's Audit Committee, Risk Management Committee and Nominating Committee on 23 September 2022. She was also appointed as a member of Investment Committee on 20 June 2023.

Ms. Chang graduated with a Bachelor of Commerce Degree with First Class Honours from the University of Queensland in Australia in 2004. In 2020, she obtained a Bachelor of Laws degree with First Class Honours from the University of Northumbria at Newcastle in the United Kingdom.

She is currently the Managing Director at RTC Consulting Sdn Bhd. She is an associate of Chartered Accountants Australia and New Zealand and a member of the Malaysian Institute of Accountants. She has over a decade of audit and assurance experience with Ernst & Young in Australia and Singapore and subsequently with Chang Kong Foo & Co. PLT.

She taught accounting subjects in the University of Queensland in Australia between 2005 and 2006. In 2013, she started pursuing a career in tax consulting with RTC Consulting Sdn Bhd, a tax firm specialising in tax advisory services for property developers and construction companies. In 2018, she incorporated her own audit practice, Zubir Chang & Co. PLT after she obtained her audit license in the same year.

She has no family relationship with other Directors and/or major shareholders of the Company, nor any conflict of interest with the Group. Other than that, Ms. Chang does not hold any directorship in public companies and public listed companies. She has no conviction for any offences within the past five (5) years other than traffic offences (if any) and has not been imposed any public sanction or penalty by the relevant regulatory bodies during the financial year ended 30 April 2024. She attended all six (6) Board of Directors' Meeting held in the financial year ended 30 April 2024.

**NISHANT GROVER** | Non-Independent Non-Executive Director | Male | Aged 43 | Indian

**Mr. Nishant Grover** was appointed as a Non-Independent and Non-Executive Director of NTHB on 20 June 2023.

Mr. Grover graduated with L.L.B from University of Pune and thereafter obtained Masters in Business Administration from University of Oxford, UK. Mr. Grover has also completed Director Certification Program from the Institute of Directors of Thailand.

Mr. Grover specializes in value creation, having worked with private equity owned businesses for majority of his professional career. In 2010, while based in Jakarta, he was appointed as the President Director of PT Grohe Indonesia, world's leading manufacturer of sanitaryware. In 2012, he took over the dual role of Regional Vice President – Indonesia, ANZ Korea and Vice President of International Key Accounts, eventually relocating to Singapore. When Grohe was acquired by Lixil Corporation of Japan, Mr. Grover was appointed as Chief Operating Officer – Asia Pacific of Lixil Water Technology (Grohe, American Standard and Inax).

In 2016, Mr. Grover relocated to Thailand as the Chief Operating Officer of TCC Land/ Asset World Corporation. He was instrumental in IPO of Asset World Corporation, one of Thailand's largest real estate listings. In 2019, Mr. Grover joined Upfield, world's largest plant-based food company, a business acquired by KKR from Unilever, as Managing Director for South East Asia, Far East Asia and Pacific. Mr. Grover had also promoted his own entrepreneurial venture, Oxford Acuity, which is active primarily in the hospitality industry. In late 2022, Mr. Grover joined Asia Pulp & Paper as CEO – Tissues International, globally leading finished goods business for APP.

Mr. Grover has no family relationship with the Directors. He is the Nominee Director of a major shareholder of the Company, Premier Investment Ltd. Other than our Company, Mr. Grover does not hold any directorship in public companies and public listed companies.

Saved for the above, he has no conflict of interest with the Group. He has no conviction for any offences within the past five (5) years other than traffic offences, (if any) and has not been imposed any public sanction or penalty by the relevant regulatory bodies during the financial year ended 30 April 2024. He attended all five (5) Board of Directors' Meeting held during his tenure in office in the financial year ended 30 April 2024.





## KEY SENIOR MANAGEMENT TEAM

### LEE CHONG CHAT

**Lee Chong Chat**, aged 61, male, a Malaysian citizen, was appointed as the Chief Operating Officer (Engineering) of NTHB on 1 July 2004. He is the Director of Nibong Tebal Paper Mill Sdn. Bhd. ("NTPM")

He obtained a Bachelor of Science Degree from Purdue University, US in 1986. After obtaining his Master of Science in Civil and Environmental Engineering from Utah State University, US in 1988, he joined CTL Environmental Services, US as a Project Engineer and then joined Ajit Randhava & Associates, US in 1990 as an Engineer. From 1992 to 1994, he worked as an Engineer in MMBP International Limited, Hong Kong. In 1994, he joined Bandar Bukit Kemuning Sdn. Bhd. as its Chief Engineer. Later in 1996, he joined Bridgecon Engineering Sdn. Bhd. as its Project Manager, before joining NTPM in 2000 as Senior Project Manager. He was promoted to Assistant General Manager of NTHB in 2000 before he assumes his current position. He is in charge of the Group's project engineering and initial capital start-up projects.

He has been a member of the Board of Engineer, Malaysia since 1992. In 1995, he became a graduate member of the Institute Engineer of Malaysia and in 1996, he joined the Malaysian Institute of Management as an associate member.

He is the son of Mr. Lee See Jin, the Chairman cum Managing Director and a major shareholder of the Company. He has no conflict of interest with the Group. He does not hold any directorship in public companies and public listed companies. He has no conviction for any offences within the past five (5) years other than traffic offences (if any) and has not been imposed any public sanction or penalty by the relevant regulatory bodies during the financial year ended 30 April 2024.

### LEE HOOI FUNG

**Lee Hooi Fung**, aged 58, female, a Malaysian citizen, was appointed as the Chief Operating Officer (Procurement) of NTHB on 1 March 2011. She is a Director of NTPM (Singapore) Pte. Ltd. ("NSPL").

She completed her Fifth Form education in 1984. She joined NTHB in 1999 as the Purchasing Manager. She was the Assistant General Manager (Procurement) from 2004 to 2011 before she assumes her current position. Prior to joining NTPM, she was a partner in a private company involved in transportation. She is jointly in charge of the Group's procurement and led the Group's logistics services.

She is the daughter of Mr. Lee See Jin, the Chairman cum Managing Director and a major shareholder of the Company. She has no conflict of interest with the Group. She does not hold any directorships in public companies and public listed companies. She has no conviction for any offences within the past five (5) years other than traffic offences (if any) and has not been imposed any public sanction or penalty by the relevant regulatory bodies during the financial year ended 30 April 2024.

### LEE CHONG LOO

**Lee Chong Loo**, aged 59, male, a Malaysian citizen, was appointed as the Chief Operating Officer (Operation) of NTHB on 1 March 2011. He is the Director of Nibong Tebal Enterprise Sendirian Berhad ("NTE").

He holds an Advance Diploma (ABE) from Kolej Damansara Utama. He joined NTPM in 1983 as the Transport and Store Manager. In 1993, he joined Kuang Tat Food Sdn. Bhd. as the Production and General Manager. Following that, he returned to NTPM in 2001 as the Procurement Manager. He was the Assistant General Manager (Procurement) from 2004 to 2011 before he assumes his current position. He leads the sales operation in Thailand and is jointly in charge of the Group's procurement.

He is the son of Mr. Lee See Jin, the Chairman cum Managing Director and a major shareholder of the Company. He has no conflict of interest with the Group. He does not hold any directorship in public companies and public listed companies. He has no conviction for any offences within the past five (5) years other than traffic offences (if any) and has not been imposed any public sanction or penalty by the relevant regulatory bodies during the financial year ended 30 April 2024.

### TAN CHEE SENG

**Tan Chee Seng**, aged 59, male, a Malaysian citizen, was appointed as the Executive Director – Manufacturing of NTPM on 1 October 2009.

He holds a Bachelor Degree in Applied Science (Honours) from University Science Malaysia. He worked at Prime Pharmaceutical Sdn. Bhd., a local pharmaceutical factory for three (3) years before joining NTPM in April 1993 as a Production Engineer. He held numerous positions in NTPM including Engineering Section Manager, Senior Engineering Section Manager, Manufacturing Assistant General Manager and Manufacturing General Manager before he assumes his current role. He is in charge of NTPM's tissue business manufacturing processes.

He has no family relationship with other Directors and/or major shareholders of the Company. He has no any conflict of interest with the Group. He does not hold any directorship in public companies and public listed companies. He has no conviction for any offences within the past five (5) years other than traffic offences (if any) and has not been imposed any public sanction or penalty by the relevant regulatory bodies during the financial year ended 30 April 2024.



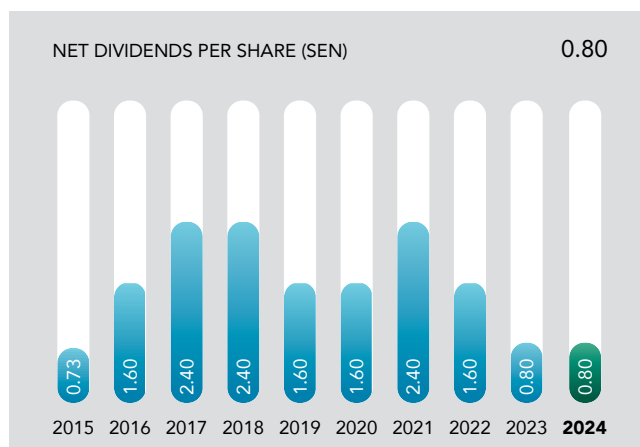
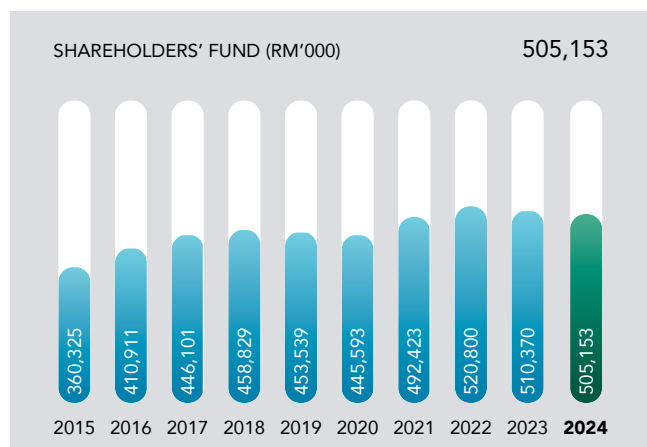
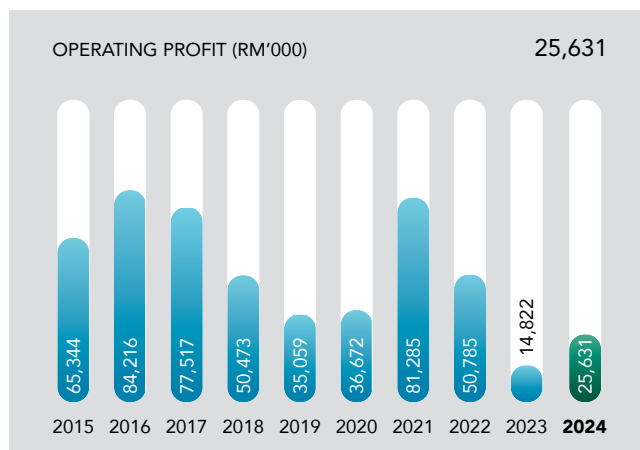
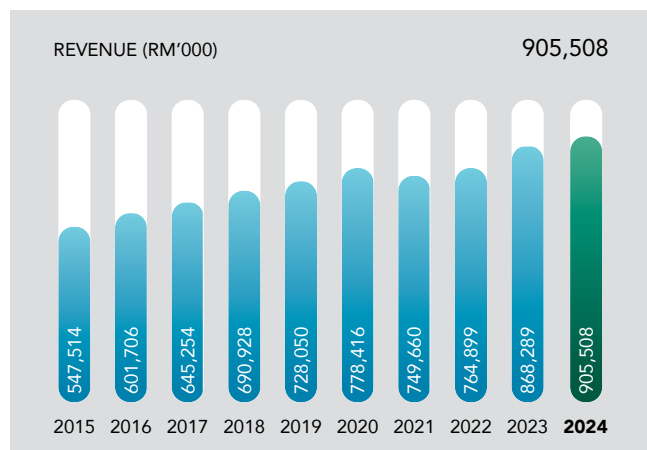
# GROUP FINANCIAL HIGHLIGHTS

## TEN-YEAR FINANCIAL SUMMARY

	2015 RM'000	2016 RM'000	2017 RM'000	2018 RM'000	2019 RM'000	2020 RM'000	2021 RM'000	2022 RM'000	2023 RM'000	2024 RM'000
Revenue *	547,514	601,706	645,254	690,928	728,050	778,416	749,660	764,899	868,289	<b>905,508</b>
Operating Profit	65,344	84,216	77,517	50,473	35,059	36,672	81,285	50,785	14,822	<b>25,631</b>
Profit Before Tax ("PBT")	59,318	78,189	72,378	44,359	23,546	22,395	71,951	43,488	174	<b>6,823</b>
Net Profit/(Loss) Attributable to Shareholders of the Company	42,642	57,667	49,868	29,710	8,962	6,296	63,268	28,513	(5,881)	<b>(7,893)</b>
Shareholders' Fund/Net Assets	360,325	410,911	446,101	458,829	453,539	445,593	492,423	520,800	510,370	<b>505,153</b>
Weighted Average No. of Ordinary Shares in Issue ('000)	1,123,173	1,123,153	1,123,133	1,123,156	1,123,070	1,123,040	1,123,040	1,123,040	1,123,040	<b>1,123,040</b>
Net Assets Per Shares (RM) @	0.32	0.37	0.40	0.41	0.40	0.40	0.44	0.46	0.45	<b>0.45</b>
Net Dividends	8,143	17,970	26,955	26,955	17,969	17,969	26,953	17,969	8,984	<b>8,984</b>
Net Dividends Per Share (Sen) @	0.73	1.60	2.40	2.40	1.60	1.60	2.40	1.60	0.80	<b>0.80</b>
Earnings Per Share (Sen) @	3.80	5.13	4.44	2.65	0.80	0.56	5.63	2.54	(0.52)	<b>(0.70)</b>
Dividends Payout Ratio (%)	19.10	31.16	54.05	90.73	200.50	285.41	42.60	63.02	(152.76)	<b>(113.82)</b>

\* Comparatives amount in the previous years have been restated to conform with current year's presentation

@ Computed based on enlarged number of ordinary shares in issue after bonus issue exercise which was completed on 7 April 2009



# GROUP STRUCTURE AND ACTIVITIES



## NTPM HOLDINGS BERHAD

Registration No. 199601012313 (384662-U)

启顺控股有限公司

(Incorporated in Malaysia)

Investment holding and provision of information technology support and management services.

### MANUFACTURING

#### NTPM | NIBONG TEBAL PAPER MILL SDN. BHD.

Registration No. 197501001037 (22772-A) #

Manufacturing and trading of paper products such as toilet rolls, tissues, serviettes and investment holding. (Incorporated in Malaysia)

#### NTPC | NIBONG TEBAL PERSONAL CARE SDN. BHD.

Registration No. 199101017923 (228234-U) #

Manufacturing and trading of personal care products such as sanitary products, baby diapers, facial cottons, wet tissues and adult diapers. (Incorporated in Malaysia)

#### NTT | NIBONG TEBAL TECHNOLOGY SDN. BHD.

Registration No. 199001010573 (202143-M) #

Undertaking of research and development activities on the production technology, biotechnology and recycling of waste materials related to paper industry. (Incorporated in Malaysia)

### TRADING AND SERVICES

#### NTE | NIBONG TEBAL ENTERPRISE SENDIRIAN BERHAD

Registration No. 198201015306 (95077-H) #

Trading in tissue, paper products of tissue paper and personal care products.

Provision of freight forwarding agent, transportation and logistics services. (Incorporated in Malaysia)

#### NTL | NIBONG TEBAL LOGISTICS SDN. BHD.

Registration No. 199601006133 (378479-H) #

Provision of integrated logistics services. (Incorporated in Malaysia)

#### NTIT | NIBONG TEBAL IT SDN. BHD.

Registration No. 199901025177 (500077-H) #

Provision of information technology support and services. (Incorporated in Malaysia)

### OVERSEAS MANUFACTURING

#### NTPV | NTPM (VIETNAM) CO., LTD.

3702128870 @

Manufacturing, processing of tissue paper and products related to tissue paper and manufacturing of semi-finished paper rolls.

(Incorporated in Vietnam)

### OVERSEAS TRADING

#### NSPL | NTPM (SINGAPORE) PTE. LTD.

(198600763K) #

Importers, exporters and dealers in all kinds of tissue paper and paper products, tissues papers, toilet rolls, paper towels and general merchandise.

(Incorporated in Singapore)

#### NTCL | NTPM (THAILAND) CO., LTD.

(0105547118230) #

Wholesales of pulp paper and sanitary products.

(Incorporated in Thailand)

### OVERSEAS INVESTMENT

#### NIPL | NTPM (INTERNATIONAL) PTE. LTD.

(201220170K) \*

Investment holding.

(Incorporated in Singapore)

# Wholly owned by NTPM Holdings Berhad  
\* wholly owned by NTPM (Singapore) Pte. Ltd.  
@ wholly owned by NTPM (International) Pte. Ltd.



OUR BRANDS:

PREMIER® *Cutie*® ROYAL GOLD® CONV®



WE DELIVER SUSTAINABLE  
HYGIENE PRACTICES



# SUSTAINABILITY STATEMENT

NTPM Holdings Berhad (“NTHB”) and its subsidiaries (“the Group”) recognise sustainability as one of the drivers of the continuing and long-term business activities of the Group. In achieving our business sustainability, we remain committed to constantly improving our efficiency and effectiveness to minimise our impact on the environment and to conduct our business in a fair and responsible manner. We will continue to manage our business with a long-term view for the benefit of our shareholders, stakeholders, environment, market place and workplace.

## VISION

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To be a world-class paper products manufacturer and market leader in fast-moving consumer goods (“FMCG”) by providing quality products which consistently satisfy the needs and expectations of customers.

## MISSION

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- We aspire to be a world-class manufacturer and distributor for a diversified range of consumer products.
- We are confident of providing consumers with good quality and good value products based on our current market reputation, wide customer base and extensive distribution networks.
- Our sales and marketing teams are passionate in developing leading brands with a significant market share in each of the product segments undertaken.
- We will continuously enhance the knowledge and skills of our people, improve the processes and management systems and elevate the working environment towards a higher standard.
- We want to be a good employer and neighbour.

## CORE VALUE

- 1

**Believing in God**

We uphold the principle and good teachings of God in our business actions and decisions. We embrace the human values of Truth, Right Conduct, Peace, Compassion and Love.
- 2

**Leadership**

We are inspired by our corporate vision and work as a team. We manage with hands-on involvement, emphasis on continuous improvement and in-depth understanding of our Group’s operations.
- 3

**Integrity**

We believe that a leader must be honest, sincere, fair and just. We consistently communicate the true message from the heart.
- 4

**Passion**

We are enthusiastic and knowledgeable in our business pursuits and we will always strive for the best.
- 5

**Trust**

We mutually believe in each other giving their level best.
- 6

**Customer Focus**

We appreciate and are grateful towards our customers. We will be proactive and responsive to customers’ feedbacks and comments and refer to them as part of our continuous improvement.
- 7

**Caring**

We care about our employees’ welfare, our society and our environment.
- 8

**Ownership**

We recognise each individual in the organisation as our stakeholder, and we believe emphasis of ownership leads everyone to value and treasure the Group’s assets like their own.



# SUSTAINABILITY STATEMENT

## SCOPE AND BOUNDARY

This Sustainability Statement for FY2024 is prepared in accordance with the Bursa Malaysia Sustainability Reporting Guides and Amendments issued by Bursa Malaysia Securities Berhad under the Main Market Listing Requirements. This Sustainability Statement covers sustainability activities of NTHB and its subsidiaries (“the Group”), unless otherwise stated.

## SUSTAINABILITY APPROACH

This Sustainability Statement describes the commitment of the Group towards improving its sustainability practices while also considering the concerns of stakeholders. By focusing on sustainability, the Group focuses and highlights more on economic, environmental and social (“EES”) risks to strengthen the local economy, safeguard natural resources and strengthen its bond with the community.

## GOVERNANCE STRUCTURE

The sustainability governance of the Group is as presented below: -



The Sustainability Working Group is a team comprising the Occupational Safety and Health Management Committee, Environmental Choice New Zealand (“ECNZ”) Committee, together with the senior management and relevant heads of business and supporting units, who undertakes the integration of sustainability practices and objectives at the operational level, including tracking and measuring progress. The Sustainability Working Group Committee is headed by the Group Chief Executive Officer.

## STAKEHOLDER ENGAGEMENT

Stakeholders are individuals, groups and entities affected by the operations of the Group. Fair treatment and strong relationships with the core stakeholders are key to the Group’s long-term profit and business success. Hence, the Group conducts periodic engagement with both external and internal stakeholders to help us better understand their perspectives and concerns on key issues and to integrate those perspectives and concerns into the sustainability strategy of the Group.

Our key stakeholders are as set out below:





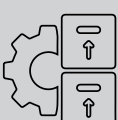

- Employees
- Communities
- Customers
- Shareholders
- Suppliers
- Government and Regulators



# SUSTAINABILITY STATEMENT

## STAKEHOLDER ENGAGEMENT (Cont'd)

Our stakeholder engagement table presented below outlines our stakeholders' engagement methods, the frequency of each engagement method and stakeholder's concerns.

Stakeholder	Engagement Method	Frequency of Engagement	Stakeholder's Concerns
<b>Customers</b> 	<ul style="list-style-type: none"> <li>• Customer surveys</li> <li>• Product sampling</li> <li>• Sales and marketing support</li> <li>• Social media</li> </ul>	<ul style="list-style-type: none"> <li>• Continuously</li> <li>• Continuously</li> <li>• Continuously</li> <li>• Continuously</li> </ul>	<ul style="list-style-type: none"> <li>• Product quality</li> <li>• Pricing</li> <li>• Services</li> <li>• Promotion</li> </ul>
<b>Communities</b> 	<ul style="list-style-type: none"> <li>• Community activities</li> <li>• Sponsorship</li> </ul>	<ul style="list-style-type: none"> <li>• Annually</li> <li>• As and when required</li> </ul>	<ul style="list-style-type: none"> <li>• Community involvement and contributions</li> <li>• Health and safety</li> <li>• Environment responsibility</li> </ul>
<b>Employees</b> 	<ul style="list-style-type: none"> <li>• Annual performance reviews</li> <li>• Training programmes</li> <li>• Circulation of internal policies</li> </ul>	<ul style="list-style-type: none"> <li>• Annually</li> <li>• As and when required</li> <li>• As and when required</li> </ul>	<ul style="list-style-type: none"> <li>• Employee management (equal opportunity)</li> <li>• Training and education</li> <li>• Workplace safety and health</li> </ul>
<b>Regulators</b> 	<ul style="list-style-type: none"> <li>• Formal dialogues and meetings</li> <li>• Inspection by local authorities</li> </ul>	<ul style="list-style-type: none"> <li>• As and when required</li> <li>• As and when required</li> </ul>	<ul style="list-style-type: none"> <li>• Regulatory compliance</li> <li>• Occupational Safety and Health</li> </ul>
<b>Suppliers</b> 	<ul style="list-style-type: none"> <li>• Quotation requests and sampling tests</li> <li>• Meetings and dialogues</li> </ul>	<ul style="list-style-type: none"> <li>• As and when required</li> <li>• As and when required</li> </ul>	<ul style="list-style-type: none"> <li>• Supply Chain</li> <li>• Payment terms</li> </ul>
<b>Shareholders</b> 	<ul style="list-style-type: none"> <li>• Interim result announcements</li> <li>• Annual General Meetings</li> <li>• Annual Reports</li> <li>• Risk management</li> <li>• Regulatory compliance</li> </ul>	<ul style="list-style-type: none"> <li>• Quarterly</li> <li>• Annually</li> <li>• Annually</li> <li>• Continuously</li> <li>• Continuously</li> </ul>	<ul style="list-style-type: none"> <li>• Business and financial performance</li> <li>• Corporate governance</li> </ul>



# SUSTAINABILITY STATEMENT

## MATERIALITY ASSESSMENT PROCESS

As part of the efforts of the Group to develop its sustainability framework, the Group has conducted a materiality assessment to identify material sustainability matters and ranked the material matters based on its importance to its business and its stakeholders.

### Materiality Matrix

Through the materiality assessment conducted, the Group has prioritised thirteen (13) key material issues. The resulting materiality matrix is set out below.

Importance to Stakeholders	High		<ul style="list-style-type: none"> <li>• Business and Financial Performance</li> <li>• Corporate Governance</li> <li>• Materials</li> <li>• Emissions</li> <li>• Water Management</li> <li>• Occupational Safety and Health</li> </ul>	
	Medium	<ul style="list-style-type: none"> <li>• Employee Management</li> <li>• Training and Education</li> <li>• Contribution to Society</li> </ul>	<ul style="list-style-type: none"> <li>• Supply Chain Management</li> <li>• Waste Management</li> <li>• Hazardous Substances</li> <li>• Energy Consumption</li> </ul>	
	Low			
		Low	Medium	High

**Importance to Business Operation**

In line with United Nations' 2030 Agenda and 17 United Nations Sustainability Development Goals ("SDGs"), the Group has adopted these goals as part of our sustainability journey. We have identified six (6) United Nations SDGs which have direct impact on the Group in terms of risk and opportunity over the long term.

## SUSTAINABLE DEVELOPMENT GOALS



### SDG 3 Good Health and Well-Being

We are committed to providing and maintaining our workplace in a safe condition for the good health and well-being for our employees.



### SDG 6 Clean Water and Sanitation

We are committed to building a water positive future that can sustain people and nature, now and for generations to come.

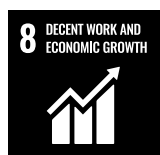




# SUSTAINABILITY STATEMENT

## MATERIALITY ASSESSMENT PROCESS (Cont'd)

# SUSTAINABLE DEVELOPMENT GOALS



### SDG 8 Decent Work and Economic Growth

We have always placed great importance in creating employment opportunities that value and respect human rights. We believe that decent work environment is the backbone of positive business performances across our value chain.



### SDG 12 Responsible Consumption and Production

We continue to promote a more effective way of waste management and natural resources in line with our commitments towards the development of a circular economy.



### SDG 13 Climate Action

We are committed towards a low-carbon economy by embracing and supporting renewable energy generation and energy efficiency to reduce emissions, optimal production efficiency and zero waste to landfill.



### SDG 15 Life on Land

We provide assurance that the virgin wood fibre used in our paper production is sourced from sustainably managed forests.



The higher priority material matters are categorised according to the following aspects of stakeholders' interests which continue to map our relevant direct or indirect contribution to the United Nations SDGs.

Aspect	Material Matters	Relevant Stakeholder(s)	Contribution to United Nations SDGs
<b>Economic</b> 	• Business and Financial Performance	Shareholders, Customers and Regulatory Authorities	Direct SDGs: SDG 8 - Decent Work and Economic Growth
	• Corporate Governance	Shareholders	Indirect SDGs: SDG 16 - Peace, Justice and Strong Institutions
	• Supply Chain Management	Suppliers	Direct SDGs: SDG 8 - Decent Work and Economic Growth Indirect SDGs: SDG 16 - Peace, Justice and Strong Institutions



# SUSTAINABILITY STATEMENT

## MATERIALITY ASSESSMENT PROCESS (Cont'd)

Aspect	Material Matters	Relevant Stakeholder(s)	Contribution to United Nations SDGs
<b>Environmental</b> 	• Materials	Shareholders, Customers, Suppliers, Regulatory Authorities and Communities	Direct SDGs: SDG 12 - Responsible Consumption and Production SDG 13 - Climate Action SDG 15 - Life on Land
	• Energy Consumption	Regulatory Authorities and Communities	Direct SDGs: SDG 13 - Climate Action Indirect SDGs: SDG 7 - Affordable and Clean Energy
	• Emissions	Regulatory Authorities and Communities	Direct SDGs: SDG 12 - Responsible Consumption and Production SDG 13 - Climate Action
	• Waste Management	Regulatory Authorities and Communities	Direct SDGs: SDG 12 - Responsible Consumption and Production SDG 13 - Climate Action
	• Water Management	Regulatory Authorities and Communities	Direct SDGs: SDG 6 - Clean Water and Sanitation SDG 12 - Responsible Consumption and Production
	• Hazardous Substances	Regulatory Authorities and Communities	Direct SDGs: SDG 13 - Climate Action
<b>Social</b> 	• Employee Management	Employees	Direct SDGs: SDG 8 - Decent Work and Economic Growth Indirect SDGs: SDG 5 - Gender Equality SDG 10 - Reduced Inequality
	• Training and Education	Employees	Direct SDGs: SDG 8 - Decent Work and Economic Growth Indirect SDGs: SDG 4 - Quality Education
	• Occupational Safety and Health	Employees, Suppliers and Regulatory Authorities	Direct SDGs: SDG 3 - Good Health and Well-being
	• Contribution to Society	Communities	Indirect SDGs: SDG 17 - Partnerships for the Goals



# SUSTAINABILITY STATEMENT

## ECONOMIC



### Business and Financial Performance

For the financial year ended 30 April 2024 ("FY2024"), the Group recorded a direct economic value of RM905.5 million and distributed a total economic value of RM922.2 million in the areas of operating cost, employees' salaries and benefits, interests, taxes and dividend as set out in the table below:

	FY2022 (RM'000)	FY2023 (RM'000)	FY2024 (RM'000)
<b>Direct Economic Value Generated:</b>			
Revenue	764,899	868,289	<b>905,508</b>
<b>Economic Value Distributed:</b>			
Operating costs	570,751	693,645	<b>706,201</b>
Salaries and benefits	157,023	167,177	<b>179,850</b>
Payments to lenders	7,297	14,648	<b>18,808</b>
Payments to government	21,655	15,354	<b>8,403</b>
Payments to shareholders	17,969	8,984	<b>8,984</b>
	<b>774,695</b>	<b>899,808</b>	<b>922,246</b>

### SUPPLY CHAIN MANAGEMENT

Sustainable supply chain management is a cornerstone of our sustainability strategy. It minimises environmental impacts, upholds human rights and contributes positively to the communities. The Group is dedicated to supply chain transparency and traceability. We work closely with suppliers not only in external markets but also in local markets to identify and understand the environmental and social implications of our products and services.

### CORPORATE GOVERNANCE

The Group recognises that good corporate governance is fundamental to long term business sustainability and the Group is unreservedly committed to applying the practices necessary to ensure corporate transparency, accountability, performance and integrity which are crucial for stakeholder's trust and confidence. The Group will continue to observe high standards of corporate governance which are stated in the Corporate Governance Overview Statement in this Annual Report. To establish a culture of integrity and high ethical standards in our Group throughout our value chain, the Group has formalized the policies as below.

#### Director Diversity

The Group recognises the significance of director diversity in our sustainability efforts. The Group is committed to building a board that embraces diverse perspectives, backgrounds, and experiences, as we firmly believe it is essential for driving innovation and fostering a culture of inclusivity.



# SUSTAINABILITY STATEMENT

## ECONOMIC (Cont'd)



## CORPORATE GOVERNANCE (Cont'd)

### **Director Diversity (Cont'd)**

The Nominating Committee regularly reviews the composition of the Board and Board Committees. The Board comprises a mixture of qualified and experienced directors. The skillsets and diversity in the age and gender of the existing Board members are disclosed in Corporate Governance Overview Statement. The Board believes that the current composition of the Board ensures an appropriate level of skills, breadth and diversity in undertaking their duties, thereby helping to ensure that decisions are well considered and that both short- and long-term perspectives are taken into account.

### **Code of Conduct and Ethics**

The Group is committed to achieving sustainable performance and delivering value to our customers and shareholders without compromising our ethical standards, behavioral expectation and trusted reputation. As such the Group has adopted the Code of Conduct and Ethics which applies to all Directors, management and employees of the Group. Employee shall mean all individuals on full-time or part-time employment with the Group, with permanent, probationary, trainee, retainer, temporary or contractual appointment. The Code is subject to review and modification by the Board from time to time in line with changes in law. The Code of Conduct and Ethics can be viewed here:

<https://ntpm.com.my/wp-content/uploads/2023/10/Code-of-Conduct-Ethics-2018.pdf>

### **Anti-Bribery and Corruption Policy**

The Group has established the Anti-Bribery and Corruption Policy ("ABC Policy") to elucidate its expectations for internal and external parties working for and on behalf of the Group in upholding the Board zero-tolerance stance against bribery or corruption. The ABC policy is aligned with the Malaysian Anti-Corruption Commission (Amendment) Act 2018. The ABC Policy, will be revised in tandem with changes to regulatory requirements locally and abroad as well as improvement opportunities recommended by assurance providers.

This Policy is generally applicable to Directors and employees of the Group and business associates and persons associated with the Group, including but not limited to its suppliers, consultants, contractors, agents, advisors, and any person who or institution which performs services for or on behalf of the Group. Anti-corruption awareness is instilled in all employees at their induction training and they must sign an acknowledgement upon joining the Group. The policy is published and available on the Group website:

<https://ntpm.com.my/wp-content/uploads/2023/10/Anti-Bribery-And-Corruption-Policy-Version-1.0-26062020.pdf>

There were no reports of any bribery or corruption in FY2024. Hence, there were no instances of employees being penalised or terminated for non-compliance with the anti-corruption policy for FY2024.

### **Whistleblowing Policy**

The Group has implemented a comprehensive whistleblowing policy that provides a safe and confidential channel for reporting concerns. Our employees and stakeholders can anonymously report potential breaches of sustainability commitments and ethical conduct through postal addressed mail. The policy can be viewed here:

<https://ntpm.com.my/wp-content/uploads/2023/10/Whistle-Blowing-Policy-And-Procedures-26062020.pdf>

The Group is committed to safeguarding the identity of whistleblowers. We maintain strict confidentiality throughout the investigation process, and take every measure to protect the individual identity. This approach encourages open communication without fear of reprisals and allows us to address issues swiftly and effectively.



# SUSTAINABILITY STATEMENT

## ECONOMIC (Cont'd)



## CORPORATE GOVERNANCE (Cont'd)

### **Conflict Management Policy**

Responsible conflict management is integral to safeguarding our sustainability goals. It ensures that potential conflicts arising from our operations or supply chain do not undermine environmental conservation, human rights, or social equity. By addressing conflicts responsibly, the Group can strengthen trust with our stakeholders and enhance our ability to create a positive and lasting impact on the world.

The Group views each conflict as an opportunity for learning and improvement. Lessons learned from past conflicts are carefully analyzed and integrated into our conflict management policy and practices. This continuous improvement approach allows us to strengthen our conflict resolution mechanisms and become more effective at preventing and managing conflicts in the future. The policy can be viewed here:

<https://ntpm.com.my/wp-content/uploads/2023/10/Conflict-Management-Policy-24072018.pdf>

### **Succession Planning Policy**

Succession planning is an integral component of our sustainability strategy. It allows us to identify and develop the next generation of leaders who can drive our mission forward while embracing our values. By proactively preparing for leadership transitions, we mitigate potential disruptions, ensure knowledge retention, and create a dynamic organisation poised to address future challenges.

Our leadership development and training programmes are thoughtfully crafted to equip identified successors with the skills and knowledge needed for future leadership roles. These programmes focus on sustainability principles, ethical leadership, stakeholder engagement and adaptive decision-making. By investing in the growth of our future leaders, we ensure a seamless transition and a sustained focus on our sustainability mission.

### **Data Privacy and Security**

Data privacy and security are fundamental pillars of sustainability strategy. By implementing robust data protection measures, the Group safeguards stakeholders' privacy and prevents potential data breaches that could harm individuals and erode trust in organisation. Responsible data management also reinforces the commitment of the Group towards ethical conduct and compliance with data protection laws and regulations.

To maintain data security, the Group implements state-of-the-art measures such as data encryption, multi-factor authentication and access controls. Regular data backups are performed to ensure data integrity and availability. The employees undergo comprehensive training on data security best practices to create a culture of vigilance and responsibility. The policy is published and available on the Group website:

<https://ntpm.com.my/wp-content/uploads/2024/07/NTHB-Personal-Data-Privacy-Policy-BM-Eng.pdf>

In FY2024, there were no breaches or incidents reported.

## ENVIRONMENTAL










Manufacturing and use of paper products can, potentially, result in significant burdens being placed on the environment. These burdens can occur throughout the lifecycle of the paper products, from sourcing of the raw materials and manufacturing the pulp and paper, through to disposal of the end products after use. The Group has adopted the principles and criteria under "The Environmental Choice New Zealand Ecolabelling" Program as the backbone for the sustainability initiatives of the Group. We formulated our five-year sustainability initiatives and goals, which mainly focus on input of fiber from sustainable sources, reduction of greenhouse gas emissions associated with energy use, and managing production water usage.



# SUSTAINABILITY STATEMENT

## ENVIRONMENTAL (Cont'd)



Material Matters	Five-year Targets	Progress in FY2024	United Nations SDGs
Materials	100% of procured wood pulp to be certified by recognized forest management standards	100% certified by recognized forest management standards	 
	100% of procured recycled fiber are derived from recycled sources with a minimum 50% from post-consumer sources	Average 99.57% from recycled sources with a minimum 50% from post-consumer sources.	
Emissions	Not exceed 1000 kg of CO <sub>2</sub> per ton of paper, according to ECNZ standard	Average 831 kg of CO <sub>2</sub> per ton of paper	 
Water Management	Malaysia Tissue Paper Products operation: To reduce water usage to 50M <sup>3</sup> per ton of tissue paper	Average 56M <sup>3</sup> per ton of tissue paper	 
	Vietnam Tissue Paper Products operation: To reduce water usage to 20M <sup>3</sup> per ton of tissue paper	Average 20.9M <sup>3</sup> per ton of tissue paper	

A cross-functional sustainability working group called ECNZ Committee has been established as part of our commitment towards sustainable development. The working group comprises members from quality system department, production department, procurement department, water treatment department, maintenance and engineering department. The working group is responsible to set up an environmental sustainability management system which supports the implementation of activities on environmental sustainability and compiles information related to sustainability performance. The working group consistently holds quarterly meeting to review the information.



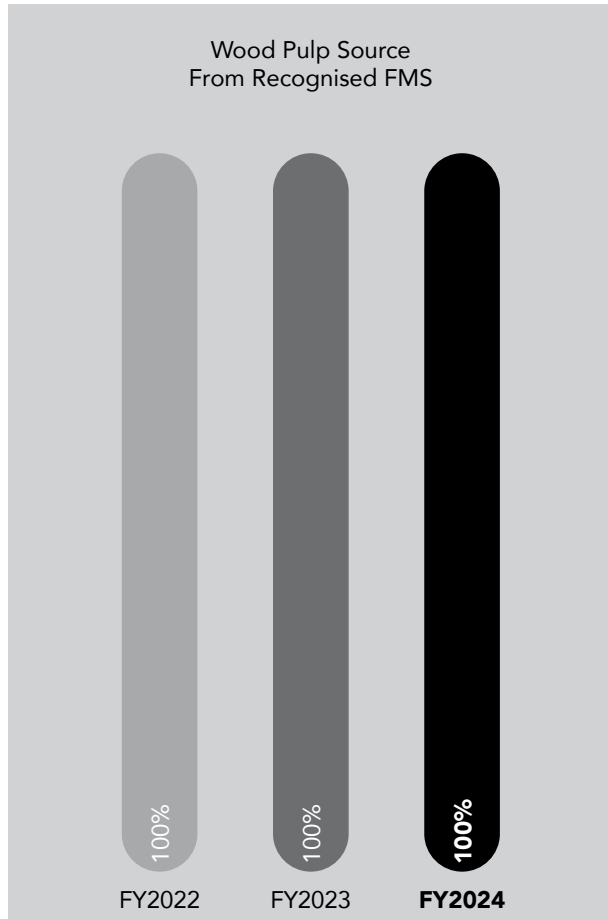
# SUSTAINABILITY STATEMENT

## ENVIRONMENTAL (Cont'd)

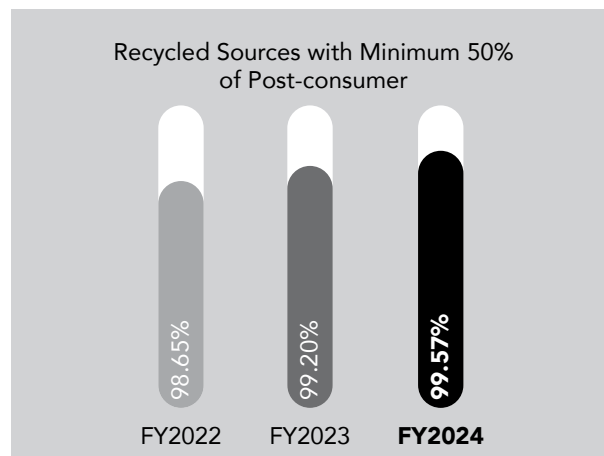


### Materials Management

The sourcing of fiber input material for paper manufacturing can have significant environmental impacts. Applying sustainable management principles helps safeguarding forests and other areas used to obtain fiber raw materials. We had set our procurement strategy that all wood pulp procured by the Group is certified by recognised forest management standards, such as Forest Stewardship Council ("FSC") and Program for the Endorsement of Forest Certification ("PEFC") (or equivalent certification). On top of this, while we continue to promote the use of recycled fiber our procurement strategy for sourcing / purchasing of recycled fiber also stated that the fiber material is 100% derived from recycled sources with a minimum 50% from post-consumer sources. In FY2023, 100% of wood pulp procured by the Group was certified by recognised forest management standards. In FY2024, we continue to achieve 100% of wood pulp procured by the Group being certified by recognised forest management standards ("FMS").

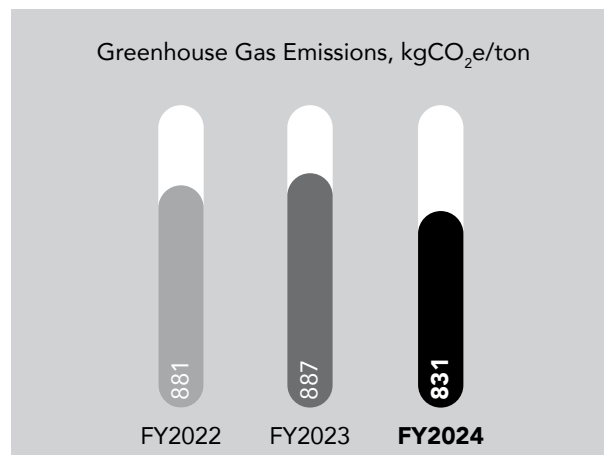


For recycled fiber, in FY2023, 99.20% was derived from recycled sources with a minimum 50% from post-consumer sources. In FY2024, the percentage increased to 99.57%.



### Emissions Management

Arising from our production processes, our paper products are one of the contributors to carbon emissions. We have put in tremendous efforts to minimise our carbon emission in our production processes. Our target for the emission of CO<sub>2</sub>e from non-renewable sources, including purchased electricity and fossil fuel used for manufacturing process is not to exceed 1000 kg CO<sub>2</sub>e per ton paper produced, according to ECNZ standard. In FY2024, the Malaysia Tissue Paper Products operation recorded an average 831 kg CO<sub>2</sub>e per ton of tissue paper production, a 6.3% reduction as compared to FY2023 of 887 kg CO<sub>2</sub>e per ton, following ECNZ standard calculation.



# SUSTAINABILITY STATEMENT

## ENVIRONMENTAL (Cont'd)



### Emissions Management (Cont'd)

For Malaysia and Vietnam tissue paper products operation, we use "ICFPA (International Council of Forest and Paper Associations) / NCASI (The National Council for Air and Stream Improvement, Inc.) Spreadsheets for Calculation GHG emissions operational GHG emissions from Pulp and Paper Manufacturer" to calculate our greenhouse gas ("GHG") emissions.

GHG Emissions	FY2022	FY2023	FY2024
<b>Malaysia Tissue Paper Products Operation</b>			
Scope 1 (kgCO <sub>2</sub> e)	25,597,780	27,148,920	<b>25,166,790</b>
Scope 2 (kgCO <sub>2</sub> e)	41,854,860	41,482,010	<b>38,237,890</b>
Total	67,452,640	68,630,930	<b>63,404,680</b>
<b>Vietnam Tissue Paper Products Operation</b>			
Scope 1 (kgCO <sub>2</sub> e)	1,627,940	1,673,240	<b>822,970</b>
Scope 2 (kgCO <sub>2</sub> e)	16,843,380	15,331,450	<b>17,597,180</b>
Total	18,471,320	17,004,690	<b>18,420,150</b>

#### Note:

Scope 1: Direct Emission Impacts, which include direct emissions from stationary fuel combustion, transportation and mobile sources, waste management and make-up chemicals.

Scope 2: Indirect Emission Impacts, which include indirect emissions from steam and power imports, transportation and mobile sources, and waste management.

For Personal Care Products operation, Scope 1 refers to direct emissions from fuel combustion, and Scope 2 refers to indirect emissions from purchase of electricity from TNB: -

GHG Emissions	FY2022	FY2023	FY2024
<b>Personal Care Products Operation</b>			
Scope 1 (kgCO <sub>2</sub> e)	3,872,092	6,845,132	<b>4,218,599</b>
Scope 2 (kgCO <sub>2</sub> e)	4,682,312	4,736,251	<b>4,528,610</b>
Total	8,554,404	11,581,383	<b>8,747,209</b>

Apart from our energy conservation projects, the EMS team also monitors and measures the Group's environmental performance to ensure that the impact of its operations on the environment is minimised. Throughout the reporting period, the Group has complied with all the parameters set forth in its environmental reporting requirements which included air quality monitoring, emission measurements, water effluent discharge and schedule waste disposal. As part of these processes, various independent third-party audit has been commissioned on the Group's waste discharge, air emissions and calculation methodology to ensure its emissions or discharge comply with domestic reporting, international accreditations, and government regulations.





# SUSTAINABILITY STATEMENT

## ENVIRONMENTAL (Cont'd)



### Energy Management

Managing energy efficiency represents one of the biggest opportunities for us to reduce our environmental impact and lower our operating costs. The main source of energy consumption of our manufacturing plants is electricity.

The Group has established a complete management system and improved the monitoring of energy consumption. We consistently summarise and analyse energy consumption data every month to fully understand the energy consumption used in operation, and continuously optimise the system to achieve low-carbon and efficient production.

In FY2024, the Group has continued to achieve energy savings. Malaysia Tissue Paper Products operation managed to reduce 7.8% of electricity consumption, from 1,359 KWH/ton in FY2023 to 1,253 KWH/ton. Vietnam Tissue Paper Products operation also managed to reduce 4.6% of electricity consumption, from 1,207 KWH/ton in FY2023 to 1,152 KWH/ton.

Energy consumption	FY2022	FY2023	FY2024
Electricity (KWH)	107,737,188	105,770,227	105,057,988
Natural Gas (mmBTU)	327,390	371,149	333,744

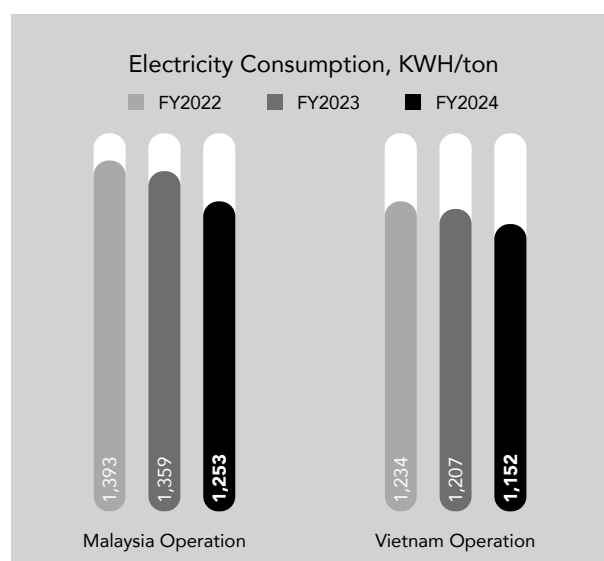
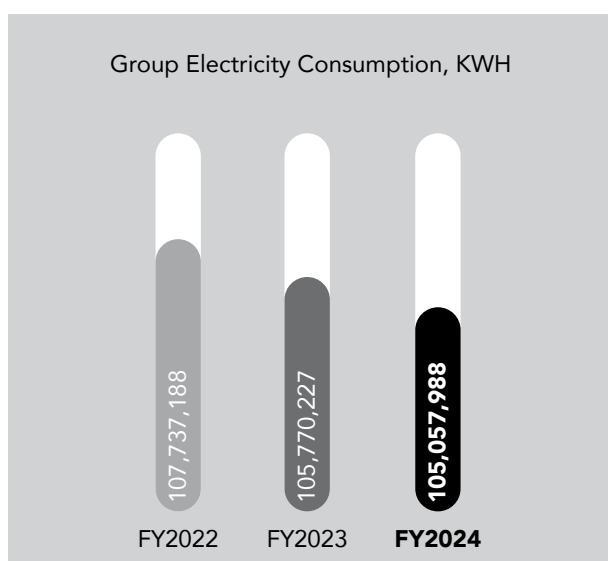
### Malaysia Tissue Paper Products Operation

Electricity, KWH/ton of production	1,393	1,359	1,253
Natural Gas, mmBTU/ton of production	6.1	6.9	6.3
Waste wood, mmBTU/ton of production	4.7	3.8	3.6

### Vietnam Tissue Paper Products Operation

Electricity, KWH/ton of production	1,234	1,207	1,152
Rice Husk mmBTU/ton of production	10.9	10.9	10.3

We continue to drive employee awareness and encourage behaviors that reduce electricity and steam usage.



# SUSTAINABILITY STATEMENT

## ENVIRONMENTAL (Cont'd)

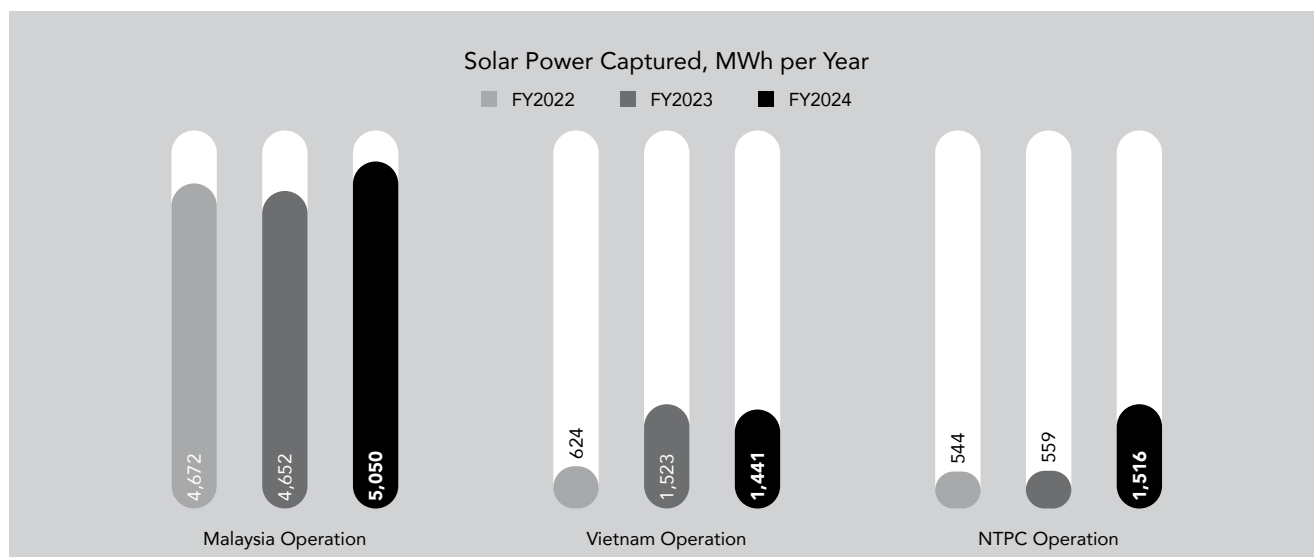


### Energy Management (Cont'd)

In advancing toward environmental sustainability and combating climate change, the Group has shown its commitment through installing 7.566 MWH of solar panels for our Malaysia Tissue Paper Products operation and is contributing positively to the reduction in our environmental impact and our operating costs.

In taking a further step towards sustainable energy practices and contributing to a greener future, the Group also installed solar panels for its Personal Care Products operation (under Nibong Tebal Personal Care Sdn. Bhd. ("NTPC") with an installed capacity of 2.225 MWH.

For Vietnam Tissue Paper Products operation, the Group had installed 1.00 MWH of solar panels.



### Water Management

We view water management as an ongoing journey of improvement. We regularly review our strategies and seek feedback from stakeholders to ensure that we are on track towards our goals.

Our tissue paper manufacturing process requires a large amount of water. For our tissue paper manufacturing facilities in Malaysia, we use river water and treat it for our manufacturing processes, whereas for our tissue paper manufacturing facilities in Vietnam, we use tap water provided by the local water supply company.

As an integral part of our environmental programme, we are dedicated to conserving water and reducing water consumption wherever possible. We have implemented water-saving technologies and systems throughout our manufacturing operations to optimise water usage. In FY2024, the average water consumption for the production of tissue paper at our facilities in Malaysia was 56M<sup>3</sup> per ton of tissue paper, a reduction of 3.4% as compared to 58M<sup>3</sup> per ton in FY2023. By FY2026, we aim to decrease the average water consumption to 50M<sup>3</sup> per ton of tissue paper.



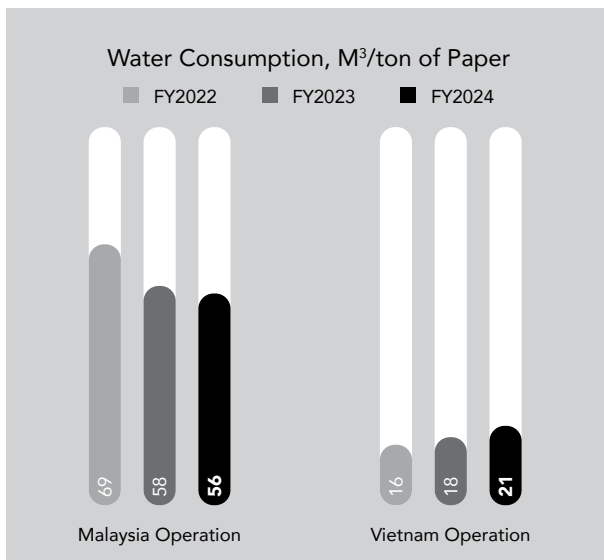
# SUSTAINABILITY STATEMENT

## ENVIRONMENTAL (Cont'd)



### Water Management (Cont'd)

On the other hand, at our facilities in Vietnam, in FY2024, the average water consumption for the production of tissue paper is 20.9M<sup>3</sup> per ton of tissue paper, which is higher than 18.1M<sup>3</sup> per ton in FY2022. For Vietnam plant, we target to achieve 20M<sup>3</sup> per ton of tissue paper by FY2026. The Group continuously seeks opportunities for process optimisation and innovation to reduce water wastage while maintaining the highest standards of quality in our tissue paper production.



We understand the importance of maintaining water quality in our operations and the surrounding environment.

For our facilities in Malaysia, the Group has installed a comprehensive system, equipped with a series of physical, chemical, and biological treatment processes to effectively remove suspended solids and various contaminants from the wastewater generated during the production process. This ensures that the quality of the discharged water meets/ or exceeds regulatory environmental standards. The environmental impact on the surrounding water bodies is reduced, hence mitigating the risk of river water pollution. We also conduct daily performance monitoring of the effluent treatment system to ensure that the treatment process is functional and capable of treating the effluent. We have an in-house laboratory to conduct daily testing on effluent quality such as suspended solids, chemical oxygen demand (COD) and potential of hydrogen (pH). On a weekly basis, we send our effluent sample to accredited laboratory for testing of effluent quality and up-load the data to DOE online system.

For our facilities in Vietnam, we have installed DAF (Dissolved Air Flotation) equipment to remove suspended solids from waste water before discharging it into the VSIP (Vietnam-Singapore Industrial Park) sewage treatment system. This practice is adopted as a response to the local government advocating a centralised sewage system and a streamlined waste water discharge system in the industrial park.

### Waste Management

The Group attaches great importance to waste management. In addition to waste reduced at source, all the facilities of the Group comply with the ISO 14001 Environmental Management System and related regulations for the effective management of waste classification and disposal procedures. The Group is committed to waste sorting, collecting recyclable waste throughout the manufacturing process, and selecting certified recycling suppliers for disposal. Nonrecyclable wastes (such as domestic waste, etc.) are disposed of by the designated general contractor.

We always make sure that all our primary packaging material can be recycled in the country to which the product is exported and sold. On top of that, all our packaging is not impregnated, labelled, coated or otherwise treated in a manner, which would prevent recycling.

For FY2024, the Group has continued with its efforts to improve its waste management by focusing on the 3R (Reduce, Reuse and Recycle).

**Reduce:** The Malaysia Tissue Paper Products operation continue to focus on reducing the suspended solids in the waste water that flow into waste water treatment plant. We had installed few units of internal recycling devices to recover the fiber in the waste water as much as possible, before it flows to the waste water treatment plant. We also installed belt thickener and screw press to thicken the residual fiber before reused at other processes.

**Reuse:** The Group continues to return the empty containers back to its suppliers for refilling of chemicals.

**Recycle:** The Group commits and continues to recycle and reclaim scraps and waste and convert them to useful materials and products in the most effective manner. The Group has set up a pyrolysis plant to recycle its plastic waste from pulping process. The fuel recovered from the pyrolysis process is used for the burner to generate steam for paper mill drying process.





### **Hazardous Substances**

During manufacture, process effluents can contain high concentrations of natural organic materials which deplete oxygen in receiving waters, adversely impacting plant and animal life. Sulphur, organochlorines and other hazardous substances, particularly halogenated organics, used in or resulting from the manufacturing process (e.g. from bleaching or from cleaning of equipment) can be persistent. They can, potentially, bioaccumulate and have toxic effects on the environment if discharged in effluents. Poorly-biodegradable detergents (surfactants) may also accumulate and be toxic or otherwise harmful in the environment if discharged. All the chemicals used in the production process are selected and safe for the environment, and fulfill the stringent criteria set forth by the Environmental Choice of New Zealand Guideline ("ECNZ") and the Good Environmental Choice Australia ("GECA").

### **Environmental Certification**

In line with our Sustainability Statement, the Group strives to comply with all relevant environmental, legal and other legislative requirements in meeting our customers and stakeholders expectations and satisfaction. As an ecofriendly manufacturer, the Group has obtained several environmental certifications as set out below and participated in numerous environment programmes to make continuous improvements and achieve sustainable development.

### **Malaysia Tissue Paper Products Operation**

- ISO 14001:2015 Environmental Management System (Certificate Number: E116888-2, valid until 25 May 2026);
- Forest Stewardship Council Chain of Custody (FSC CoC) (Certificate Number: BV-COC0120660, valid until 22 May 2029);
- PEFC ST 2002:2020 Chain of Custody of Forest and Tree Based Products (Certificate Number: BVCMY-PEFC-COC-000021, valid until 25 February 2029);
- Environmental Choice New Zealand ("ECNZ") (Certificate Number: 6009045, valid until March 2025);
- Good Environmental Choice Australia ("GECA") (Certificate Number: NPM- 2022, valid until 30 July 2025); and
- Singapore Green Label (Certificate Number: 074-012-3753, 074-012-3754, 074-012-3755, 074-012-3756, 074-012-3757, and 074-012-3762, valid until 20 October 2026)

### **Vietnam Tissue Paper Products Operation**

- ISO 14001:2015 Environmental Management System (Vietnam Certificate Number: CPRJ-2018-068252/QMS, valid until 3 June 2027);
- Forest Stewardship Council Chain of Custody (FSC CoC) (Certificate Number: BV-COC-136160, valid until 28 September 2027);
- PEFC ST 2002:2020 Chain of Custody of Forest and Tree Based Products (Certificate Number: BVFR-PEFC-COC-0323283, valid until 25 January 2029); and
- Environmental Choice New Zealand ("ECNZ") (Certificate Number: 6015166, valid until July 2024)



# SUSTAINABILITY STATEMENT

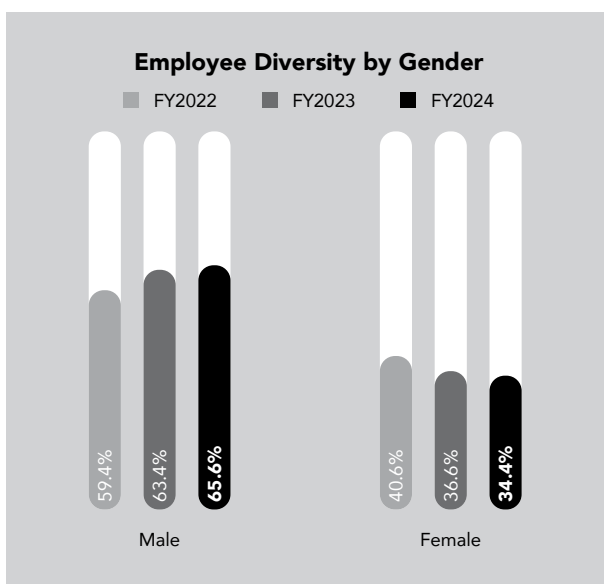
## SOCIAL



### Employee Management

The Group adopts employment policies and practices that are inclusive and non-discriminatory. The Group is committed to treating all our employees equally, ensuring the protection of human rights and providing equal career development opportunities to our employees regardless of gender, race and age. Also, the Group focuses on hiring and promoting ethnically diverse people based on their skill, capability, experience and our needs.

The employment diversity by gender and age is shown below:



Malaysia is known for its diverse population comprising various ethnic groups, including Malay, Chinese, Indian, and other races. Thus, our commitment to employee management by race is specifically directed towards Malaysia operation. In line with our sustainability goals, we understand that a diverse and empowered workforce is key to our long-term success as an organisation. Embracing race diversity is not only a moral imperative but also a strategic advantage that enables us to understand and cater to the needs of our diverse customer base.



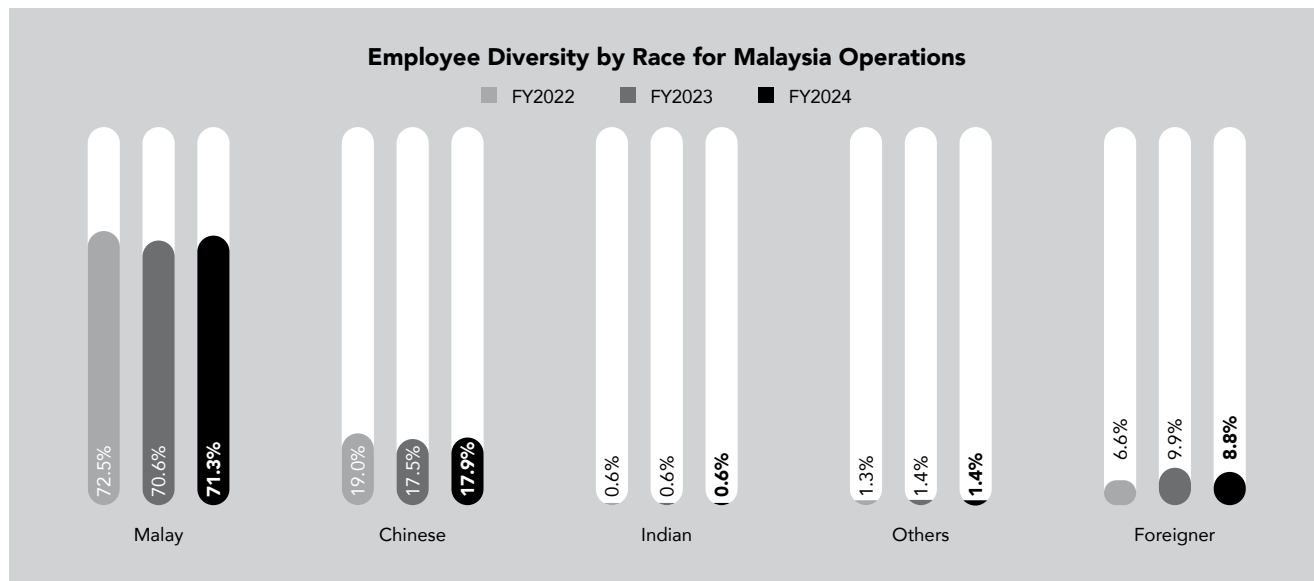
# SUSTAINABILITY STATEMENT

## SOCIAL (Cont'd)



### Employee Management (Cont'd)

The employment diversity by race for Malaysia operation is shown below:

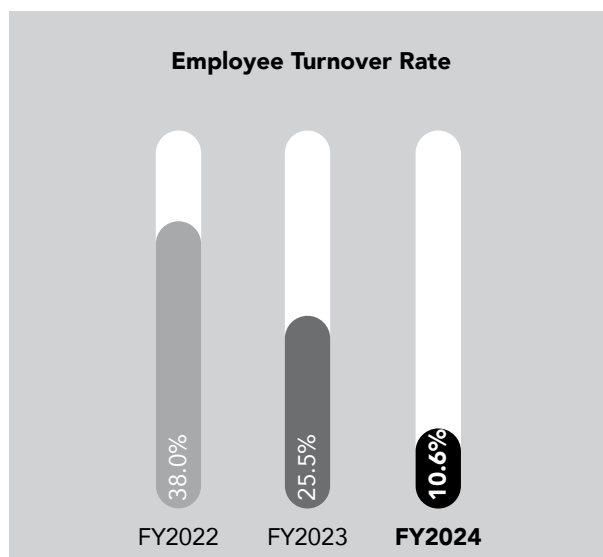


As at 30 April 2024, the Group has a workforce of 3,555 employees, of which 2,662 are located in Malaysia.

### Employee Turnover

In FY2024, the Group is pleased to report a lower employee turnover rate, which is indicative of a high level of employee satisfaction and commitment within our organisation. The dedication and passion exhibited by our workforce contribute to a stable and productive work environment, allowing us to advance our sustainability goals and corporate mission effectively.

Our commitment to employee retention and well-being is deeply ingrained in our corporate values. The Group continuously monitors and analyses employee turnover to better understand the underlying reasons behind any departures. This practice enables us to identify areas for improvement and develop targeted strategies to retain our valuable talent.



# SUSTAINABILITY STATEMENT

## SOCIAL (Cont'd)



### Training and Education

As an organisation committed to talent development, the Group prioritises equipping our employees with the knowledge and skills necessary to excel in their roles and to contribute effectively to our sustainability mission. Our comprehensive development programmes encompass a wide range of essential areas, including compliance with rules and regulations, health and safety protocols, technical training and product development.

We firmly believe that investing in the growth and professional development of our employees not only enhances individual capabilities but also strengthens overall organisational performance.

The training initiatives are designed to be inclusive and accessible to all employees, regardless of their position within the organisation. We recognise the importance of providing tailored training programmes to align and meet individual needs and career aspirations. By empowering our employees with relevant and up-to-date knowledge, we are better positioned to tackle challenges, drive innovation, and maintain the highest standards of compliance and safety across our operation.

Looking ahead, the Group remains dedicated to expanding and refining our talent development programmes continually. Our goal is to further increase the number of training hours, ensuring that our workforce remains skilled, motivated, and equipped to address the ever-evolving demands of our industry.

The total training hours recorded by the Group are shown as follows: -

Type of Training	FY2022	FY2023	FY2024
	No. of hours	No. of hours	No. of hours
Compliance Training	8.00	36.50	148.00
Diversity and Inclusion Training	-	36.50	155.00
Environmental Sustainability Training	61.00	267.50	292.00
Health and Safety Training	239.50	778.00	345.00
Leadership and Management Development	-	139.00	68.50
Product Development Training	13.00	63.33	86.00
Professional Development and Continuing Education	28.50	14.00	66.00
Technical Training	-	89.72	45.50
<b>The total training hours</b>	<b>350.00</b>	<b>1,424.55</b>	<b>1,206.00</b>

Besides having in place training and development programmes for our employees, we have put in place initiatives such as the internship programme which is extended to the children of our employees by enabling them to receive on-the-job training at diploma and post graduate levels in both technical and non-technical disciplines. Upon completion of their internship programme, good and deserving candidates are offered job opportunities within the Group. For FY2024, a total of 11 students have benefited from our internship programme.

Health and safety training is crucial for organisations as proper training equips employees to identify hazards, assess risks and implement preventive measures. A total of 2,061 employees within the Group have benefited from this initiative for FY2024.



# SUSTAINABILITY STATEMENT

## SOCIAL (Cont'd)



### Occupational Safety and Health

The Group recognises the importance of maintaining high standards for the occupational health and safety of its employees and other stakeholders. In order to protect the well-being of its workforce, the Group has set up the Occupational Safety and Health Management (“OSH”) Committee to oversee and report all areas related to the Group’s health, safety and environment (“HSE”) performance as required by applicable laws and regulations.

The Group is committed to developing a sustainable green, safety and health culture in the organisation by:

- Providing and maintaining the workplace in a safe condition;
- Protecting the safety and health of all employees and other stakeholders who may be affected by the work carried out in the organisation;
- Preventing pollution to the environment, work-related fatalities, disabilities, injuries, ill health, diseases, property and environmental damage and near misses;
- Complying with applicable legal and other legislative requirements on Environmental and Occupational Safety and Health Management;
- Ensuring that all employees are consulted and encouraged to participate actively in all elements of the OHSAS (Occupational Health and Safety Assessment Series) recognised Occupational Safety and Health Management System; and
- Continuously improving the performance of the Environmental and Occupational Safety and Health Management System.

One of our top priorities is maintaining high standards of occupational safety and health of the employees and other stakeholders. The appointed Safety & Health Committee (SHC) continues to oversee and monitor all areas related to safety and health performance as per the requirements of the applicable laws and regulations.

The Occupational Safety and Health (Amendment) Act 2022 that came into effect on 1 June 2024 further strengthens the drive toward a risk-free workplace. The amendments, among others, are to widen the application of OSHA, strengthen protection of employees, increase penalties and provide additional duties to employers. The Group strives to go in-line with the new amendments.

Greater attention is focused on reviewing the documentation and implementation of activities that might expose the employees to safety and health risk, for example providing fall protection, ensuring the safety of workers who enter confined spaces or performing hot-work, putting guards on machines, etc. A Permit to Work (PTW) system is used to manage high-risk activities in the workplace for those working at height, hot work and entering into a confined space.

Although providing suitable personal protective equipment (PPE) is the last resort in the Hierarchy of Control, the Group continues to ensure all the PPE provided have complied with the Department of Occupational Safety and Health (DOSH) requirements and are suitably upkept and maintained. Every level of control is considered before the use of PPE.

Accident rate is monitored. Every accident is announced to the employees to inform them of the severity and alert them to take precautions to prevent it from recurring. This is a form of continuous improvement as part of our consistent efforts to prevent and reduce the number of workplace accidents. The Group aims to reduce the number of workplace accidents every year.

In FY2024, the number of the Group’s workplace accidents was 47 cases, which had increased by 14 cases compared to FY2023. No fatalities were recorded for employees and stakeholders in FY2024. The Group is committed to taking stronger preventive actions to reduce the number of workplace accidents.





# SUSTAINABILITY STATEMENT

## SOCIAL (Cont'd)



### Safety and Health Certification

In line with our Sustainability Statement, the Group strives to comply in provide with healthy and safe working environment. The appointed Safety & Health Committee (SHC) continues to oversee and monitor all areas related to safety and health performance as per the requirements of the applicable laws and regulations. The Group has obtained several certifications relating to occupational safety and health, including but not limited to the following:

#### Malaysia Tissue Paper Products Operation

- Hazard Analysis & Critical Control Point (HACCP) (Certificate Number: HC116888, valid until 27 June 2025);
- ISO 9001:2015 Environmental Management System (Certificate Number: Q116888B, valid until 25 May 2026);

#### Vietnam Tissue Paper Products Operation

- ISO 9001:2015 Environmental Management System (Vietnam Certificate Number: CPRJ-2018-068252/QMS, valid until 4 June 2027)

### Contribution to Society

During FY2024, the Group has provided financial support to various non-profit organisations such as old folk homes, disabled children homes and primary and secondary schools with the total amount contributed of RM361,292.

	FY2022	FY2023	FY2024
Amount invested in the communities	RM 297,900	RM 307,935	<b>RM 361,292</b>
Total number of beneficiaries of the investment in communities	19	20	<b>23</b>

The Group's products and services make daily life easier and provide people with the opportunity to live an active life. We share our hygiene knowledge and educate young children the essentials of healthy living. A case in point is our "Sembang-Sembang Intim" school programme which has been running for 15 years. This year programme covered a total of 155 primary schools and 100 secondary schools from 8 November 2023 to 26 March 2024. We have managed to educate more than 21,253 primary school female students and 13,470 secondary school female students in selected schools nationwide.



# SUSTAINABILITY STATEMENT

## SOCIAL (Cont'd)



### Contribution to Society (Cont'd)

Our educational programme has been very well received by the schools and students. Our programme is beneficial to the students especially those who are about to have menstrual as our programme presentation has a very comprehensive coverage of puberty, menstruation, the process and functions of menstrual cycle, premenstrual syndrome, personal hygiene during the period and also social issues faced by teenagers for secondary school students. This year we have incorporated a new product into our presentation slide, with a video to demonstrate the effectiveness of the pad. We have also shared the different types of sanitary pad and pantyliner, and the correct way of using them.

The Q&A session and group activity reinforced key points from the educational presentation. Students were seen very excited to participate in the activities. Our school educational programme will conclude with sample distribution to all students who attended. Each student received a trial pack of Intimate sanitary pad. Schools would also receive some products as token of appreciation.

During FY2024, the Group kicked off school programme named "To A Greener Environment". "To A Greener Environment" is a comprehensive school programme designed to instill environmental awareness, sustainability values and eco-conscious behaviors among students and teachers. This programme is to empower the younger generation with the necessary knowledge, skills and values required to address the pressing environmental issues through education. The programme covered a total of 183 primary schools from 8 April 2023 to 14 December 2023.

"To A Greener Environment" school programme serves as a catalyst for positive change, nurturing environmentally conscious individuals who will be future leaders and promoting sustainability. By creating a green culture and engaging the broader community, we aspire to contribute to a greener and more sustainable world, one step at a time. Together, we can empower the next generation to take action and make a lasting impact on our planet well-being.

The Group believes in the importance and benefits of giving back to the community. From time to time, we support communities in need and strive to make a difference in their lives.



# SUSTAINABILITY STATEMENT

SUSTAINABILITY PERFORMANCE DATA	FY2022	FY2023	FY2024
<b>ECONOMIC</b>			
<b>Business and Financial Performance</b>			
<b>Direct Economic Value Generated:</b>			
Revenue (RM'000)	764,899	868,289	<b>905,508</b>
<b>Economic Value Distributed:</b>			
Operating costs (RM'000)	570,751	693,645	<b>706,201</b>
Salaries and benefits (RM'000)	157,023	167,177	<b>179,850</b>
Payments to lenders (RM'000)	7,297	14,648	<b>18,808</b>
Payments to government (RM'000)	21,655	15,354	<b>8,403</b>
Payments to shareholders (RM'000)	17,969	8,984	<b>8,984</b>
Total	774,695	899,808	<b>922,246</b>
<b>Supply Chain Management</b>			
Percentage of local suppliers	63.8%	68.2%	<b>76.7%</b>
Percentage foreign suppliers	36.2%	31.8%	<b>23.3%</b>
<b>Director Diversity</b>			
Diversity by Gender			
Male	100.0%	66.7%	<b>66.7%</b>
Female	0.0%	33.3%	<b>33.3%</b>
Diversity by Age			
<30 years	0.0%	0.0%	<b>0.0%</b>
30-50 years	0.0%	16.7%	<b>33.3%</b>
> 50 years	100.0%	83.3%	<b>66.7%</b>
<b>Anti-Corruption</b>			
Percentage of employees who have received training on anti-corruption by employment category:			
- Management	100%	100%	<b>60.67%</b>
- Executive		No applicable	<b>14.89%</b>
- Non-executive		No applicable	<b>3.36%</b>
- General worker		No applicable	<b>0.13%</b>
Percentage of operations assessed for corruption-related risks	100%	100%	<b>100.0%</b>
Confirmed incidents of corruption	NIL	NIL	<b>NIL</b>
<b>Data Privacy and Security</b>			
Number of substantiated complaints concerning breaches of stakeholders' privacy	NIL	NIL	<b>NIL</b>



# SUSTAINABILITY STATEMENT

SUSTAINABILITY PERFORMANCE DATA	FY2022	FY2023	FY2024
<b>ENVIRONMENT</b>			
<b>Carbon Emissions</b>			
<b>Energy consumption</b>			
Electricity (KWH)	107,737,188	105,770,227	<b>105,057,988</b>
Natural Gas (mmBTU)	327,390	371,149	<b>333,744</b>
<b>Malaysia Operation</b>			
Electricity, KWH/ton of production	1,393.0	1,359.0	<b>1,253.0</b>
Natural Gas, mmBTU/ton of production	6.1	6.9	<b>6.3</b>
Waste wood, mmBTU /ton of production	4.7	3.8	<b>3.6</b>
<b>Vietnam Operation</b>			
Electricity, KWH/ton of production	1,234.0	1,207.4	<b>1,152.0</b>
Rice Husk mmBTU/Ton of production	10.9	10.9	<b>10.3</b>
<b>Greenhouse Gas Emissions</b>			
<b>Malaysia Operations</b>			
<b>Tissue Paper Products</b>			
Scope 1 (kgCO <sub>2e</sub> )	25,597,780	27,148,920	<b>25,166,790</b>
Scope 2 (kgCO <sub>2e</sub> )	41,854,860	41,482,010	<b>38,237,890</b>
Average GHG emissions per ton (kg CO <sub>2e</sub> /ton) <i>*As per ECNZ standard calculation*</i>	889	887	<b>831</b>
<b>Personal Care Products</b>			
Scope 1 (kgCO <sub>2e</sub> )	3,872,092	6,845,132	<b>4,218,599</b>
Scope 2 (kgCO <sub>2e</sub> )	4,682,312	4,736,251	<b>4,528,610</b>
<b>Vietnam Operation</b>			
Scope 1 (kgCO <sub>2e</sub> )	1,627,940	1,673,240	<b>822,970</b>
Scope 2 (kgCO <sub>2e</sub> )	16,843,380	15,331,450	<b>17,597,180</b>
<b>Water Management</b>			
<b>Water consumption (M<sup>3</sup>)</b>			
Malaysia Tissue Paper Products Operation (M <sup>3</sup> /year)	3,914,809	3,299,553	<b>3,113,401</b>
Vietnam Tissue Paper Products Operation (M <sup>3</sup> /year)	415,716	430,807	<b>442,238</b>
Personal Care Products Operation (M <sup>3</sup> /year)	26,534	28,069	<b>23,135</b>
<b>SOCIAL</b>			
<b>Employee Management</b>			
Number of Complaints Concerning Human Rights Violations	NIL	NIL	<b>NIL</b>
<b>Diversity by Gender</b>			
Male	59.4%	63.4%	<b>65.6%</b>
Female	40.6%	36.6%	<b>34.4%</b>



# SUSTAINABILITY STATEMENT

SUSTAINABILITY PERFORMANCE DATA	FY2022	FY2023	FY2024
<b>SOCIAL (Cont'd)</b>			
<b>Diversity by Age</b>			
<30 years	37.2%	36.0%	<b>30.8%</b>
30-50 years	52.9%	58.0%	<b>57.9%</b>
>50 years	9.9%	6.0%	<b>11.3%</b>
<b>Diversity by Race (Malaysia Operations)</b>			
Malay	72.5%	70.6%	<b>71.3%</b>
Chinese	19.0%	17.5%	<b>17.9%</b>
Indian	0.6%	0.6%	<b>0.6%</b>
Others	1.3%	1.4%	<b>1.4%</b>
Foreigner	6.6%	9.9%	<b>8.8%</b>
<b>Diversity by Gender for Each Employee Category</b>			
<u>Management</u>			
Male	52.3%	51.7%	<b>75.3%</b>
Female	47.7%	48.3%	<b>24.7%</b>
<u>Executive</u>			
Male		No applicable	<b>49.6%</b>
Female		No applicable	<b>50.4%</b>
<u>Non-executive</u>			
Male		No applicable	<b>60.1%</b>
Female		No applicable	<b>39.9%</b>
<u>General worker</u>			
Male		No applicable	<b>68.5%</b>
Female		No applicable	<b>31.5%</b>
<b>Diversity by Age for Each Employee Category</b>			
<u>Management</u>			
<30 years	22.2%	20.3%	<b>3.4%</b>
30-50 years	66.0%	68.5%	<b>58.4%</b>
>50 years	11.8%	11.2%	<b>38.2%</b>
<u>Executive</u>			
<30 years		No applicable	<b>24.5%</b>
30-50 years		No applicable	<b>67.9%</b>
>50 years		No applicable	<b>7.6%</b>
<u>Non-executive</u>			
<30 years		No applicable	<b>33.8%</b>
30-50 years		No applicable	<b>63.3%</b>
>50 years		No applicable	<b>2.9%</b>



# SUSTAINABILITY STATEMENT

SUSTAINABILITY PERFORMANCE DATA	FY2022	FY2023	FY2024
<b>SOCIAL (Cont'd)</b>			
<b>Diversity by Age for Each Employee Category (Cont'd)</b>			
<u>General worker</u>			
<30 years		No applicable	<b>31.6%</b>
30-50 years		No applicable	<b>55.2%</b>
> 50 years		No applicable	<b>13.2%</b>
<b>Employee Turnover</b>			
Percentage of employee turnover	38.0%	25.5%	<b>10.6%</b>
Total number of employee turnover employee by category			
- Management		No applicable	<b>3</b>
- Executive		No applicable	<b>5</b>
- Non-executive		No applicable	<b>34</b>
- General worker		No applicable	<b>308</b>
<b>Training and Education</b>			
Total type of training hours	350 hours	1,424.55 hours	<b>1,206 hours</b>
Total of number employees that are under internship	5	11	<b>11</b>
Total training hours by employee category			
- Management		No applicable	<b>393</b>
- Executive		No applicable	<b>2,788</b>
- Non-executive		No applicable	<b>3,125</b>
- General worker		No applicable	<b>7,313</b>
<b>Occupational Safety and Health</b>			
Number of work- related fatalities	0	0	<b>0</b>
Number of accident cases	26	33	<b>47</b>
Number of employees trained on safety and health standards		No applicable	<b>2,061</b>
Total training hours on occupational safety and health	239.5 hours	778 hours	<b>345 hours</b>
<b>Contribution to Society</b>			
Amount invested in the communities (RM'000)	297.9	307.9	<b>361.3</b>
Total number of beneficiaries of the investment in communities	19	20	<b>23</b>



# SUSTAINABILITY STATEMENT

## Sustainability Performance Report

Indicator	Measurement Unit	2024
<b>Bursa (Anti-corruption)</b>		
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category		
Management	Percentage	60.67
Executive	Percentage	14.89
Non-executive/Technical Staff	Percentage	3.36
General Workers	Percentage	0.13
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	100.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0
<b>Bursa (Community/Society)</b>		
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	361,300.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	23
<b>Bursa (Diversity)</b>		
Bursa C3(a) Percentage of employees by gender and age group, for each employee category		
Age Group by Employee Category		
Management Under 30	Percentage	3.40
Management Between 30-50	Percentage	58.40
Management Above 50	Percentage	38.20
Executive Under 30	Percentage	24.50
Executive Between 30-50	Percentage	67.90
Executive Above 50	Percentage	7.60
Non-executive/Technical Staff Under 30	Percentage	33.80
Non-executive/Technical Staff Between 30-50	Percentage	63.30
Non-executive/Technical Staff Above 50	Percentage	2.90
General Workers Under 30	Percentage	31.60
General Workers Between 30-50	Percentage	55.20
General Workers Above 50	Percentage	13.20
Gender Group by Employee Category		
Management Male	Percentage	75.30
Management Female	Percentage	24.70
Executive Male	Percentage	49.60
Executive Female	Percentage	50.40
Non-executive/Technical Staff Male	Percentage	60.10
Non-executive/Technical Staff Female	Percentage	39.90
General Workers Male	Percentage	68.50
General Workers Female	Percentage	31.50
Bursa C3(b) Percentage of directors by gender and age group		
Male	Percentage	66.67
Female	Percentage	33.33
Under 30	Percentage	0.00
Between 30-50	Percentage	33.33
Above 50	Percentage	66.67

Internal assurance

External assurance

No assurance

(\*)Restated



# SUSTAINABILITY STATEMENT

## Sustainability Performance Report (Cont'd)

Indicator	Measurement Unit	2024
<b>Bursa (Energy management)</b>		
Bursa C4(a) Total energy consumption	Megawatt	105,057.99
<b>Bursa (Health and safety)</b>		
Bursa C5(a) Number of work-related fatalities	Number	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	2.54
Bursa C5(c) Number of employees trained on health and safety standards	Number	2,061
<b>Bursa (Labour practices and standards)</b>		
Bursa C6(a) Total hours of training by employee category		
Management	Hours	393
Executive	Hours	2,788
Non-executive/Technical Staff	Hours	3,125
General Workers	Hours	7,313
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	1.60
Bursa C6(c) Total number of employee turnover by employee category		
Management	Number	3
Executive	Number	5
Non-executive/Technical Staff	Number	34
General Workers	Number	308
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0
<b>Bursa (Supply chain management)</b>		
Bursa C7(a) Proportion of spending on local suppliers	Percentage	76.70
<b>Bursa (Data privacy and security)</b>		
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0
<b>Bursa (Water)</b>		
Bursa C9(a) Total volume of water used	Megalitres	3,578.774000

Internal assurance

External assurance

No assurance

(\*)Restated





# CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors ("Board") of NTPM Holdings Berhad ("NTHB" or "Company") recognises the importance of adhering to high standards of corporate governance to establish a sustainable business and creating long-term value for the shareholders and stakeholders and to enhance the performance of the Company and its subsidiaries ("Group"). The Board is committed to upholding high standards of integrity and transparency in its governance and ensuring corporate practices are consistently implemented and maintained throughout the Group.

The Board is pleased to present the Corporate Governance Overview Statement ("Statement") to provide shareholders and investors with an overview of the extent of compliance with the following three (3) Principles as set out in the Malaysian Code on Corporate Governance ("MCCG") which were applied by the Board of the Company for the financial year ended 30 April 2024 ("FY2024"): -

- (a) Principle A: Board Leadership and Effectiveness;
- (b) Principle B: Effective Audit and Risk Management; and
- (c) Principle C: Integrity in Corporate Reporting and Meaningful Relationship with Stakeholders.

This Statement shall be read together with the Corporate Governance Report ("CG Report") of the Company, which provides details on how the Company has applied each practice as set out in MCCG. The CG Report is available on the website of the Company at <https://ntpm.com.my> and Bursa Securities' website at <https://www.bursamalaysia.com>.

## PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS

### PART 1 - BOARD RESPONSIBILITIES

#### Intended Outcome 1.0

- **Every company is headed by a Board, which assumes responsibility for the leadership of the company and is collectively responsible for meeting the objectives and goals of the company.**

#### 1.1 Strategic aims, values and standards

The primary responsibility of the Board is to provide effective leadership to ensure that it promotes the long-term sustainable success of the Group, generating value for our shareholders and other stakeholders, and contributing to society. The Board, supported by its committees, provides leadership within a framework of prudent and effective controls.

The Board provides leadership and direction to the operations of the Group while the Management is accountable for the execution of policies and meeting corporate objectives.

An effective Board is one that is made up of a combination of Executive Directors with intimate knowledge of the business and Non-Executive Directors from diversified industry/business backgrounds to bring broad business and commercial experiences to the Group.

The Board received regular updates from the Executive Director and Group Chief Executive Officer ("Group CEO"), Mr. Lee Chong Choon and other members of Management in Board meetings in respect of all material business matters to the Group with regard to strategy, planning, business development, risk management, governance and employee engagement. The Board discusses and advises the Management in its formulation of business strategies, both short-term and long-term. Discussions would include the deployment of resources efficiently and effectively in achieving the set objectives. In making its decisions, the Board would be guided by the values and standards of the Group.

The Board has the overall responsibility for corporate governance, establishing goals, strategies and direction, financial plans, annual budget, investment proposals, reviewing the performance of the Group and critical business issues and ultimately the enhancement of long-term shareholders' value. It monitors and delegates the implementation of the strategic direction to the Management.

The Board plays an active role in the development of strategy. It has in place an annual strategy planning process whereby the Management presents to the Board its recommended strategy and proposed business plan for the following year at the Board meeting. The Board reviews and deliberates upon both the Management's and its own perspectives, and challenges Management's views and assumptions to deliver the best outcomes. On 26 June 2023, the Board deliberated and approved the budget and the capital expenditure for the FY2024 as presented by the Group CEO.



# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (Cont'd)

### PART 1 - BOARD RESPONSIBILITIES (Cont'd)

#### 1.1 Strategic aims, values and standards (Cont'd)

During each quarterly meeting, the Board discusses with the Management on the status of the implementation of its strategic and business plan for the Group. The Board also receives updates from the Management on the operational and industrial challenges faced by the Group.

The Board has a formal schedule of matters reserved for its decision which include, amongst others, the following: -

- Reviews and adopts a strategic and business plan for the Company.
- Oversees the conduct of the business and evaluates whether the business is being properly managed.
- Identifies principal risks and ensures the implementation of appropriate systems to manage these risks in order to achieve a proper balance between risk incurred and potential returns to shareholders.
- Reviews the adequacy and the integrity of the internal control systems including systems for compliance with the applicable laws, regulations, rules, directives and guidelines. The Board shall ensure that there is a satisfactory reporting framework on internal financial controls and regulatory compliance.
- Examines its own size and composition to determine the impact on the Board's effectiveness. The Board shall ensure that it has enough Directors to discharge its responsibilities and perform its functions.
- Receives and seeks relevant information for the assessment of the performance of the Company.
- Ensures that the financial statements of the Company are true and fair, and comply with all applicable laws and governmental regulations applicable to the business and its conduct.
- Ensures that Senior Management has the necessary skills and experience, and there are measures in place to provide for the orderly succession of Board and Senior Management.
- Reviews, challenges and decides on the Management's proposals for the Company and monitor its implementation by the Management.
- Oversees Environmental, Social and Governance ("ESG") issues.

The Board retains full and effective control of the Company and has developed corporate objectives and position descriptions including the limits to Management's responsibilities, which the Executive Directors are aware of and responsible for meeting. The Board has an understanding of matters reserved to itself for decision-making, which includes investment policy, approval of financial results and major capital expenditures, declaration of dividends, strategic planning, overseeing financial and operational performance, monitoring risk management processes, merger and acquisition activities, reviewing the adequacy of internal control systems and appointment of key responsible persons.

The Independent and Non-Independent Non-Executive Directors deliberate and discuss policies and strategies formulated and proposed by the Management to consider the long-term interests of all stakeholders. The Independent Directors provide their independent and unbiased view, advice and judgement to ensure a balanced and unbiased decision-making process to safeguard the long-term interests of all stakeholders and the community.

As part of its efforts to ensure the effective discharge of its duties, the Board has delegated certain functions and responsibilities to the Executive Directors, representing the Management, as well as to the following Board Committees ("Committee(s)"), each with delegated responsibilities and duties: -

- Audit Committee ("AC");
- Risk Management Committee ("RMC");
- Nominating Committee ("NC"); and
- Investment Committee ("IC").

These Committees oversee the broad strategic areas within the Group such as audit and finance, risk, major investment, sustainability and ethics, Board renewals, and related matters. Each of these Committees operates under its clearly defined Terms of Reference ("TOR") which set out its duties, authority and reporting responsibilities. The TORs are reviewed on a regular basis by each Committee to ensure they remain relevant. The TORs are approved by the Board and made accessible to stakeholders on the Company's website.



# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (Cont'd)

### PART 1 - BOARD RESPONSIBILITIES (Cont'd)

#### 1.2 The Chairman of the Board

The roles and responsibilities of the Chairman of the Board are clearly outlined in the Board Charter, which is available on the Company's website. The Chairman of the Board is tasked with instilling good corporate governance practices within the organisation and leading the Board in adopting and implementing sound governance practices.

The roles and responsibilities under the ambit of the Chairman and Managing Director of the Company are currently assumed by Mr. Lee See Jin. The Chairman of the Board also acts as Chairman at meetings of members.

The Chairman undertakes a leadership role in the conduct of the Board and its relationship with shareholders and other stakeholders. The Chairman is primarily responsible for leading the Board to discharge its fiduciary duties and responsibilities effectively and ensuring the adequacy and integrity of the governance process.

The Board is mindful that the dual roles of Chairman and Managing Director held by Mr. Lee See Jin and is of the view that there are experienced and independent-minded Directors on the Board to provide an effective check and balance so that no one individual has unfettered powers of decision making.

Having joined the Board since 1996, Mr. Lee See Jin has considerable experience in the business of the Group and provides leadership for the Board in considering and setting the overall strategies and objectives of the Company. The Board is of the view that it is in the interest of the Company to maintain the above arrangement so that the Board can have the benefit of a chairman who is knowledgeable about the business of the Group and the territories globally in which the Group operates, who sets the overall strategies, conceptualise plans and leads the execution of all major projects and investments, who is capable of guiding discussions at Board meetings and briefing the Board in a timely manner on key issues and developments directly or indirectly affecting the business of the Group.

The Board is vigilant of the dual roles of the Chairman and Managing Director being performed by the same individual and will ensure that such arrangement will continue to be in the interests of the Company and its shareholders as a whole.

#### 1.3 Separation of the position of Chairman and Group CEO

The roles of the Chairman and the CEO are held by different individuals, to facilitate the segregation of roles and responsibilities and the distribution of power and authority between them.

The distinct roles and responsibilities of the Chairman and CEO are clearly outlined in the Company's Board Charter, which can be accessed on the Company's website.

The Group CEO, Mr. Lee Chong Choon is responsible for the Group's operation, business units, organisation effectiveness and to execute the policies, strategies, directives and decisions as approved by the Board for the purposes of running the business and the day-to-day management of the Company. The Group CEO also acts as a link between the Board and the Management to align management actions to the Board's decisions and strategies.

#### 1.4 Chairman and Board Committees

Practice 1.4 of the MCCG states that the Chairman of the Board should not be a member of the AC, NC or Remuneration Committee.

The Chairman of the Board, Mr. Lee See Jin is not a member of AC, NC or RMC but he is a member of the IC.

The Company believes that Mr. Lee See Jin has intimate knowledge of the business of the Group and is committed to setting high governance standards. His experience and industry knowledge benefit the Company and shareholders, which outweigh any perceived disadvantage of assuming the position of Chairman of the Board and a member of the IC.



# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (Cont'd)

### PART 1 - BOARD RESPONSIBILITIES (Cont'd)

#### 1.5 Company Secretaries

The Board is supported by two Company Secretaries who are members of the Malaysian Institute of Chartered Secretaries and Administrators (MAICSA). They are suitably qualified under the Companies Act 2016 and well-versed in compliance with the regulatory requirements, including the Companies Act 2016, Listing Requirements, MCGG and company secretarial matters.

The Company Secretaries advise the Board on corporate governance related matters and ensure the Board adheres to the relevant rules and regulatory requirements as well as Board policies and procedures.

The Company Secretaries attend and ensure that all Board and Committees meetings are properly convened, and all deliberations and decisions are properly minuted and kept.

The Company Secretaries have kept abreast of regulatory changes, corporate governance developments and observe the Code of Ethics for Company Secretaries. The Board has full access to their advice and services, as well as information relating to the Company's affairs.

The Board is satisfied with the performance and support rendered by the qualified and experienced Company Secretaries in discharging their functions.

#### 1.6 Access to information and meeting materials

The Board meets, at least quarterly, to consider all matters relating to the overall control, business performance and strategy of the Company. Additional meetings will be called when necessary. The relevant reports and Board meetings papers are prepared in a concise and comprehensive manner and distributed to all Directors in a timely manner prior to the Board meetings to allow the Directors sufficient time to peruse and to facilitate effective discussion and decision-making during the meetings.

Senior Management staff are invited to attend the Board to provide the Board with detailed explanations and clarification, more information and advice on agenda items. The Directors may interact directly with the Management, or request further explanation, information, or updates from them on any aspect of the operations of the Group or any business concerns. In this way, the Board has full access to all information on the affairs of the Group to enable the proper discharge of duties.

All deliberations and decisions made at the Board meetings are recorded by the Company Secretaries including whether any Director abstained from voting or deliberating on a particular matter. Minutes of the meeting are circulated to the Board and the Management for review and comments in a timely manner and are confirmed at the subsequent Board meetings.

For FY2024, the Board held six (6) meetings with full attendance records of the Directors as tabulated below:

Director	Attendance	%
Lee See Jin	6/6	100
Lee Chong Choon	6/6	100
Tan Choon Thye	6/6	100
Dato' Dr. Juita Binti Ghazalie	6/6	100
Chang Hui Yui	6/6	100
Mr. Nishant Grover (Appointed on 20 June 2023)	5/5	100



# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (Cont'd)

### PART 1 - BOARD RESPONSIBILITIES (Cont'd)

#### 1.6 Access to information and meeting materials (Cont'd)

All the Directors have complied with the minimum 50% attendance requirement in respect of Board meetings as stipulated in the Main Market Listing Requirements of Bursa Securities ("Listing Requirements"). The Board is satisfied with the level of commitment contributed by the Directors towards fulfilling their roles and responsibilities. In the interval between Board meetings, for any matters requiring the Board's decisions, the Board's approvals are obtained through the Directors' resolution in writing. The resolutions passed by way of the Directors' resolution in writing are then noted at the Board meeting.

During the year, key activities and focus areas of the Board include:

- Reviewing and approving the quarterly unaudited interim financial report on consolidated results and Audited Financial Statements for the financial year ended 30 April 2023 ("FY2023");
- Receiving and discussing of business and operation updates of foreign subsidiaries;
- Receiving and discussing of reports from the respective Committee Chairman of its quarterly agendas deliberated during its meeting in the FY2024;
- Reviewing and discussing of the audit reports of the External Auditors;
- Reviewing and approving the Company's Budget and Capital Expenditure for the FY2024;
- Reviewing and approving the appointment of Non-Independent and Non-Executive Director of the Company;
- Reviewing and approving the change of the composition of the Board Committee(s) of the Company;
- Reviewing the term of office and assess the retirement of Directors by rotation and eligibility for re-election;
- Reviewing and approving the audit fees and non-audit fees paid to the External Auditors for FY2023;
- Reviewing and recommending the re-appointment of the Company's External Auditors for FY2024 and for the Directors to fix their remuneration, subject to the approval of shareholders;
- Reviewing and recommending the Directors' remuneration and benefits payable to Directors of the Company for FY2023 subject to the approval of shareholders;
- Reviewing and approving the Terms of Reference of the Audit Committee;
- Reviewing and approving the Statements/Reports disclosed in the Annual Report 2023;
- Reviewing and recommending the Proposed New Shareholders' Mandate for Recurrent Related Party Transactions and Proposed Renewal of Shareholders' Mandate to purchase the Company's own ordinary shares of up to 10% of the total number of issued shares, subject to the approval of shareholders; and
- Reviewing and approving the Company's Recurrent Related Party Transactions entered into by the Company and its related parties.

#### Intended Outcome 2.0

- **There is demarcation of responsibilities between the Board, Board committees and management.**
- **There is clarity in the authority of the Board, its committees and individual directors.**

#### 2.1 Board Charter

The Board had in 2013 formalised a Board Charter ("Charter") to document the roles and responsibilities to ensure accountability of the Board and Management. The Board is guided by the Charter which provides a reference for Directors in relation to the Board's role, powers, duties and functions. The Charter also serves as a reference point for the Board's activities where the Board has established clear functions reserved for the Board and those delegated to Committees.

The Charter is reviewed on a regular basis to be in line with the latest statutory and regulatory requirements, as well as the operational and business direction of the Group.

The Charter has been revised on 13 March 2023 and is available on the website of the Company.



# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (Cont'd)

### PART 1 - BOARD RESPONSIBILITIES (Cont'd)

#### Intended Outcome 3.0

- **The Board is committed to promoting good business conduct and maintaining a healthy corporate culture that engenders integrity, transparency and fairness.**
- **The Board, management, employees and other stakeholders are clear on what is considered acceptable behaviour and practice in the company.**

#### 3.1 Code of Conduct and Ethics and Anti-Bribery and Corruption Policy

The Board has in place a Code of Conduct and Ethics for all Directors and employees of the Group. The Code of Conduct and Ethics includes amongst others, respect for the individual, creating a culture of open and honest communication, setting tone at the top, upholding the laws, avoiding conflicts of interest, setting metrics and reporting results accurately. In addition to the Directors' Code of Ethics as set out in the Company Directors' Code of Ethics established by the Companies Commission of Malaysia, the Core Values of the Group also give emphasis on the behavioural ethics and conduct that set out the sound principles and standards of good practices within the business landscape of the Group, which are expected to be observed by the Directors and employees. Both Directors and employees are required to uphold the highest integrity in discharging their duties and in dealings with various stakeholders such as shareholders, customers, fellow employees and regulators.

The Directors have a duty to declare immediately to the Board should they be interested in any transaction to be entered into directly or indirectly by the Company. An interested Director is required to abstain from deliberations and decisions of the Board on the transaction and not to exercise any influence over the Board in respect of the transaction. In the event a corporate proposal is required to be approved by shareholders, interested Directors are required to abstain from voting in respect of their shareholdings in the Company on the resolutions pertaining to the corporate proposal, and will further undertake to ensure that persons connected to them similarly abstain from voting on the resolutions.

During FY2024, there was no known non-compliance with the Code of Conduct and Ethics by the Directors and the employees.

The Group adopted its Anti-Bribery and Corruption Policy on 26 June 2020. The Anti-Bribery and Corruption Policy sets out the parameters to prevent the occurrence of bribery and corrupt practices in relation to the business of the Group. The Group takes reasonable and appropriate measures to ensure that it does not participate in corrupt activities through training sessions and enhanced processes. This policy is supplemental to and should be read in conjunction with the Code of Conduct and Ethics of the Company.

In FY2024, no incident of bribery and corruption were reported to the Group. In addition, internal audit engagement did not identify any issues or activities indicative of bribery or corruption.

The Code of Conduct and Ethics and Anti-Bribery and Corruption Policy are available on the website of the Company.

#### 3.2 Whistleblowing Policy and Procedures

The Board has formalised and adopted the Whistleblowing Policy and Procedures on 23 June 2016. The Whistleblowing Policy and Procedures serve as an essential part of the internal control system setting out a framework for all employees and stakeholders to report concern about any malpractice within the Group. This assists to nurture a standard of corporate behaviour in creating an ethical corporate climate and developing a culture of openness, transparency, accountability and integrity.

There was no incident of whistleblowing in FY2024.

The Whistleblowing Policy and Procedures is available on the website of the Company.



# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (Cont'd)

### PART 1 - BOARD RESPONSIBILITIES (Cont'd)

#### 3.3 Conflict Management Policy (Cont'd)

The Conflict Management Policy provides guidance to all affected personnel and employees on how to identify and manage actual, potential and perceived conflict should there be one. It forms part of the Conflict Management Framework ("CMF") of the Company.

Systems, processes and controls are implemented to ensure compliance with this policy comprising the CMF applicable to the Company and all affected personnel and employees. The Board is ultimately responsible for the development and management of the CMF.

The Conflict Management Policy is available on the website of the Company.

#### 3.4 Succession Planning Policy

Leadership continuity is important to ensure the continued effective performance of the Company.

The Group put in place a Succession Planning Policy on 24 July 2018 for the Board to fill up the Board vacancy well in time to avoid any leadership gap. Succession planning for the Board includes succession and renewal for the Board as a whole due to retirement, resignation, death or disability, new business opportunities and other unforeseen circumstances.

The Board, with the assistance of the NC and working with the Executive Directors and the Human Resource Department, oversees executive officer development and corporate succession plans to provide continuity in leadership.

The Succession Planning Policy includes the development and succession planning process as well as the steps to creating an emergency succession contingency plan to prepare the organisation for an unexpected transition.

#### Intended Outcome 4.0

- **The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.**

#### 4.1 Strategic management of sustainability matters

The Board recognises the importance of sustainability development to business and is committed to ensure emphases are given to environmental, social, economic and governance aspects as an integral part of its business operations.

The Board is responsible for the development of the sustainability strategies. The Sustainability Working Group is headed by the Group CEO and supported by the members from the Occupational Safety and Health Management Committee, ECNZ (Environmental Choice New Zealand) Committee, and senior management and relevant heads of business and supporting units of the Group. The Sustainability Working Group has been entrusted to drive strategic management of material sustainability by identifying and recommending areas for improvement and implementing sustainability initiatives approved by the Board.

#### 4.2 Communication of sustainability strategies, priorities, targets and performance

The Group conducts periodic engagement with both external and internal stakeholders to better understand their perspectives and concerns on key issues and to integrate those perspectives and concerns into the sustainability strategy.

Details of the Stakeholder Engagement are as set out in the Sustainability Statement as contained in the Annual Report 2024.

The Group ensures that its communications with the shareholders and various stakeholders are transparent and timely. The Board is committed to establishing and maintaining open, long-term, mutually beneficial relationships with all of its stakeholder groups.



# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (Cont'd)

### PART 1 - BOARD RESPONSIBILITIES (Cont'd)

#### 4.3 Staying abreast with sustainability issues

In order to ensure the Board are kept abreast with sustainability issues and have a sufficient understanding in sustainability matters relevant to the Group and its business, Directors are expected to attend sustainability-related programmes including conferences, seminars and trainings. Such sustainability issues would include climate-related risks and opportunities.

#### 4.4 Performance evaluations include a review in addressing the material sustainability risks and opportunities

The performance evaluation of the Board for FY2024 included a review of their performance in addressing the material sustainability risk and opportunities and environmental, social and governance (“ESG”) issues.

#### 4.5 Sustainability Strategy (Step Up)

The Group CEO has been designated to manage sustainability strategically including the integration of sustainability considerations in the operations of the Group as well as reporting.

To oversee the planning and execution of sustainability strategies, the Sustainability Working Group has been set up and led by the Group CEO.

The Sustainability Working Group identifies, evaluates, monitors, and manages risks as well as opportunities relating to economic, environmental and social aspects and ensures that the sustainability matters are implemented throughout its business operations.

## PART 2 – BOARD COMPOSITION

### Intended Outcome 5.0

- **Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.**

#### 5.1 Board Appointment

#### 5.2 Board Composition

The Company believes that enhancing the social and professional diversity among Board and Key Senior Management is essential in realising its strategic objectives and ensuring the Group’s sustainable growth. For the appointment of any Board and Key Senior Management, a number of aspects, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills and knowledge, have been considered to maintain a well-diversified Board and Key Senior Management to support the Group’s vision and uphold governance within the Group.

The Board currently comprises two (2) Executive Directors, three (3) Independent Non-Executive Directors, and one (1) Non-Independent Non-Executive Director. The present composition complies with Paragraph 15.02 of the Listing Requirements where the Independent Directors make up more than one-third (1/3) of the Board and Practice 5.2 of the MCG where half of its members are Independent Directors.

The Board has reviewed its size and composition is satisfied that its current configuration is well balanced, with diverse professional backgrounds, skills, expertise and knowledge in discharging its responsibilities for the proper functioning of the Board. Furthermore, the current number of Board members is conducive for efficient deliberations at Board meetings and effective conduct of Board decision-making.

The Directors hold directorships in listed issuers in Malaysia within the Listing Requirements limiting directors to a maximum of five (5) directorships in listed issuers. The Board is satisfied that each Director has devoted sufficient time to effectively discharge his/her responsibilities and commitment to the Group.





# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (Cont'd)

### PART 2 – BOARD COMPOSITION (Cont'd)

#### 5.2 Board Composition (Cont'd)

On annual basis, the NC evaluates, reviews and recommends to the Board the appropriate size of the Board, required mix of skills, experience and other qualities including core competencies which Non-Executive Directors shall bring to the Board to ensure that they are in line with the Company's and the Group's requirements. The effectiveness of the Board as a whole and the contribution of each Director to the effectiveness of the Board and the contribution of the Board's various committees will be assessed on an annual basis.

The NC reviewed the tenure of each Director as well as the annual re-election of a Director in accordance with the Directors' Fit and Proper Policy of the Company, after making an evaluation that the relevant Director's performance and contribution to the Board have been satisfactory.

The Board is of the view that the existing Independent Directors provide an adequate level of independence in the Board's composition and conduct, giving the assurance that there is a balance of power and authority in the Board. The Independent Directors of the Company provide guidance, unbiased, fully balanced and independent views, advice and judgment to many aspects of the strategy of the Group so as to safeguard the interests of minority shareholders and to ensure that the highest standards of conduct and integrity are maintained by the Group.

The Non-Executive Directors have both local and international experience, are professionals of high calibre and credibility and play a pivotal role in corporate accountability by contributing their knowledge, advice and business experience towards making independent judgment on issues of strategies, performance, resources and standards of conduct.

The Board is satisfied that the Independent Directors represent the interest of public shareholders in the Company.

#### 5.3 Tenure of Independent Director

The Board is mindful of the amendments in the Listing Requirements that the tenure of an Independent Director shall not be more than a cumulative tenure of twelve (12) years, implemented with effect from 1 June 2023.

The Board is also mindful of the recommendation of the MCCG that the tenure of an Independent Director does not exceed a cumulative term limit of nine (9) years. Upon completion of the nine (9) years, an Independent Director may continue to serve on the board as a Non-Independent Director. If the Board intends to retain an Independent Director beyond nine (9) years, it should justify and seek annual shareholders' approval through a two-tier voting process in accordance with Practice 5.3 of MCCG.

As of now, none of the Independent Directors have exceeded their nine (9)-year tenures.

The Board, with the assistance of the NC, has conducted an annual assessment of the independence of all Independent Directors of the Company. The Board is content with the level of independence demonstrated by all the Independent Directors, taking into account their tenure at the Company, independent nature, ability to provide constructive challenge and absence of relationships that could compromise their judgement. The assessment is based on their current involvement and effectiveness on both the Board and its Committees.

The Board has not adopted a policy that limits the tenure of its Independent Directors to nine (9) years as the Board firmly believes that the ability of a Director to serve effectively is dependent on his/her calibre, qualification, business experience and personal qualities, particularly his/her integrity and objectivity, instead of his/her length of tenure. It also believes there are significant advantages to be gained from long-serving Directors who possess insight and knowledge of the business and affairs in view of the continuous challenges faced by the Company.



# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (Cont'd)

### PART 2 – BOARD COMPOSITION (Cont'd)

#### 5.5 Appointments of Board and Senior Management

The Board believes that a diverse and inclusive Board will leverage the differences of its members, to achieve stewardship and in turn, retain its competitive advantage. In this respect, the Board endeavours to ensure that it consists of individuals with diverse background equipped with professional and technical knowledge to effectively carry out their roles as the representative of the interests of shareholders.

The Company is guided by its Directors' Fit and Proper Policy adopted on 27 June 2022 in ensuring that the appointment and re-election of the members of the Board and Senior Management were based on identified objective criteria, e.g. character, integrity, relevant range of skills, knowledge, experience, competence and time commitment so that they are able to discharge their roles and responsibilities effectively in the best interest of the Company.

In FY2024, the NC have assessed Mr. Nishant Grover's ("Mr. Grover") professional qualifications, knowledge, competencies, integrity, and independence as well as fulfilment of criteria set out in the Directors' Fit and Proper Policy, then recommended his appointment as a Non-Independent Non-Executive Director of the Company, which was approved by the Board, with effect from 20 June 2023.

The Board, through the NC, considers annually the time commitment expected from each of the Director to meet the expectation of their role. The Board is also expected to attend the AGM, engage with stakeholders and participate in the Board evaluation process.

The Directors hold directorships in listed issuers in Malaysia within the Listing Requirements limiting directors to a maximum of five (5) directorships in listed issuers. This is to ensure that the Director is able to devote sufficient time and commitment to the Group.

The Board has considered these external commitments, taking into account the time commitment required for each role, and is satisfied they do not impact upon the individual Board members' ability to discharge their responsibilities fully and effectively. As evidenced in this Statement, all Directors attended all the Board and Committees meetings of the Company held in FY2024.

#### 5.6 Utilisation of various sources in the identification of potential candidates

The Board is responsible for the appointment of new Directors. In sourcing for new Directors, the Board acknowledges the importance of not solely relying on recommendations from existing Board members, Management or major shareholders in identifying candidates for appointment of Directors, but trust that such recommendation has its merits. The NC has the authority to obtain the services of professional recruitment firms to source candidates for directorship or seek independent professional advice whenever necessary.

The NC is empowered to bring to the Board recommendation as to the appointment of any new director or to fill Board vacancies as and when they arise. In making its recommendation, the NC will consider the required mix of skills, knowledge, education, qualities, expertise and experience, professionalism, integrity, time commitment, contribution and other factors including core competencies that the new Directors of the Company should bring to the Board.

The NC also ensures that the procedures for appointing new Directors are transparent, rigorous and that appointments are made on merit and against objective criteria for the purpose. Based on the NC's TOR, besides evaluating the skills, professionalism, integrity, knowledge and experience of the candidates, the NC also takes into consideration the following factors: -

- Whether the individual meets the requirements for independence as defined in the Listing Requirements.
- Give full consideration to succession planning for Directors in the course of its works, taking into account the challenges and opportunities facing by the Company and the skills and expertise required on the Board in the future.



# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (Cont'd)

### PART 2 – BOARD COMPOSITION (Cont'd)

#### 5.6 Utilisation of various sources in the identification of potential candidates (Cont'd)

The nomination and election process for new Director(s) is as follows: -

- (1) The NC receives a nomination from: -
  - a. A Director of the Company; or
  - b. Requisition from the shareholders;
- (2) The NC shall review the proposed candidate(s) and if need be, to meet up with the candidate(s) for an interview;
- (3) The NC shall report its findings and recommendations to the Board for consideration;
- (4) If the nomination is from one of the Directors, the election process shall be conducted at a meeting of the Directors by show of hands;
- (5) If the nomination is from the shareholders, the election process shall be conducted at an AGM or Extraordinary General Meeting by show of hands or poll, as the case maybe;
- (6) In the event the number of candidates exceeds the maximum number of directors in accordance with the Regulation of the Constitution, the candidates with the highest votes are considered elected as Directors; and
- (7) For item (6), if there is an equality of votes, and there are candidates who still exceed the number of vacancies, the election process for these excess candidates shall continue to be conducted to get the highest votes until the vacancies are filled.

In addition, Part 4.2.2 of the Board Charter specifies that the Board should use a variety of approaches and sources to ensure that it is able to identify the most suitable candidates. This may include sourcing from a directors' registry, open advertisements or the use of independent search firms.

#### 5.7 Board statement on the appointment or reappointment of Directors

The performance of retiring Directors recommended for re-election at the forthcoming Twenty-Eighth ("28<sup>th</sup>") AGM has been assessed through the Board's annual evaluation.

The retiring Directors had abstained from voting on any resolution and making any recommendation and/or participating in respect of matters in which he has an interest.

A statement by the Board and NC pertaining to their satisfaction with the performance and effectiveness of the retiring Directors who are offering themselves for re-election at the AGM has been set out in the explanatory notes accompanying the Notice of AGM.

The profile for the retiring Directors, including their nature of interest with the Company (if any), are set out in the Directors' Profile section of this Annual Report.

#### 5.8 Nominating Committee

The NC was set up on 8 March 2013 and is entrusted by the Board to assist in nomination process for the Board and Committees as well as assessing their performance.

The current composition of the NC comprises exclusively of Independent Non-Executive Director as follows:

- Mr. Tan Choon Thye (Chairman)
- Ms. Chang Hui Yui
- Dato' Dr. Juita Binti Ghazalie

The NC is required to assess the Board's effectiveness in terms of its composition, roles and responsibilities, and whether the Committees have discharged their functions and duties in accordance with the TOR. The Board is assessed based on the character, competence, experience, integrity, and time availability of each Director as well as their abilities to contribute positively at meetings and in decision-making. The NC assesses on an annual basis the composition of the Board to ensure that the Board has the appropriate mix of expertise and experience, and collectively possesses the necessary core competencies for effective functioning and decision-making. All assessments and evaluations carried out by the NC in discharging its functions have been well documented.



# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (Cont'd)

### PART 2 – BOARD COMPOSITION (Cont'd)

#### 5.8 Nominating Committee (Cont'd)

A summary of activities undertaken by the NC during FY2024 are as follows: -

- (i) Review and recommended the Terms of Reference of NC for the Board's approval;
- (ii) Conducted the annual assessment of the performance of the Board as a whole;
- (iii) Conducted the annual assessment of the Independent Directors and made its recommendations to the Board;
- (iv) Reviewed the terms of office and performance of members of the AC;
- (v) Reviewed and recommended the appointment of Mr. Grover as a Non-Independent Non-Executive Director for the Board's consideration and approval;
- (vi) Reviewed and recommended the appointment of Dato' Dr. Juita Binti Ghazalie as a member of NC and appointment of Ms. Chang Hui Yuin as member of IC to the Board for approval; and
- (vii) Considered and recommended to the Board, the re-election of the Directors who are subject to retirement by rotation at the forthcoming 27<sup>th</sup> AGM of the Company.

#### 5.9 Diversity of Board and Senior Management

The Company does not practice any form of gender, ethnicity and age group biasness as all candidates for either the Board or Senior Management shall be given fair and equal treatment.

The Board believes that there is no detriment to the Company in not adopting a formal gender, ethnicity and age group diversity policy as the Company is committed to providing fair and equal opportunities and nurturing diversity within the Group.

In identifying suitable candidates for appointment to the Board, the NC will consider candidates on merit against objective criteria and with due regard for the benefits of diversity on the Board.

As of the reporting date, two (2) out of six (6) Directors i.e. 33% on the Board are females. The Company had exceeded the requirement of Practice 5.9 of the MCCG to have at least 30% women Directors on the Board.

#### 5.10 Gender Diversity Policy

The Company does not have a formalised board diversity policy or gender diversity policy. The appointment of the Board and Senior Management is based on objective criteria and merit with due regard to diversity skills, experience, age, cultural background and gender.

### Intended Outcome 6.0

- **Stakeholders are able to form an opinion on the overall effectiveness of the Board and individual directors.**

#### 6.1 Assessment on the effectiveness of the Board

The NC conducted an annual assessment of its Directors and the effectiveness of the Board of Directors as a whole in terms of Board mix and composition, quality of information and decision making, boardroom activities and Board relationship with Committees and Management for FY2024. The performance of the Board as a whole as well as Committees are assessed annually via an evaluation survey questionnaire known as Board Evaluation Questionnaire ("Questionnaire") to evaluate the overall performance against the criteria as set out in the Questionnaire. The aim of the Questionnaire is to enhance the effectiveness and strength of the assessment and to identify areas that need to be improved.

The findings of the Questionnaire which was presented to the Board by the NC confirmed that the Board has discharged its duties and responsibilities effectively for FY2024.

The NC also assessed the independence of each of the Independent Non-Executive Directors annually, taking into account the individual Director's ability to exercise independent judgment at all times and to contribute to the effective functioning of the Board. All findings by the NC were reported to the Board.



# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (Cont'd)

### PART 2 – BOARD COMPOSITION (Cont'd)

#### 6.1 Assessment on the effectiveness of the Board (Cont'd)

The Committees are assessed based on the efficiency and effectiveness of each Committee, the contribution of its members to the effectiveness of the Board and the commitment to their roles and responsibilities in discharging their duties.

The NC conducted an assessment of the Directors who are subject to retirement at the forthcoming 28th AGM in accordance with the provisions of the Constitution of the Company. After review, the NC then proposed the re-election of the relevant Directors to the Board for its recommendation for shareholders' approval at the forthcoming 28<sup>th</sup> AGM.

The assessments were facilitated by the Company Secretaries making references to the guides available. All results were presented to the NC for review before being reported to the Board for notation, discussion and further improvements.

Following the annual review, the NC agreed that the Board as a whole and the Committees had performed well and effectively and the overall composition of the Board in terms of size, mix of skills, experience, core competencies and the balance between the Executive Directors, Non-Executive Directors and Independent Directors is appropriate. The Independent Directors had also fulfilled their independent role in corporate accountability through their objective participation in Board deliberations during Board meetings.

Following the review of the overall performance of the Board, Committees and each Director, the NC is of the view that the Board and its Committee had performed effectively whilst giving due commitment to its role.

The Directors are conscious of the importance of keeping abreast with the latest changes and developments in legal and regulatory governance so as to update and refresh themselves on matters that may affect their performance as Directors. As part of training and professional development for the Board, the Company ensures that Directors, both on appointment and subsequently are briefed from time to time on changes in regulations, guidelines and accounting standards as well as other relevant trends or issues.

During FY2024, the Company Secretaries and External Auditors provided the Directors with updates on changes in laws and regulations, including the Companies Act 2016, Listing Requirements, MCCG and accounting standards that are relevant to the Group. Presentations from the Group CEO on operations also enhance the Board's knowledge and familiarity with the business.

The seminars and briefings attended by the Directors during FY2024 are as follows: -

Directors	Seminars / Workshops / Courses
Lee See Jin	<ul style="list-style-type: none"> <li>Mastering E-Invoicing for Business Efficiency</li> <li>2024 Budget Seminar</li> </ul>
Lee Chong Choon	<ul style="list-style-type: none"> <li>Mastering E-Invoicing for Business Efficiency</li> <li>2024 Budget Seminar</li> </ul>
Tan Choon Thye	<ul style="list-style-type: none"> <li>Fireside Chat with the Former Governors on Central Banking in an Evolving International Financial System,</li> <li>Decoding The Capital Gains Tax</li> <li>Audit Oversight Board on Conversation with Audit Committees</li> </ul>



# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (Cont'd)

### PART 2 – BOARD COMPOSITION (Cont'd)

#### 6.1 Assessment on the effectiveness of the Board (Cont'd)

Directors	Seminars / Workshops / Courses
Chang Hui Yuin	<ul style="list-style-type: none"> <li>• Business Combinations, Group consolidation and Changes in Controlling Interests</li> <li>• National Tax Conference 2023</li> <li>• Performing An ISA Audit – Module 2 (ISA 300 &amp; ISA 315)</li> <li>• Agriculture, Horticulture and Aquaculture Case Studies in MFRS and MPERS Financial Reporting</li> <li>• Seminar Cukai Kebangsaan 2023</li> <li>• Business Agreements and Other Documentation – Tax Implications</li> <li>• Decoding the Capital Gains Tax</li> <li>• 2024 Budget Proposals and Tax Updates</li> </ul>
Nishant Grover	<ul style="list-style-type: none"> <li>• Mandatory Accreditation Programme Part 1</li> </ul>

In addition, the Company Secretaries would also notify the Directors of the upcoming conferences and seminars relevant to their roles as Directors of the Company. The Directors are encouraged to upgrade and refresh their skills and knowledge by attending relevant seminars and training programmes on the latest governance and listing rules and regulations, the expenses of which will be borne by the Company.

Upon review, the Board concluded that the Directors' training for FY2024 were adequate.

#### Intended Outcome 7.0

- **The level and composition of remuneration of directors and senior management take into account the desire to attract and retain the right talent in the Board and senior management to drive the long-term objectives of the company.**
- **Remuneration policies and decisions are made through a transparent and independent process.**

#### 7.1 Remuneration Policy

In general, the remuneration is structured so as to link rewards to corporate and individual performance in the case of the Executive Directors and Senior Management. As for the Non-Executive Directors, the level of remuneration reflects the experience and level of responsibilities undertaken individually by the Director concerned.

The Board does not have any formal remuneration policy. During FY2024, the Board performed its duty to assess annually the remuneration package of its Executive Directors. The Directors' fees and benefits of Directors are recommended by the Board and subject to approval by shareholders at each AGM.

All Directors are paid fixed annual fees which are determined by the Board as a whole and subject to the approval from the shareholders annually. In addition to the fixed annual fees, all Non-Executive Directors are paid meeting allowance for attending meetings.

Pursuant to Section 289 of the Act, the Company may indemnify and directly or indirectly effect insurance for a Director of the Company in respect of any cost incurred by him for any proceedings but not the liabilities for any act or commission in his capacity as a Director. The Directors of the Company have covered under Directors and Officers ("D&O") Liabilities Insurance in respect of liabilities arising from acts committed in their capacity as Directors provided they have not acted negligently, fraudulently or dishonestly, or are in breach of his or her duty of trust.

Under Section 230(1)(b) of the Act, the meeting allowance and D&O Liabilities Insurance coverage are constituted as a form of benefits payable to the Directors and require the prior approval of the shareholders at the AGM.



# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (Cont'd)

### PART 2 – BOARD COMPOSITION (Cont'd)

#### 7.2 Remuneration Committee

The Board currently has not set up the Remuneration Committee to review the remuneration of the Executive Directors. The Board views that the remuneration of the Executive Directors is a matter for the Board to deliberate upon as a whole based on market conditions, responsibilities held and the corporate and individual performance.

#### Intended Outcome 8.0

- **Stakeholders are able to assess whether the remuneration of directors and senior management commensurate with their individual performance, taking into consideration the performance of the Company.**

#### 8.1 Details of the remuneration of Directors

Pursuant to Section 230 of the Act, the fees of the Directors and any benefits payable to the Directors of a listed company and its subsidiaries shall be approved by shareholders at a general meeting.

The Board decided that the Directors' fees for FY2024 shall be maintained as the previous financial year for each Director and recommended for the shareholders' approval at the forthcoming 28<sup>th</sup> AGM of the Company.

The relevant resolutions in relation to the Directors' fees and benefits payable to the Directors are to be presented to the shareholders for approval at the forthcoming 28<sup>th</sup> AGM.

A summary on named basis of each individual director of the remuneration (including benefit-in-kind) of the Directors of the Company for services rendered to the Group for FY2024 is as follows: -

Directors	Company					Group				
	Fees RM	Salary & other emolument RM	Bonus RM	Allowance RM	Benefit- in-kind RM	Fees RM	Salary & other emolument RM	Bonus RM	Allowance RM	Benefit- in-kind RM
<b>Executive</b>										
Lee See Jin	60,000	906,000	-	-	16,478	60,000	906,000	-	-	16,478
Lee Chong Choon	60,000	974,400	548,390	-	1,500	60,000	974,400	548,390	-	14,825
<b>Non-Executive</b>										
Tan Choon Thye	60,000	-	-	4,000	-	60,000	-	-	4,000	-
Dato' Dr. Juita Binti Ghazalie	60,000	-	-	4,000	-	60,000	-	-	4,000	-
Chang Hui Yuin	60,000	-	-	4,000	-	60,000	-	-	4,000	-
Nishant Grover	60,000	-	-	2,000	-	60,000	-	-	2,000	-
Total	360,000	1,880,400	548,390	14,000	17,978	360,000	1,880,400	548,390	14,000	31,303



# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (Cont'd)

### PART 2 – BOARD COMPOSITION (Cont'd)

#### 8.2 Remuneration of Senior Management

In determining the remuneration packages of the Senior Management, factors that are taken into consideration include their individual responsibilities, skills, expertise and contributions to the performance of the Group, and whether the remuneration packages are competitive and sufficient to ensure that the Group is able to attract and retain executive talents.

The Company believes it may not be in its best interest to disclose the information on the remuneration on the named basis of each member of the Senior Management, having considered the highly competitive human resource environment for personnel with the requisite knowledge, expertise and experience in the business activities of the Group, where such remuneration disclosure may give rise to talent recruitment and retention issues.

The remuneration of the Senior Management which is a combination of annual salary, bonus and benefits-in-kind are determined in a similar manner as other management employees of the Group. The basis of determination has been consistently applied and is based on individual performance and the overall performance of the Group and benchmarked against other similar size companies operating in similar industry.

## PRINCIPLE B – EFFECTIVE AUDIT AND RISK MANAGEMENT

### PART 1 - AUDIT COMMITTEE

#### Intended Outcome 9.0

- **There is an effective and independent Audit Committee.**
- **The Board is able to objectively review the Audit Committee's findings and recommendations. The financial statement of the company is a reliable source of information.**

#### 9.1 The Chairman of the Audit Committee is not the Chairman of the Board

The Company complied with Practice 9.1 of the MCCG which stipulates that the Chairman of the AC is not the Chairman of the Board.

The AC is chaired by an Independent Non-Executive Director, Mr. Tan Choon Thye who is not the Chairman of the Board. This has ensured that the objectivity of the Board's review of the AC's findings and recommendations is not impaired.

#### 9.2 Former audit key partner

The TOR of the AC requires the former partner of the external audit firm and/or the affiliate firm (including those providing advisory services, tax consulting, etc.) to observe a cooling-off period of at least three (3) years before being appointed as a member of the AC.

None of the AC members were former key audit partners of the Company and the Group.

#### 9.3 Suitability, objectivity and independence of the external auditor

The Board has adopted a Policy for the Assessment of the Suitability and Independence of External Auditors which defines the guidelines and procedures to be undertaken by the AC to assess the suitability, objectivity and independence of external auditors.

This is also in accordance with the TOR of the AC to review the annual performance assessment, including the suitability, objectivity and independence of the external auditors.

In FY2024, the AC conducted an annual assessment of the suitability, objectivity and independence of the External Auditors, Messrs. Ernst & Young PLT.





# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## PRINCIPLE B – EFFECTIVE AUDIT AND RISK MANAGEMENT (Cont'd)

### PART 1 - AUDIT COMMITTEE (Cont'd)

#### 9.3 Suitability, objectivity and independence of the external auditor (Cont'd)

The AC has conducted an annual review of non-audit services provided by the affiliated firm of the external auditors for FY2024 as disclosed in this Annual Report. The AC is satisfied that the nature and extent of such services will not prejudice the independence and objectivity of the external auditors.

The AC has assessed and is satisfied with the competence and independence of the external auditors and has recommended the re-appointment of the external auditors for shareholders' consideration at the forthcoming 28<sup>th</sup> AGM of the Company.

The Board, on the recommendation of the AC, is of the view that the declaration of independence, integrity, and objectivity made by the external auditors in their audit report for each financial year under review is sufficient to serve as a written assurance from the external auditors on their independence and integrity throughout the conduct of the audit engagement in accordance with the independence criteria as set out by the By-Laws of Malaysian Institute of Accountants ("MIA"), and has recommended their re-appointment as the external auditors of the Company for the ensuing year, upon which the shareholders' approval has been sought at the AGM.

#### 9.4 Composition of the Audit Committee

Currently, the AC comprises three (3) members, all of whom are Independent Non-Executive Directors. Below is the existing composition of the AC: -

Chairman:

Mr. Tan Choon Thye (Independent Non-Executive Director)

Members:

Dato' Dr. Juita Binti Ghazalie (Independent Non-Executive Director)

Ms. Chang Hui Yuin (Independent Non-Executive Director)

This is in compliance with Paragraph 15.09(1)(b) of the Listing Requirements, which stipulates that "all the audit committee members must be non-executive directors, with a majority of them being independent directors".

The current composition of AC is in compliance with Paragraph 15.09(1)(b) of the Listing Requirements of which all the AC members are Non-Executive Directors and all of them are Independent Directors. The Company adopted Step Up Practice 9.4 of the MCCG of which the AC comprises solely of Independent and Non-Executive Directors.

#### 9.5 Qualification of the Audit Committee

All AC members are financially literate, and its composition and performance are reviewed by the NC annually and recommended to the Board for its approval.

A member of the AC, namely Ms. Chang Hui Yuin is a member of the MIA thus fulfilling the requirement under Paragraph 15.09(1)(c)(i) of the Listing Requirements.

The AC members acknowledge the need to continuously develop and increase their knowledge in the area of accounting and auditing standards, given the changes and development in this area from time to time.

All members of the AC have undertaken and will continue to undertake continuous professional development to keep themselves abreast of relevant developments in accounting and auditing standards, practices and rules as and when required.



# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## PRINCIPLE B – EFFECTIVE AUDIT AND RISK MANAGEMENT (Cont'd)

### PART 2 - RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

#### Intended Outcome 10.0

- Companies make informed decisions about the level of risk they want to take and implement necessary controls to pursue their objectives.
- The Board is provided with reasonable assurance that adverse impact arising from a foreseeable future event or situation on the objectives of the Company is mitigated and managed.

#### 10.1 Establishment of risk management and internal control framework

The Board has adopted a risk management framework and ongoing process to assess the various types of risks, which might have an impact on the profitable operation of the business. These include strategic risk, operational risk and project risk. The following outlines the risk management policies of the Group: -

- (a) to weigh business decisions against the philosophy that business risks would be necessarily incurred if the associated rewards are expected to enhance the shareholder value;
- (b) to ensure risks that may have a significant impact upon the Group are identified in a manner that would result in their expeditious treatment;
- (c) to provide reasonable assurance to the stakeholders that the probability of attaining the objectives of the Group would be enhanced by the establishment of an Enterprise Risk Management ("ERM") framework;
- (d) to establish an environment or platform whereby risk management activities are effectively undertaken;
- (e) to manage risks by adopting best practice methodologies for the identification, analysis, evaluation, reporting, treatment and monitoring of risks; and
- (f) to provide an assurance regarding the extent of the compliance with regulatory requirements and the policies and procedures in place.

The Company had appointed an external consultant to establish the ERM Framework in September 2003, which provides a systematic approach to identify, assess, monitor as well as manage risk across the Group.

The Board through the RMC obtains reports from the internal auditors on the periodic checks on the internal control systems and on-going review of its ERM Framework. In accordance with the ERM Framework of the Group, the RMC oversees the risk management process.

The ERM Framework is aligned with its long-term strategic objectives and is embedded in the daily operations of the individual companies within the Group. This ERM system is an ongoing and systematic process to identify, assess, respond and monitor risks. In accordance with the ERM Framework, the RMC oversees the risk management process.

#### 10.2 Features of its risk management and internal control framework

The details of the internal control system and framework of the Company are set out in the Statement on Risk Management and Internal Control on pages 74 to 76 of this Annual Report.



# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## PRINCIPLE B – EFFECTIVE AUDIT AND RISK MANAGEMENT (Cont'd)

### PART 2 - RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK (Cont'd)

#### 10.3 Risk Management Committee

The RMC is responsible for reviewing and recommending the risk management policies and strategies for the Group. It assists the Board to fulfill its corporate governance, risk management and statutory responsibility in order to manage the overall risk exposure of the Group to safeguard shareholders' investment and the assets of the Company.

The RMC comprises a majority of Independent Directors as follows: -

Chairman:

Mr. Lee Chong Choon (Group CEO, Executive Director)

Members:

Mr. Tan Choon Thye (Independent Non-Executive Director)

Dato' Dr. Juita Binti Ghazalie (Independent Non-Executive Director)

Ms. Chang Hui Yui (Independent Non-Executive Director)

During FY2024, the RMC held three (3) meetings with full attendance.

#### Intended Outcome 11.0

- **Companies have an effective governance, risk management and internal control framework and stakeholders are able to assess the effectiveness of such a framework.**

#### 11.1 Internal audit function

#### 11.2 Internal Audit Effectiveness Review

In order for the Company to maintain sound systems of internal controls, the Group has established an Internal Audit Department ("IAD"), whose internal audit function is independent of the business activities, operating entities and divisions. Its principal activities include undertaking regular and systematic audits of the operating entities and divisions, reviewing and testing the system of internal controls including ERM and governance processes so as to provide independent and objective assurance that such systems are effective and are operating satisfactorily.

The internal auditors adopt a risk-based approach towards the planning and conduct of audits, which are consistent with the framework in designing, implementing and monitoring its internal control system.

The IAD's operation is guided by the Internal Audit Charter which was approved by the AC. Audit engagement focuses on areas of priority according to their annual risk assessment and in accordance with the annual strategic audit plans approved by the AC.

The key duties and responsibilities undertaken by IAD include: -

- review and appraise the soundness and adequacy of internal control
- ascertain the extent of compliance with internal policies, procedures and standard
- identify opportunities for process and internal control improvement
- coordinate ERM activities
- review compliance with applicable rules and regulations
- carry out special ad-hoc audit at AC and/or Management's request

The Head of the IAD attends AC meetings and reports directly to the AC on the annual internal audit plan and internal audit reports on the audit conducted in accordance with the annual internal audit plan.

During FY2024, the internal auditors presented their internal audit reports to AC and Management regarding any major audit findings on the weaknesses in the system and controls of the operation. Areas for improvement were highlighted and the implementation of recommendations were monitored. None of the internal control weaknesses has resulted in any material losses, contingencies or uncertainties that would require disclosure in the Annual Report.



# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## PRINCIPLE B – EFFECTIVE AUDIT AND RISK MANAGEMENT (Cont'd)

### PART 2 - RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK (Cont'd)

#### 11.2 Internal Audit Effectiveness Review (Cont'd)

The total cost for maintaining the internal audit function in respect of FY2024 was RM407 thousand.

As of the date of reporting, the IAD consists of four (4) audit personnel and is led by Mr. P'ng Ching Chong.

Mr. P'ng Ching Chong holds a Bachelor of Commerce Degree with Double Major in Finance and Accounting from Deakin University in Australia and is a member of the Institute of Internal Auditors Malaysia.

During FY2024, the AC assessed and reviewed the adequacy of the scope, functions, resources, competency and independence of the IAD. The AC is satisfied that the IAD has sufficient resources, is staffed by suitably qualified and experienced personnel and has to the best of its ability maintained its independence in carrying out the internal audit function.

## PRINCIPLE C – INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

### PART 1 - COMMUNICATION WITH STAKEHOLDER

#### Intended Outcome 12.0

- **There is continuous communication between the company and stakeholders to facilitate mutual understanding of each other's objectives and expectations.**
- **Stakeholders are able to make informed decisions with respect to the business of the company, its policies on governance, the environment and social responsibility.**

#### 12.1 Effective, transparent and regular communication with its stakeholders

The Company recognises that strengthening the relationship between the Company and its shareholders is an important aspect of upholding the principles and best practices of corporate governance. The Company aims to strengthen the mutual relationship with its shareholders and investors to maintain a high level of shareholder and investor confidence and to ensure stable and longer-term value creation.

The website of the Company incorporates an "Investor Relations" section where the industry outlook and the performance of the Group would be captured for the investors' notation. Under the corporate webpage, announcements released by the Company to Bursa Securities are captured under the "Announcement" section. The public can also access corporate information, financial information, Annual Reports, Share Buy-Back Statements, corporate governance matters and other corporate policies. The investors are provided with sufficient business, operations and financial information on the Group to enable them to make informed investment decisions.

Investor relations activities such as meetings with fund managers and analysts are held at appropriate times to explain the strategy, performance and major developments of the Group.

In maintaining the commitment to effective communication with shareholders, the Group adopts the practice of comprehensive, timely and continuing disclosures of information to its shareholders as well as to the general investing public. The practice of disclosure of information is not just established to comply with the requirements of the Listing Requirements but also in line with the MCGG to strengthen engagement and communication with shareholders. Where possible and applicable, the Group also provides additional disclosure of information on a voluntary basis. The Group believes that consistently maintaining a high level of disclosure and extensive communication with its shareholders is vital for its shareholders and investors to make informed investment decisions.

The Annual Report remains a vital and convenient source of essential information for investors, shareholders and stakeholders. Annual Reports of the Company are available on the corporate website.

Another key avenue of communication with its shareholders is the AGM, which provides a useful forum for shareholders to engage directly with the Directors. The Board attends the AGM which gives individual shareholders the opportunity to engage directly with them and raise questions about the Company. The external auditors are also present at the AGM to answer any questions that the shareholders may ask. After the meeting, the shareholders, proxies and corporate representatives are also able to mingle with the Directors.



# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## PRINCIPLE C – INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS (Cont'd)

### PART 1 - COMMUNICATION WITH STAKEHOLDER (Cont'd)

#### 12.2 Integrated Reporting

The Company is not categorised as Large Company, hence it has not adopted integrated reporting based on a globally recognised framework.

### PART 2 - CONDUCT OF GENERAL MEETINGS

#### Intended Outcome 13.0

- **Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.**

#### 13.1 Notice for an Annual General Meeting

General meeting serves as a principal platform for the Board and Senior Management to engage with shareholders and encourage effective shareholder communication on the performance, corporate and business developments of the Company and any other matters affecting shareholder interests.

In line with good corporate governance practice, the notice of the 27<sup>th</sup> AGM was issued to shareholders on 25 August 2023, more than 28 days prior to the said AGM held on 25 September 2023, to provide the shareholders with sufficient time to consider the resolutions that would be discussed and decided at the 27<sup>th</sup> AGM.

The notice of AGM was also published in the nationally circulated daily newspaper within the mandatory period and in the announcement of the Company via Bursa Securities as well as the website of the Company.

The notice of AGM provides further explanation beyond the minimum content stipulated in the Listing Requirements for the resolutions proposed along with any background information and reports or recommendation, where required and necessary, to enable shareholders to make an informed decision in exercising their voting rights.

To further promote participation of members through proxy(ies), which is in line with the insertion of Paragraph 7.21 of the Listing Requirements, the Constitution of the Company includes explicitly the right of proxies to speak at general meetings, to allow a member who is an exempt authorised nominee to appoint multiple proxies for each omnibus account it holds and to disallow any restriction on proxy's qualification.

#### 13.2 Attendance in General Meetings

All members of the Board, the Company Secretary, External Auditors and the Senior Management had attended the 27<sup>th</sup> AGM to engage directly with the shareholders.

The general meeting serves as an avenue for the Chairman and the Board members to engage in two-way communication with shareholders where the shareholders are encouraged to participate in the question-and-answer session with the Board personally and exercise their right to vote on the proposed resolutions.

All Board members, particularly the chairperson of each Committee endeavoured to attend general meetings to facilitate engagement with shareholders and to address any relevant questions and concerns raised by the shareholders. The external auditors were present at all the AGM to respond to any queries from shareholders on the audit conducted, the preparation and content of the auditors' report, the accounting policies adopted by the Company, and the independent audit review of the financial position of the Company.



# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## **PRINCIPLE C – INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS (Cont'd)**

### **PART 2 - CONDUCT OF GENERAL MEETINGS (Cont'd)**

#### **13.3 Voting**

Pursuant to the Listing Requirements, all listed companies are required to conduct poll voting for the resolutions put up at its general meeting effective from 1 July 2016.

Poll voting more accurately and fairly reflects shareholders' views by ensuring that every vote is recognised, in accordance with the principle of "one share one vote". The practice thus enforces greater shareholder rights and allows shareholders who appoint the Chairman of the Meeting as their proxy to have their votes properly counted in the fulfilment of their voting rights.

The Constitution of the Company allows poll voting to be conducted electronically using various forms of electronic voting devices. In this respect, the Company has leveraged the technology by conducting poll voting for all the resolutions tabled at the 27<sup>th</sup> AGM held on 25 September 2023 through electronic devices for greater efficiency and accuracy.

The Company had appointed a Poll Administrator to conduct the polling process and another independent scrutineer to validate the votes cast and the results of each resolution put to vote were announced at the meeting. An announcement detailing the results, including the total number of votes cast for and against each resolution and the respective percentages was announced via Bursa Securities website after the conclusion of the general meeting.

#### **13.4 Meaningful engagement between Board, Senior Management and Shareholders**

At the 27<sup>th</sup> AGM, all the Directors were present in person to engage directly with the shareholders. The Chairman ensured that sufficient opportunities were given to shareholders to raise issues relating to the affairs of the Company by providing ample time for the Question-and-Answer session. The Directors had actively responded to relevant questions addressed to them. The representatives from external auditors were also present to respond to queries raised by shareholders.

In addition, written queries raised by the Minority Shareholders Watch Group were presented to shareholders during the 27<sup>th</sup> AGM together with the responses of the Company.

#### **13.5 Minutes of General Meeting**

The AGM remains one of the most important platforms for communication and engagement between the Company and its shareholders, as it encompasses a two-way discussion on the performance of the Company in the past year and its plans and strategies for the near and long-term future.

The minutes of the 27<sup>th</sup> AGM detailing the proceedings of the AGM was made available on the website of the Company within 30 business days after the conclusion of the AGM. The minutes provide useful information to shareholders and investors especially for the shareholders who were unable to attend to keep track of the AGM.

This Statement is made in accordance with a resolution of the Board dated 23 August 2024.



# AUDIT COMMITTEE REPORT

The Board of Directors (“the Board”) of NTPM Holdings Berhad (“NTHB” or “the Company”) is pleased to present the Audit Committee (“AC”) Report which provides insights into the manner the AC discharged its functions for NTHB and its subsidiaries (“the Group”) for the financial year ended 30 April 2024 (“FY2024”).

## Introduction

The AC was established on 29 January 2003 to assist the Board in fulfilling its responsibilities with respect to its oversight responsibilities. The AC is committed to its role in ensuring the integrity of the Group’s financial reporting process, monitoring the management of risk and system of internal control, external and internal audit process, compliance with legal and regulatory matters and other matters that may be specifically delegated to the AC by the Board.

## Composition

The present composition of the AC is made up of three (3) members of the Board, all of whom are Independent Non-Executive Directors (“INEDs”). This meets the requirements of Paragraph 15.09(1)(a) and (b) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“MMLR”).

The AC members are as follows:

Name of Member	Status of Directorship
<b>Tan Choon Thye</b> Chairman	Independent Non-Executive Director
<b>Dato’ Dr. Juita Binti Ghazalie</b> Member	Independent Non-Executive Director
<b>Chang Hui Yuin</b> Member	Independent Non-Executive Director

Mr. Tan Choon Thye holds a Bachelor of Electrical Engineering (Honours) from University of Malaya and Master of Business Administration from University of Hawaii. None of the AC members is the Alternate Director of the Company or a former partner of the external audit firm of the Group.

All the members of the AC are financially literate and are able to analyse and interpret financial statements to effectively discharge their duties and responsibilities as members of the AC. Ms. Chang Hui Yuin is a member of the Malaysian Institute of Accountants (“MIA”) and as such meets the requirements of Paragraph 15.09(1)(c) of the MMLR. Dato’ Dr. Juita Binti Ghazalie has extensive experience in public health and has held positions as a Director of Hospital Pulau Pinang, Hospital Sultanah Bahiyah, Alor Setar and Perak State Health Department.

The Chairman of the AC is not the Chairman of the Board. The composition of the Committee is in line with Practice 9.1 under the Malaysian Code on Corporate Governance (“MCCG 2021”).

## AC Meetings

The AC meets at least quarterly with additional meetings convened as and when necessary.

During FY2024, the AC held nine (9) meetings and the details of attendance of each member are as follows:

AC	No. of AC Meetings held during FY2024	No. of AC Meetings attended	% of Attendance
Tan Choon Thye	9	9	100
Dato’ Dr. Juita Binti Ghazalie	9	9	100
Chang Hui Yuin	9	9	100



# AUDIT COMMITTEE REPORT

## AC Meetings (Cont'd)

The AC meetings were appropriately structured where the agenda and meeting papers encompassing qualitative and quantitative information relevant to the business of the meetings are distributed via collaborative software to the AC members at least 5 days prior to the meetings. The AC meetings were of adequate length to allow the AC to accomplish its agenda with sufficient time to discuss emerging issues.

The AC conducts its meetings in an open and constructive manner and encourages focused discussion, questioning and expressions of differing opinions. The AC Chairman invites the Executive Directors and representatives from the Internal Auditors or External Auditors to assist in the AC's discussions and consideration of the reports or any matters or specific issues that require the AC's attention. Key Finance personnel also attends the AC meetings to present the unaudited quarterly and annual financial statements, as well as other financial reporting related matters for the AC's deliberation and recommendation to the Board for approval, where appropriate.

At each Board meeting, the AC Chairman will report and highlight the key issues discussed at each AC meeting to the Board accordingly. All proceedings of the AC meetings are duly recorded in the minutes of the meetings and the signed minutes are properly kept at the Registered Office. Minutes of each meeting are tabled for confirmation at the following AC meeting.

## Authority and Responsibilities of the AC

The AC is governed by its terms of reference ("TOR") which is available on the Company's website at <https://ntpm.com.my>

## Summary of Activities

During FY2024, the AC carried out the following activities in discharging its function and duties and responsibilities: -

### Financial Reporting

- Reviewed the quarterly unaudited consolidated financial results and annual audited financial statements of the Company and the Group together with the Executive Directors and key Finance personnel as well as the External Auditors, focusing particularly on significant changes to accounting policies and practices, going concern assumptions, adjustments arising from the audits, compliance with the relevant accounting standards and other legal requirements to ensure that the financial statements presented a true and fair view of the financial performance of the Group before recommending them to the Board for their consideration and approval; and
- Reviewed and deliberated on audit issues raised by the External Auditors and the action plans required to address those issues.

### Risk Management and Internal Control

- Reviewed the Enterprise Risk Management ("ERM") Summary Report of the Group on a quarterly basis, with a focus on the risks identified and the status of the risk management process implemented to facilitate the identification, assessment, evaluation, monitoring and management of risks and to ensure that all major risks are well managed;
- Reviewed the adequacy and effectiveness of the policies and procedures and system of internal control to monitor and manage risks in specific areas;
- Reviewed the risk rating of the Group and control of the updated risk registers prepared by the respective Risk Management Units ("RMU");
- Received, reviewed and deliberated on the reports of all RMUs after they had been reviewed by the Risk Management Committee;
- Reviewed and recommended to the Board the steps to improve the internal control system of the Group derived from the findings of the Internal Auditors and External Auditors;
- Reviewed the current practice of foreign exchange transaction exposure and discussed the necessity to revise the policy of the Group regarding foreign exchange transactions; and
- Reviewed and monitored the foreign currency transactions to ensure conformance with the policy of the Group.





# AUDIT COMMITTEE REPORT

## Summary of Activities (Cont'd)

During FY2024, the AC carried out the following activities in discharging its function and duties and responsibilities: - (Cont'd)

### Internal Audit

- Reviewed and approved the Internal Audit ("IA") Plan for the financial year ending 30 April 2025 on 20 March 2024 as tabled by the Internal Auditors after considering the adequacy of scope and comprehensiveness of the coverage of activities within the Group, as well as the adequacy of resources in the IA Department ("IAD");
- Reviewed status reports from the Internal Auditors, including their audit recommendations and suggestions for improvement and the Management's responses and directed the Management to rectify and improve control and workflow procedures in order to be satisfied that appropriate action had been taken;
- Reviewed the ERM reports, the system of internal control and the appropriateness of the Management's responses to key risk areas and proposed recommendations for improvements; and
- Evaluated the effectiveness of IA function in respect of risks management, internal control and governance processes.

### External Audit

- Deliberated on the External Auditors' report at its meeting with regards to the relevant disclosures in the annual audited financial statements for FY2024;
- Reviewed the External Auditors' FY2024 audit plan on 22 March 2024 outlining their scope of work and proposed fees for the statutory audit, together with assurance-related fees for their review of the Statement on Risk Management and Internal Control;
- Reviewed the External Auditors' findings arising from audits, particularly comments and responses in management letters as well as the actions taken by the employees of the Group in order to be satisfied that appropriate action has been taken;
- Met with the External Auditors on 22 March 2024 without the presence of the Executive Directors and management to reinforce the independence of the External Audit function of the Company. The AC Chairman also invited the External Auditors to contact him any time should they become aware of incidents or matters in the course of their audits or reviews that needed his attention or that of the AC or Board;
- Sought for itself and the Board, confirmation from the External Auditors in accordance with the Assessment of the Suitability and Independence of External Auditors duly approved by the Board where the External Auditor has given a written assurance that they were not aware of any relationships or matters that, in their professional judgement, might reasonably be thought to bear on their independence; and that they were independent in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of MIA, throughout their audit engagement for FY2024; and
- Evaluated the performance and effectiveness of the External Auditors for FY2024, covering the following areas: - (i) calibre of external audit firm; (ii) quality processes/performance, (iii) audit team, (iv) independence and objectivity, (v) audit scope and planning, (vi) audit fees and (vii) audit communication. The AC, being satisfied with the External Auditor's performance for FY2024, has recommended to the Board for the re-appointment of the External Auditors at the next Annual General Meeting.

### Related Party Transactions

- Reviewed and discussed the reports of the related party transactions and possible conflict of interest transactions to ensure that all related party transactions were undertaken on an arm's length basis and on normal commercial terms;
- Reviewed and discussed the recurrent related party transactions on a quarterly basis to ensure that they were undertaken on an arm's length basis and on normal commercial terms not more favorable to the related party than those generally available to the public; and
- Reviewed the proposed new shareholders' mandate for Recurrent Related Party Transactions of a revenue or trading nature before recommending to the Board.



# AUDIT COMMITTEE REPORT

## Summary of Activities (Cont'd)

During FY2024, the AC carried out the following activities in discharging its function and duties and responsibilities: -  
(Cont'd)

### Corporate Governance

- Reviewed the impact of the relevant regulatory changes and ensured compliance by the Company and the Group; and
- Reviewed and recommended the AC Report, Statement on Risk Management and Internal Control for FY2024 for inclusion in the Annual Report to ensure the contents therein are accurate and in compliance with the MMLR to the Board for approval.

During FY2024, the AC members have sufficient resources available to discharge their responsibilities. The AC not only has access to any information that it needs, but also has the right to seek independent advice and the power to investigate any matter within the ambit of its authority.

### Internal Audit Function

The IA function of the Group is carried out by its Internal Audit Department ("IAD") which was established on 19 December 2003 to review the adequacy and integrity of its system of internal control.

The major role of the IAD is to assist the AC in discharging its duties and responsibilities and provide independent and reasonable assurance that the systems of internal control are adequate and effective. It assists the Group in accomplishing its objective by bringing a systematic and disciplined approach to evaluate and improve the effectiveness of risk management, internal control and governance processes.

During FY2024, the work of audits conducted by the Group's IAD were as follows: -

- Reviewed and monitored the related party transactions to ascertain that the current procedures adopted by the Management are in line with the MMLR;
- Conducted an internal self-assessment of the internal audit activity for internal auditing work performed during the year, as part of a Quality Assurance and Improvement Program;
- Reviewed the adequacy and effectiveness of internal control, the extent of compliance with the established Group policies, procedures and statutory requirements of the business units of the Group's trading arms situated in Selangor, Penang, Perak, Pahang, Johor Bahru, Melaka, Kelantan, Sabah, Sarawak, Thailand and the Group's manufacturing plants located at Nibong Tebal and Vietnam pertaining to the following work processes, where applicable: -
  - i. Inventory Management;
  - ii. Credit Management;
  - iii. Petty Cash Management (surprise petty cash counts were conducted throughout the financial year);
  - iv. Production Management;
  - v. Information Technology Security Management;
  - vi. Sales and Distribution Cycle;
  - vii. Safety and Health Management;
  - viii. Quality Assurance and Quality Control Management;
  - ix. Human Resources Management;
  - x. Trade Debtors Verification;
  - xi. Compliance Management; and
  - xii. Security Management.
- Prepared the annual internal audit plan and schedule based on principal risks; and
- Attended AC meetings to table and discuss the internal audit reports which incorporate internal audit findings and issues, on a quarterly basis and acted on suggestions made by the AC members on concerns over operations or system of internal control. A total of 22 internal audit reports were issued in FY2024.



# AUDIT COMMITTEE REPORT

## **Internal Audit Function (Cont'd)**

In addition, risk-based audits were carried out based on the selected risks which had been identified during the ERM assessment through the verification of the compliance of the system of internal control in all RMU. The IAD has also assisted in the process of risk management such as coordinating the review of all risks and controls which were previously assessed by a professional firm as well as identifying new risks and controls relevant to the operations of the Group. The ERM Summary Reports on registered risks were reviewed by the Risk Management Committee and then presented to the AC by the IAD during the quarterly meeting on a rotational basis.

The cost incurred for maintaining the IA function of the Group for FY2024 was RM407 thousand.

As of the date of reporting, the IAD has a total headcount of four (4) audit personnel and is led by Mr. P'ng Ching Chong. The AC had full and direct access to the Internal Auditors, received reports and all internal audit engagements performed and ensured internal audit personnel are free from any relationship or conflict of interest which could impair their objectives and independence.

Mr. P'ng Ching Chong holds a Bachelor of Commerce Degree with Double Major in Finance and Accounting from Deakin University in Australia and is a member of the Institute of Internal Auditors Malaysia.

IAD has confirmed its organisational independence to the AC. The Head of Internal Audit and all the Internal Auditors have signed the Annual Code of Ethics and Conflict of Interest Declaration that they had been independent, objective and in compliance with the Code of Ethics and Conflict of Interest in accordance with the International Professional Practices Frameworks ("IPPF") in carrying out their duties for FY2024.

## **Performance of AC**

The term of office and performance of the AC and each of its members is assessed annually by the Nominating Committee ("NC") and the NC reports the outcome of its assessment to the Board. For FY2024, the Board was satisfied that the AC has discharged its duties and responsibilities in accordance with the TOR of the AC.

This Statement is made in accordance with the resolution of the Board dated 23 August 2024.



# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

## Introduction

Pursuant to Paragraph 15.26 (b) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("MMLR"), the Board of a listed issuer is required to include in its annual report, a statement on the Group's risk management and internal control. The Board recognises its responsibilities for and the importance of a sound system of risk management and internal control. Set out below is the Board's Statement on Risk Management and Internal Control ("Statement"), which provides an overview of the Group's risk management and internal control system for the financial year ended 30 April 2024 ("FY2024").

## Board Responsibility

The Board recognises the importance of the Group having a sound system of internal control as well as risk management practices, and affirms its overall responsibility of reviewing the adequacy and effectiveness of the risk management and internal control system of the Group. The Board has via the Audit Committee ("AC") obtained the necessary assurance on the adequacy and effectiveness of risk management and internal control system of the Group through ongoing and independent reviews carried out by the internal audit function.

Due to the inherent limitations in the system of internal control, the system is only able to manage rather than eliminate all the possible risks. Thus, the system can provide reasonable, and not absolute, assurance against material misstatement or loss.

## KEY COMPONENTS OF INTERNAL CONTROL PROCESSES

### Risk Management Framework

The Board has put in place a risk management framework and ongoing process to assess the various types of risks, which might have an impact on the business operations and profitability of the Group. These include strategic risks, operational risks and project risks.

The following outlines the risk management policies of the Group:

- (a) to weigh business decisions against the philosophy that business risks would be necessarily incurred if the associated rewards are expected to enhance the shareholders' value;
- (b) to ensure risks that may have a significant impact on the Group are identified in a manner that would result in their expeditious treatment;
- (c) to provide reasonable assurance to the stakeholders of the Group that the probability of attaining the objectives of the Group would be enhanced by the establishment of an Enterprise Risk Management ("ERM") framework;
- (d) to establish an environment or platform whereby risk management activities are effectively undertaken;
- (e) to manage risks by adopting best practice methodologies for the identification, analysis, evaluation, reporting, treatment and monitoring of risks; and
- (f) to provide an assurance regarding the extent of compliance with regulatory requirements and the policies and procedures in place.

The ERM framework is aligned with its long-term strategic objectives and embedded in the daily operations of the business units within the Group. This ERM system is an ongoing and systematic process to identify, assess, respond and monitor risks.

In accordance with the Malaysian Code on Corporate Governance, the Board has established its Risk Management Committee ("RMC") to oversee the risk management process of the Group. The RMC consists of three (3) Independent Directors and Group Chief Executive Officer ("Group CEO").



# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

## KEY COMPONENTS OF INTERNAL CONTROL PROCESSES (Cont'd)

### Risk Management Framework (Cont'd)

Each business unit has its own Risk Management Unit ("RMU") which consists of managers and key employees. Each RMU is tasked to identify major business and compliance risks concerning their respective business units. Each RMU is also tasked to oversee and ensure integration of risk management into their business processes to safeguard the interest of the Group. These include risk areas such as strategies operations, manufacturing process, sales, human resources, finance and compliance risks. Risks are identified and assessed by employing the following methodologies: -

- Identification of risks by the process owners;
- Assessment of the likelihood and impact of the risks identified;
- Evaluating the control strategies in relation to the risks;
- Formulating action plans to address control deficiencies; and
- Setting Key Risk Indicators to monitor the risks.

Formal database of risks and controls information arising from the quarterly risk assessment exercise is captured in the format of risk registers. The identified risks are assessed and rated from Low, Moderate, High and Significant depending upon the severity of consequence and the likelihood of its occurrence and the financial impact on the cash flow and profit of the Group. The RMU of each business unit reports to the RMC via the Internal Auditors, acting in the capacity as the Risk Management Co-Ordinator. The RMC will evaluate the reports from the RMUs for adoption. At the date of this report, the Group has a total of thirty-five (35) residual risk profiles out of which fifteen (15) are classified as either High or Significant.

### Board Meetings

The Board meets at least quarterly and has a formal agenda on matters for discussion. The Chairman cum Managing Director leads the presentation of board papers while the Group CEO provides explanations of pertinent issues. Additionally, the Group CEO updates the Board on key business and operational issues such as the result and growth of the key products, business plan, corporate affairs and prospects. In arriving at any decision, on recommendation by the Management, a thorough deliberation and discussion by the Board is a prerequisite.

### Organisational Structure

There exists a clearly defined organisational structure with defined lines of job responsibilities and delegation of authority. This will assist in ensuring that effective communication of risk control objectives as well as establishment of authority and accountability is in accordance with Management criteria.

In addition, the Board Committees namely the AC, Nominating Committee, RMC and Investment Committee provide essential support to the Board. They are made up predominantly of non-executive directors and have defined terms of reference and functions.

### Internal Policies and Procedures

Internal policies and procedures have been developed throughout the Group. The policies and procedures are updated timely to incorporate changes to systems, working environment and guidelines.

There are also documented Limits of Approving Authority for key aspects of the businesses. This provides a sound framework of authority and accountability within the organisation and facilitates proper corporate decision-making at the appropriate level in the organisation's hierarchy.

### Performance Management Framework

Management reports are generated on a regular and consistent basis to facilitate the financial and operational reviews on the various operating units by the Board and the Management of the Group. The reviews encompass areas such as financial and non-financial key performance indicators, variances between budgeted and operating results and compliance with laws and regulations. The Group has in place a budgeting process that provides a responsibility accountability framework.

The functional limits of authority for revenue and capital expenditure for all operating units facilitate the approval process whilst keeping potential exposure in check.



# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

## KEY COMPONENTS OF INTERNAL CONTROL PROCESSES (Cont'd)

### Internal Audit

The AC is responsible for reviewing and monitoring the adequacy and effectiveness of the Group's system of internal control. The review and monitoring of the adequacy and effectiveness of the system of internal control are carried out through the internal audit function. The internal audit function assists the AC to achieve the following objectives: -

- assessing and reporting on the effectiveness of the risk management and internal control system;
- assessing and reporting on the reliability of systems and reporting information;
- assessing and reporting on the operational efficiency of various business units and departments within the Group and identifying cost saving potentials, where practical; and
- reviewing compliance with the Group policies, standing instructions and guidelines as well as applicable laws and regulations.

The internal auditors' principal responsibility is to evaluate and improve the effectiveness of risk management, control and governance process. This is accomplished through a systematic and disciplined approach of regular review and appraisal of internal control in the key business activities implemented by the Management.

The results of internal audits are reported on a quarterly basis to the AC and the report is a permanent agenda in the AC meeting. The responses of the Management team to each internal audit recommendation and action plan therein, are regularly reviewed and followed up by the internal audit team and reported to the AC. For the financial year under review, the internal audit team conducted twenty-two (22) internal audits across various corporate functions, warehouses and business units. Observations arising from the internal audit, together with the responses of management team and proposed action plans, are presented to the AC for its review and approval.

The Internal Auditors focus on areas of priority according to their annual risk assessment and in accordance with the annual audit plan approved by the AC. The AC holds regular meetings with both Internal and External Auditors to discuss findings and adopt recommendations proposed by both parties.

## REVIEW OF THIS STATEMENT

The Internal Auditors have reviewed the Statement for FY2024 and reported to the AC that all internal control weaknesses identified during the course of its audit assignments for FY2024 have been, or are being, addressed and that none of the weaknesses have resulted in any material losses, contingencies or uncertainties that require disclosure in the Annual Report of the Group.

The Board has received assurance from the Group CEO that the risk management and internal control system of the Group are operating adequately and effectively, in all material aspects, based on the risk management and internal control system of the Group.

Pursuant to Paragraph 15.23 of the MMLR, the External Auditors have reviewed this Statement for inclusion in the Annual Report of the Group for FY2024 and reported to the Board that nothing has come to their attention that caused them to believe that the Statement, in all material aspects, is inconsistent with their understanding of the processes adopted by the Board in reviewing the adequacy and integrity of the risk management and internal control system.

The Board is of the view that the ERM and system of internal control in place for the FY2024 and up to the date of approval of this report is sound and sufficient to safeguard the shareholders' investment, the interests of customers, regulators, employees and other stakeholders of the Group.

This Statement is made in accordance with the resolution of the Board dated 23 August 2024.



# ADDITIONAL COMPLIANCE INFORMATION

The information set out below is disclosed in compliance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad: -

## 1. UTILISATION OF PROCEEDS

During the financial year ended 30 April 2024, the Group did not raise any funds through any corporate proposal.

## 2. AUDIT AND NON-AUDIT FEES

Audit fees paid or payable to external auditors by the Company and by the Group for the financial year ended 30 April 2024 amounted to RM113,000 and RM521,039 respectively.

Non-audit fees paid or payable to external auditors by the Company and by the Group for the financial year ended 30 April 2024 both amounted to RM14,000 and RM14,000 respectively.

## 3. MATERIAL CONTRACTS INVOLVING DIRECTORS' AND MAJOR SHAREHOLDERS' INTEREST

Other than those related party transactions disclosed in Note 28 to the financial statements, there were no material contracts outside the ordinary course of business, including contract relating to loan, entered into by the Company and/or its subsidiaries involving Directors and major shareholders that are still subsisting at the end of the financial year or which were entered into since the end of the previous financial year.



#### 4. RECURRENT RELATED PARTY TRANSACTIONS (“RRPT”) OF REVENUE OR TRADING NATURE FOR THE YEAR ENDED 30 APRIL 2024

Details of RRPT made during the financial year ended 30 April 2024 pursuant to the shareholders’ mandate obtained by the company at the Annual General Meeting held on 25 September 2023 are as follows:

Provider(s) of goods and services	Recipient(s) of goods and services	Nature of Transaction	Amount (RM)	Interested Related Party(ies)	Relationship
Jin Teik Organic Health Food Sdn. Bhd. (“JTO”)	Nibong Tebal Enterprise Sendirian Berhad (“NTE”)	Purchase of sanitary pad with herbal content from JTO and resale of it as JTO’s appointed representative and distributor pursuant to the distribution agreement entered into between NTE and JTO	2,773,279	(i) Mr. Lee See Jin (ii) Mr. Lee Chong Choon	Mr. Lee See Jin is the Chairman cum Managing Director and Major Shareholder with a direct interest of 29.31% in the Company.  He is a Director of NTE. Mr. Lee See Jin, by virtue of his interest in shares in the Company, is deemed interested in shares in the wholly-owned subsidiary of the Company, namely NTE.  Mr. Lee See Jin is also a Director and shareholder with a direct interest of 60% in JTO.  Mr. Lee Chong Choon is the Group Chief Executive Officer, Executive Director and Major Shareholder with a direct interest of 11.76% in the Company. He is a Director of NTE.  Mr. Lee Chong Choon is also a Director and shareholder with a direct interest of 10% in JTO. He is a person connected to Mr. Lee See Jin.

## ADDITIONAL COMPLIANCE INFORMATION



# ADDITIONAL COMPLIANCE INFORMATION

## 4. RECURRENT RELATED PARTY TRANSACTIONS ("RRPT") OF REVENUE OR TRADING NATURE FOR THE YEAR ENDED 30 APRIL 2024 (Cont'd)

Provider(s) of goods and services	Recipient(s) of goods and services	Nature of Transaction	Amount (RM)	Interested Related Party(ies)	Relationship
APP China Trading Limited ("APP China")	Nibong Tebal Paper Mill Sdn. Bhd. ("NTPM") and NTPM (Vietnam) Co., Ltd. ("NVCL")	Purchase of pulp	11,861,100	(i) Premier Investment Limited ("PIL") (ii) Mr. Oei Tjje Goan (iii) Scotsdale Holdings Limited (iv) Titan (MY) Sdn. Bhd. (v) PT Purinusa Ekapersada (vi) PT Pindo Deli Pulp and Paper Mills (vii) Mr. Nishant Grover (viii) Mr. Lee See Jin (ix) Mr. Lee Chong Choon	PIL is a Major Shareholder with a direct interest of 22.42% in the Company.  PIL is a wholly-owned subsidiary of PT Pindo Deli Pulp and Paper Mills.  APP China is a related corporation of PIL by virtue of Mr. Oei Tjje Goan's interest in APP China and PIL, pursuant to Section 8(4) of the Act and is deemed interested in the RRPT(s).  Mr. Oei Tjje Goan, Scotsdale Holding Limited, Titan (MY) Sdn. Bhd., PT Purinusa Ekapersada and PT Pindo Deli Pulp and Paper Mills are deemed interested in the RRPT(s) by virtue of their interests in PIL pursuant to Section 8(4) of the Act.  Mr. Nishant Grover is a nominee Director of PIL in the Company and is deemed interested in the RRPT(s).  Mr. Lee See Jin is the Chairman cum Managing Director and Major Shareholder with a direct interest of 29.31% in the Company. He is a Director of NTPM and NVCL. Mr. Lee See Jin, by virtue of his interest in shares in the Company, is deemed interested in shares in the wholly-owned subsidiaries of the Company, namely NTPM and NVCL.  Mr. Lee Chong Choon is the Group Chief Executive Officer, Executive Director and Major Shareholder with a direct interest of 11.76% in the Company. He is a Director of NTPM. He is a person connected to Mr. Lee See Jin.
PT Pindo Deli Pulp and Paper Mills	NTPM and NVCL	Purchase of jumbo roll	Nil		



#### 4. RECURRENT RELATED PARTY TRANSACTIONS ("RRPT") OF REVENUE OR TRADING NATURE FOR THE YEAR ENDED 30 APRIL 2024 (Cont'd)

Provider(s) of goods and services	Recipient(s) of goods and services	Nature of Transaction	Amount (RM)	Interested Related Party(ies)	Relationship
Nibong Tebal Personal Care Sdn. Bhd. ("NTPC")	Grand Universal (Thailand) Company Limited	Sales of cotton related products	Nil	(i) Mr. Oei Tjje Goan	Solaris Paper, Pty., Ltd., Solaris Paper, Inc, Grand Universal (Thailand) Company Limited, Laris Global (Thailand) Co. Ltd. and Cottonsoft Ltd. are related corporations of PIL by virtue of Mr. Oei Tjje Goan's interest in PIL, pursuant to Section 8(4) of the Act and is deemed interested in the RRPT(s).
NTPM	Cottonsoft Ltd	Sale of jumbo roll	108,728	(ii) Solaris Paper, Pty., Ltd.	
Solaris Paper, Pty., Ltd.	NTPM	Purchase of jumbo roll	Nil	(iii) Solaris Paper, Inc. Grand Universal (Thailand) Company Limited	
NVCL	Solaris Paper, Inc	Sale of tissue paper related products	418,391	(iv) Laris Global (Thailand) Co. Ltd.	Mr. Nishant Grover is a nominee Director of PIL in the Company and is deemed interested in the RRPT(s).
NTPC	Laris Global (Thailand) Co. Ltd.	Sale of cotton related products	Nil	(v) Cottonsoft Ltd. (vi) Mr. Nishant Grover	
				(vii) Mr. Lee See Jin	Mr. Lee See Jin is the Chairman cum Managing Director and Major Shareholder with a direct interest of 29.31% in the Company. He is a Director of NTPM, NVCL and NTPC. Mr. Lee See Jin, by virtue of his interest in shares in the Company, is deemed interested in shares in the wholly-owned subsidiaries of the Company, namely NTPM, NVCL and NTPC.
				(viii) Mr. Lee See Jin	
				(ix) Mr. Lee Chong Choon	Mr. Lee Chong Choon is the Group Chief Executive Officer, Executive Director and Major Shareholder with a direct interest of 11.76% in the Company. He is a Director of NTPM and NTPC. He is a person connected to Mr. Lee See Jin.

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

The Board of Directors ("Board") is required under the Companies Act 2016 ("Act") to prepare the annual financial statements of the Group and of the Company which give a true and fair view of the state of affairs of the Group and of the Company as at the end of each financial year and of their financial performance and their cash flows for that year then ended. Pursuant to Paragraph 15.26 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("MMLR"), the Board is required to issue a statement explaining its responsibility for preparing the annual audited financial statements.

In preparing the financial statements for the financial year ended 30 April 2024, the Board considers that: -

- (i) all applicable approved accounting standards in Malaysia, such as Malaysian Financial Reporting Standards ("MFRSs") and International Financial Reporting Standards ("IFRSs") have been followed;
- (ii) the Group and the Company have used appropriate accounting policies and have consistently applied them;
- (iii) reasonable and prudent judgments and estimates were made; and
- (iv) the financial statements were prepared on the going concern basis as the Board has a reasonable expectation, having made enquiries, that the Group and the Company have adequate resources to continue in operational existence for the foreseeable future.

The Board is responsible for ensuring that the Group and the Company maintain proper accounting records which disclose with reasonable accuracy the financial position of the Group and the Company, and which enable them to ensure that the financial statements comply with the Act, MMLR and applicable approved accounting standards in Malaysia.

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

This Statement of Directors' Responsibility in relation to the Financial Statements is approved by the Board on 23 August 2024.



# DIRECTORS' REPORT

The directors have pleasure in presenting their report together with the audited financial statements of the Group and of the Company for the financial year ended 30 April 2024.

## Principal activities

The principal activities of the Company are investment holding and provision of information technology support and management services.

The principal activities of the subsidiaries are described in Note 13 to the financial statements.

Other information relating to the subsidiaries are disclosed in Note 13 to the financial statements.

## Results

	Group RM	Company RM
(Loss)/Profit net of tax	<u>(7,893,362)</u>	<u>3,574,835</u>

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

In the opinion of the directors, the results of the operations of the Group and of the Company during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature other than as disclosed in the financial statements.

## Dividends

The amount of dividends paid by the Company since 30 April 2023 were as follows:

	RM
Single tier first interim dividend of 0.80 sen per ordinary share declared on 18 December 2023 and paid on 26 January 2024	<u>8,984,320</u>

The directors do not recommend the payment of any final dividend for the current financial year.

## Directors

The names of the directors of the Company in office since the beginning of the financial year to the date of this report are:

Lee See Jin #  
Lee Chong Choon #  
Tan Choon Thye\*  
Chang Hui Yui\*  
Dato' Dr. Juita Binti Ghazalie\*  
Nishant Grover (appointed on 20 June 2023)  
Dr. Teoh Teik Toe (resigned on 16 May 2023)

# These directors are also directors of the Company's subsidiaries.

\* Being a member of the Audit Committee.



# DIRECTORS' REPORT

## Directors (Cont'd)

The names of the directors of the subsidiaries of the Company since the beginning of the financial year to the date of this report, not including those directors listed above, are:

Lee Chong Chat  
Lee Hooi Fung  
Lee Chong Loo  
Foo Say Hai  
Tan Chee Seng  
Thamrong Pattampass  
Lee Ying Yi  
Lee Kuan Pheng  
Lee Kuang Chien

## Directors' benefits

Neither at the end of the financial year, nor at any time during that year, did there subsist any arrangement to which the Company was a party, whereby the directors might acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

Since the end of the previous financial year, no director has received or become entitled to receive a benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable by the directors as shown below) by reason of a contract made by the Company or a related corporation with any director or with a firm of which he is a member, or with a company in which he has a substantial financial interest, except as disclosed in Note 28 to the financial statements.

During the financial year, the benefits received and receivable by the directors of the Group and of the Company are as set out below:

	Group RM	Company RM
<b>Directors of the Company</b>		
Executive directors' remuneration:		
Fees	120,000	120,000
Salaries and other emoluments	2,428,790	2,428,790
Benefits-in-kind	31,303	17,978
	<u>2,580,093</u>	<u>2,566,768</u>
Non-executive directors' remuneration:		
Fees	240,000	240,000
Other emoluments	14,000	14,000
	<u>254,000</u>	<u>254,000</u>



# DIRECTORS' REPORT

## Directors' benefits (Cont'd)

	Group RM	Company RM
<b>Directors of subsidiaries of the Company</b>		
Executive directors' remuneration:		
Fees	129,370	-
Salaries and other emoluments	4,637,812	2,152,495
Benefits-in-kind	46,957	3,432
	4,814,139	2,155,927
Non-executive directors' remuneration:		
Fees	31,656	-
	7,679,888	4,976,695

## Directors' interests

According to the register of directors' shareholdings, the interests of directors in office at the end of the financial year in shares in the Company during the financial year were as follows:

### Directors of the Company

	← Number of ordinary shares →			
	1 May 2023	Bought	Sold	30 April 2024

#### The Company

##### Direct

Lee See Jin	327,658,749	1,459,900	-	<b>329,118,649</b>
Lee Chong Choon	132,111,197	-	-	<b>132,111,197</b>
Dr. Teoh Teik Toe	8,700,000	-	(8,700,000)	-
Chang Hui Yui	100,000	-	-	<b>100,000</b>

##### Indirect

##### Interest of Spouse/Children of the Directors\*

Lee See Jin	138,421,142	-	-	<b>138,421,142</b>
Tan Choon Thye	353,700	-	-	<b>353,700</b>

\* Disclosure pursuant to Section 59(11)(c) of the Companies Act 2016.



# DIRECTORS' REPORT

## Directors of the subsidiaries of the Company

	Number of ordinary shares			
	1 May 2023	Bought	Sold	30 April 2024
<b>The Company</b>				
<b>Direct</b>				
Lee Hooi Fung	180,000	-	-	180,000
Foo Say Hai	1,060,100	-	(500,100)	560,000
Tan Chee Seng	3,000	-	-	3,000

Lee See Jin, by virtue of his interests in shares in the Company, is also deemed interested in shares of all the Company's subsidiaries to the extent the Company has an interest.

The other director of the Company in office at the end of the financial year did not have any interest in shares in the Company or its related corporations during the financial year.

## Indemnities to directors and officers

The directors and officers of the Company are covered by the Directors and Officers Liability Insurance which is maintained on a group basis by the Company in respect of liabilities arising from acts committed in their respective capacity as, inter alia, directors and officers of the Group subject to the terms of the policy. The total amount of Directors and Officers Liability Insurance effected for the directors and officers of the Group during the year was RM15 million whilst the total amount of premium paid was RM23,330.

## Other statutory information

- (a) Before the income statements, statements of comprehensive income and statements of financial position of the Group and of the Company were made out, the directors took reasonable steps:
  - (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and satisfy themselves that all known bad debts had been written off and that adequate provision had been made for doubtful debts in the financial statements of the Group. The directors have also satisfied themselves that there were no known bad debts and that no provision for doubtful debts was necessary in the financial statements of the Company; and
  - (ii) to ensure that any current assets which were unlikely to realise their value as shown in the accounting records in the ordinary course of business had been written down to an amount which they might be expected so to realise.
- (b) At the date of this report, the directors are not aware of any circumstances which would render:
  - (i) the amount written off for bad debts or the amount of the provision for doubtful debts in the financial statements of the Group inadequate to any substantial extent nor are they aware of any circumstances which would render it necessary to write off any bad debts or to make any provision for doubtful debts in respect of the financial statements of the Company; and
  - (ii) the values attributed to the current assets in the financial statements of the Group and of the Company misleading.
- (c) At the date of this report, the directors are not aware of any circumstances which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.



# DIRECTORS' REPORT

## Other statutory information (Cont'd)

- (d) At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.
- (e) At the date of this report, there does not exist:
- (i) any charge on the assets of the Group or of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or
  - (ii) any contingent liability of the Group or of the Company which has arisen since the end of the financial year.
- (f) In the opinion of the directors:
- (i) no contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Group or of the Company to meet their obligations when they fall due; and
  - (ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group or of the Company for the financial year in which this report is made.

## Auditors and auditors' remuneration

The auditors, Ernst & Young PLT 202006000003 (LLP0022760-LCA) & AF 0039, have expressed their willingness to continue in office.

Auditors' remuneration for the Group and the Company are as set out below:

	<b>Group RM</b>	<b>Company RM</b>
Ernst & Young PLT	357,000	127,000
Other member firms of Ernst & Young Global Network	162,211	-
Other auditors	15,828	-
	<u>535,039</u>	<u>127,000</u>

To the extent permitted by law, the Company has agreed to indemnify its auditors, Ernst & Young PLT, as part of the terms of its audit engagement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify Ernst & Young PLT during or since the financial year.

Signed on behalf of the Board in accordance with a resolution of the directors dated 23 August 2024.

Lee See Jin

Lee Chong Choon





## STATEMENT BY DIRECTORS

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

We, Lee See Jin and Lee Chong Choon, being two of the directors of NTPM Holdings Berhad, do hereby state that, in the opinion of the directors, the accompanying financial statements set out on pages 93 to 168 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 30 April 2024 and of their financial performance and cash flows of the Group and of the Company for the year then ended.

Signed on behalf of the Board in accordance with a resolution of the directors dated 23 August 2024.

Lee See Jin

Lee Chong Choon

## STATUTORY DECLARATION

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

I, Lee Chong Choon, being the director primarily responsible for the financial management of NTPM Holdings Berhad, do solemnly and sincerely declare that the accompanying financial statements set out on pages 93 to 168 are in my opinion correct, and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the abovenamed Lee Chong Choon at Georgetown in the State of Penang on 23 August 2024.

Lee Chong Choon

Before me,

**Tan Cheng Kuan**  
(No. P195)  
Commissioner for Oaths



# INDEPENDENT AUDITORS' REPORT

To the members of NTPM Holdings Berhad  
(Incorporated in Malaysia)

## Report on the financial statements

### Opinion

We have audited the financial statements of NTPM Holdings Berhad which comprise the statements of financial position as at 30 April 2024 of the Group and of the Company, and income statements, statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 93 to 168.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 30 April 2024, and of their financial performance and their cash flows for the year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

### Basis for opinion

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

### Independence and other ethical responsibilities

We are independent of the Group and of the Company in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and 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.

### Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditors' responsibilities for the audit of the financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis of our audit opinion on the accompanying financial statements.

### Revenue recognition and customer rebates

(Refer to Note 2.19, Note 3.2, Note 4 and Note 21 to the financial statements)

During the financial year, the Group recognised total revenue of RM906 million consisting of mainly revenue derived from sales of tissue paper products and sales of personal care products which amounted to approximately RM615 million and RM291 million respectively.

Revenue is recognised net of customer rebates. Customer rebates are recognised based on the expected entitlements earned up to the reporting date under each customer's trading agreement and promotion runs. Certain customer rebates are triggered when certain conditions are met. The amount payable is based on the conditions achieved, multiplied by rates contracted with each customer in their trading agreements.

We identified revenue recognition to be an area of audit focus as we consider the magnitude and high volume of transactions to be a possible cause of a higher risk of material misstatements in respect of the timing and amount of revenue recognised. Specifically, we focused our audit efforts to determine the possibility of overstatement of revenue. We also identified customer rebates to be an area of audit focus due to the higher risk of material misstatement in respect of the timing and amount of the customers' rebates recognised.



# INDEPENDENT AUDITORS' REPORT

To the members of NTPM Holdings Berhad  
(Incorporated in Malaysia)

## Report on the financial statements (Cont'd)

### Key audit matters (Cont'd)

#### Revenue recognition and customer rebates (Cont'd)

Our audit procedures include, amongst others, the following:

- (a) We obtained an understanding of the Group's relevant internal controls over the timing and amounts of revenue recognised;
- (b) We tested the relevant internal controls in place to address timing and amount of revenue recognised;
- (c) We inspected the terms and conditions of the sales contracts on a sampling basis to assess the appropriateness of the timing of revenue recognised;
- (d) We inspected documents evidencing the delivery of goods to customers on a sampling basis. For certain subsidiaries, we used data analytics to perform correlation analysis between revenue, trade receivables and cash and bank balances;
- (e) We tested the recording of sales transactions close to the year end, including credit notes issued after year end, to establish whether the transactions were recorded in the correct accounting period; and
- (f) In respect of customers' rebates, we obtained an understanding of the Group's relevant internal controls over the timing and amounts of customer rebates. For the major customers, we inspected on a sampling basis, the terms of sales agreements to determine the customer's eligibility and the agreed rates. We also tested the computation of the customer rebates.

#### Valuation of inventories

*(Refer to Note 2.12 and Note 16 to the financial statements)*

As at 30 April 2024, the Group held an inventory balance of RM219 million, representing 22% of the Group's total assets.

Inventories are carried at the lower of cost and net realisable value ("NRV"). The cost of production comprises the cost of purchase of raw materials, labour costs, plus conversion costs such as variable and fixed overhead costs. The Group's manufacturing arm uses standard costing in measuring its work in progress and finished goods. Significant estimates are involved in determining the basis of allocating the costs of manufacturing to the products produced by the Group and in estimating the NRV of these inventories. Due to the significant estimation involved in the valuation of inventories and the level of judgement involved in determining the NRV of inventories, we considered these as key areas of audit focus.

Our audit procedures include, amongst others, the following:

- (a) We obtained an understanding of the Group's current inventories valuation policy, production processes and the types of costs included in the valuation of inventories;
- (b) We agreed, on a sampling basis, the costs of raw materials to suppliers' invoices;
- (c) We obtained an understanding of and tested on a sampling basis, the allocation of costs of raw materials, labour costs, and overhead costs to the respective products which made up the standard cost; and
- (d) We selected samples of inventories and tested the NRV.



# INDEPENDENT AUDITORS' REPORT

To the members of NTPM Holdings Berhad  
(Incorporated in Malaysia)

## Report on the financial statements (Cont'd)

### Key audit matters (Cont'd)

#### **Impairment of property, plant and equipment and right-of-use assets**

(Refer to Note 2.6, Note 2.8, Note 2.18, Note 3, Note 11 and Note 12 to the financial statements)

As at 30 April 2024, the carrying amount of property, plant and equipment and right-of-use assets of the Group were RM583 million, representing 99.0% and 57.2% of the Group's total non-current assets and total assets respectively.

The Group is required to perform impairment test of the carrying amount of the cash-generating unit ("CGU") whenever there is an indication that the CGU may be impaired by comparing the carrying amount with its recoverable amount. The Group estimated the recoverable amount as the higher of the CGU's fair value less costs of disposal and its value in use ("VIU"). The management determined that there is an indication of impairment due to the certain subsidiaries with significant property, plant and equipment and right-of-use assets are suffering losses.

We identified this as an area of audit focus, as the VIU determined using discounted cash flows is complex and involves significant management judgement and estimates, specifically the key assumptions on the sales and discount rate.

Our audit procedures include, amongst others, the following:

- (a) We obtained an understanding of the relevant internal controls over estimating the recoverable amount of the CGU;
- (b) We evaluated the assumptions and methodologies used in performing the impairment assessment;
- (c) We tested the basis of preparing the cash flow forecasts taking into account the historical evidence supporting the underlying assumptions;
- (d) We evaluated the key assumptions, in particular, the weighted-average cost of capital discount rate assigned to the CGU and growth rate of sales by comparing against internal information, and external economic and market data; and
- (e) We involved our internal specialist to assist us in assessing the discount rate used to determine the present value of the cash flows of the CGU and whether the rate used is comparable to the industry's weighted-average cost of capital.

### Information other than the financial statements and auditors' report thereon

The directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon. We have obtained the Directors' Report prior to the date of this auditors' report. The remaining other information expected to be included in the annual report are expected to be made available to us after the date of this auditors' report.

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

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

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

When we read the remaining other information expected to be included in the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the directors of the Company and take appropriate action.



# INDEPENDENT AUDITORS' REPORT

To the members of NTPM Holdings Berhad  
(Incorporated in Malaysia)

## Report on the financial statements (Cont'd)

### Responsibilities of the directors for the financial statements

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

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

### Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements of the Group and the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.



# INDEPENDENT AUDITORS' REPORT

To the members of NTPM Holdings Berhad  
(Incorporated in Malaysia)

## Report on the financial statements (Cont'd)

### Auditors' responsibilities for the audit of the financial statements (Cont'd)

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

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

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

### Report on other legal and regulatory requirements

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditor are disclosed in Note 13 to the financial statements.

### Other matter

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

Ernst & Young PLT  
202006000003 (LLP0022760-LCA) & AF 0039  
Chartered Accountants

Lee Ai Chung  
No. 03265/04/2025 J  
Chartered Accountant

Penang, Malaysia

23 August 2024



# INCOME STATEMENTS

For the financial year ended 30 April 2024

	Note	Group		Company	
		2024 RM	2023 RM	2024 RM	2023 RM
<b>Revenue</b>	4	<b>905,507,746</b>	868,288,924	<b>19,061,838</b>	18,536,157
Other operating income	5	<b>6,174,617</b>	7,354,320	<b>4,913,878</b>	4,168,754
Advertising and promotional expenses		<b>(6,975,429)</b>	(5,130,309)	<b>(698)</b>	(2,894)
Changes in inventories of finished goods and work-in-progress		<b>(23,891,250)</b>	21,790,916	-	-
Depreciation		<b>(52,028,610)</b>	(52,097,529)	<b>(162,061)</b>	(151,581)
Employee benefits expense	6	<b>(179,849,959)</b>	(167,176,820)	<b>(8,803,679)</b>	(8,523,061)
Management fees		-	-	-	(17,907)
Purchases of trading inventories		<b>(68,137,970)</b>	(58,653,273)	-	-
Raw materials and consumables used		<b>(390,228,608)</b>	(453,253,170)	-	-
Repairs and maintenance		<b>(23,589,330)</b>	(21,213,693)	<b>(232,800)</b>	(209,960)
Transportation and freight charges		<b>(52,439,544)</b>	(50,901,157)	-	-
Utilities costs		<b>(54,275,487)</b>	(51,763,114)	<b>(53,276)</b>	(48,707)
Other operating expenses	7	<b>(34,635,113)</b>	(22,423,319)	<b>(10,020,800)</b>	(2,031,783)
<b>Operating profit</b>		<b>25,631,063</b>	14,821,776	<b>4,702,402</b>	11,719,018
Finance costs	8	<b>(18,807,957)</b>	(14,648,162)	<b>(2,891)</b>	(7,813)
<b>Profit before tax</b>		<b>6,823,106</b>	173,614	<b>4,699,511</b>	11,711,205
Income tax expense	9	<b>(14,716,468)</b>	(6,055,025)	<b>(1,124,676)</b>	(975,205)
<b>(Loss)/Profit net of tax</b>		<b>(7,893,362)</b>	(5,881,411)	<b>3,574,835</b>	10,736,000
<b>Earnings per share attributable to owners of the parent (sen):</b>					
Basic/Diluted	10	<b>(0.70)</b>	(0.52)		

The accompanying accounting policies and explanatory information form an integral part of the financial statements.



# STATEMENTS OF COMPREHENSIVE INCOME

For the financial year ended 30 April 2024

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
<b>(Loss)/Profit net of tax</b>	<b>(7,893,362)</b>	(5,881,411)	<b>3,574,835</b>	10,736,000
<b>Other comprehensive income:</b>				
<b>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</b>				
Remeasurement losses on defined benefit plans, net of tax	(1,359,997)	(40,598)	-	-
Revaluation of land and buildings, net of tax	9,258,005	3,071,565	-	-
<b>Other comprehensive income to be reclassified to profit or loss in subsequent periods</b>				
Foreign currency translation, net of tax	3,762,504	1,405,049	-	-
<b>Other comprehensive income for the year, net of tax</b>	<b>11,660,512</b>	4,436,016	-	-
<b>Total comprehensive income/(loss) for the year</b>	<b>3,767,150</b>	(1,445,395)	<b>3,574,835</b>	10,736,000

The accompanying accounting policies and explanatory information form an integral part of the financial statements.





# STATEMENTS OF FINANCIAL POSITION

As at 30 April 2024

	Note	2024 RM	2023 RM
<b>Group</b>			
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	11	546,825,958	559,864,597
Right-of-use assets	12	36,194,009	37,034,738
Deferred tax assets	14	2,584,717	2,142,205
Other investments	15	1,540,774	-
Derivative assets	22	1,517,536	-
		<u>588,662,994</u>	<u>599,041,540</u>
<b>Current assets</b>			
Inventories	16	219,404,730	266,610,123
Trade and other receivables	17	143,917,927	156,920,540
Tax recoverable		12,351,768	14,890,122
Cash and bank balances	18	55,626,433	44,135,167
		<u>431,300,858</u>	<u>482,555,952</u>
<b>Total assets</b>		<u>1,019,963,852</u>	<u>1,081,597,492</u>
<b>Equity and liabilities</b>			
<b>Current liabilities</b>			
Loans and borrowings	19	306,919,991	375,902,397
Retirement benefit obligations	20	948,635	880,192
Trade and other payables	21	127,978,684	130,874,041
Lease liabilities	23	2,239,421	1,936,639
Tax payable		2,977,503	336,968
		<u>441,064,234</u>	<u>509,930,237</u>
<b>Net current liabilities</b>		<u>(9,763,376)</u>	<u>(27,374,285)</u>



# STATEMENTS OF FINANCIAL POSITION

As at 30 April 2024

	Note	2024 RM	2023 RM
<b>Group (Cont'd)</b>			
<b>Non-current liabilities</b>			
Deferred tax liabilities	14	<b>27,819,294</b>	22,161,539
Loans and borrowings	19	<b>26,529,755</b>	21,494,084
Retirement benefit obligations	20	<b>18,047,427</b>	15,670,705
Derivative liabilities	22	-	222,159
Lease liabilities	23	<b>1,350,133</b>	1,748,589
		<b>73,746,609</b>	61,297,076
<b>Total liabilities</b>		<b>514,810,843</b>	571,227,313
<b>Net assets</b>		<b>505,153,009</b>	510,370,179
<b>Equity attributable to owners of the parent</b>			
Share capital	24	<b>112,320,000</b>	112,320,000
Treasury shares	24	<b>(109,376)</b>	(109,376)
Other reserves	25	<b>123,464,351</b>	110,443,842
Retained profits	26	<b>269,478,034</b>	287,715,713
<b>Total equity</b>		<b>505,153,009</b>	510,370,179
<b>Total equity and liabilities</b>		<b>1,019,963,852</b>	1,081,597,492



# STATEMENTS OF FINANCIAL POSITION

As at 30 April 2024

	Note	2024 RM	2023 RM
<b>Company</b>			
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	11	112,081	66,713
Right-of-use assets	12	-	112,342
Investments in subsidiaries	13	22,531,738	31,208,514
Trade and other receivables	17	110,146,148	106,776,397
Deferred tax assets	14	60,281	50,774
		<u>132,850,248</u>	<u>138,214,740</u>
<b>Current assets</b>			
Inventories	16	5,447	5,942
Trade and other receivables	17	2,154,154	1,596,721
Tax recoverable		425,101	1,064,580
Cash and bank balances	18	1,296,374	1,645,137
		<u>3,881,076</u>	<u>4,312,380</u>
<b>Total assets</b>		<u>136,731,324</u>	<u>142,527,120</u>
<b>Equity and liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	21	3,103,719	3,368,121
Lease liabilities	23	-	121,909
		<u>3,103,719</u>	<u>3,490,030</u>
<b>Net current assets</b>		<u>777,357</u>	822,350
<b>Net assets</b>		<u>133,627,605</u>	<u>139,037,090</u>
<b>Equity attributable to owners of the parent</b>			
Share capital	24	112,320,000	112,320,000
Treasury shares	24	(109,376)	(109,376)
Retained profits	26	21,416,981	26,826,466
Total equity		<u>133,627,605</u>	<u>139,037,090</u>
<b>Total equity and liabilities</b>		<u>136,731,324</u>	<u>142,527,120</u>

The accompanying accounting policies and explanatory information form an integral part of the financial statements.



# STATEMENTS OF CHANGES IN EQUITY

For the financial year ended 30 April 2024

	Note	Share capital RM	Treasury shares RM	Non-distributable Other reserves RM	Distributable Retained profits RM	Total RM
<b>Group</b>						
<b>At 1 May 2023</b>		<b>112,320,000</b>	<b>(109,376)</b>	<b>110,443,842</b>	<b>287,715,713</b>	<b>510,370,179</b>
<b>Total comprehensive income</b>		-	-	<b>13,020,509</b>	<b>(9,253,359)</b>	<b>3,767,150</b>
<b>Transactions with owners</b>						
Dividends	27	-	-	-	<b>(8,984,320)</b>	<b>(8,984,320)</b>
<b>At 30 April 2024</b>		<b>112,320,000</b>	<b>(109,376)</b>	<b>123,464,351</b>	<b>269,478,034</b>	<b>505,153,009</b>
<b>At 1 May 2022</b>		112,320,000	(109,376)	105,967,228	302,622,042	520,799,894
<b>Total comprehensive income</b>		-	-	4,476,614	(5,922,009)	(1,445,395)
<b>Transactions with owners</b>						
Dividends	27	-	-	-	(8,984,320)	(8,984,320)
<b>At 30 April 2023</b>		112,320,000	(109,376)	110,443,842	287,715,713	510,370,179



# STATEMENTS OF CHANGES IN EQUITY

For the financial year ended 30 April 2024

	Note	Share capital RM	Treasury shares RM	Distributable Retained profits RM	Total RM
<b>Company</b>					
<b>At 1 May 2023</b>		<b>112,320,000</b>	<b>(109,376)</b>	<b>26,826,466</b>	<b>139,037,090</b>
<b>Total comprehensive income</b>		-	-	<b>3,574,835</b>	<b>3,574,835</b>
<b>Transactions with owners</b>					
Dividends	27	-	-	<b>(8,984,320)</b>	<b>(8,984,320)</b>
<b>At 30 April 2024</b>		<b>112,320,000</b>	<b>(109,376)</b>	<b>21,416,981</b>	<b>133,627,605</b>
<b>At 1 May 2022</b>		112,320,000	(109,376)	25,074,786	137,285,410
<b>Total comprehensive income</b>		-	-	10,736,000	10,736,000
<b>Transactions with owners</b>					
Dividends	27	-	-	(8,984,320)	(8,984,320)
<b>At 30 April 2023</b>		<b>112,320,000</b>	<b>(109,376)</b>	<b>26,826,466</b>	<b>139,037,090</b>

The accompanying accounting policies and explanatory information form an integral part of the financial statements.



# STATEMENTS OF CASH FLOWS

For the year ended 30 April 2024

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
<b>Operating activities</b>				
Profit before tax	<b>6,823,106</b>	173,614	<b>4,699,511</b>	11,711,205
<b>Adjustments for:</b>				
Bad debts written off	<b>185,649</b>	399,598	-	-
Depreciation	<b>52,028,610</b>	52,097,529	<b>162,061</b>	151,581
Dividend income	-	-	<b>(9,000,000)</b>	(9,000,000)
Fair value loss on other investments	<b>457,006</b>	-	-	-
Gain on lease modification	<b>(1,220)</b>	-	-	-
Gain on lease termination	<b>(130)</b>	(17,972)	-	-
Impairment loss on investment in a subsidiary	-	-	<b>8,676,776</b>	-
Increase in liability for defined benefit plan	<b>1,741,273</b>	1,920,709	-	-
Interest expense	<b>18,807,957</b>	14,648,162	<b>2,891</b>	7,813
Interest income	<b>(475,104)</b>	(303,280)	<b>(4,904,209)</b>	(4,144,236)
Inventories written off	-	169,717	-	-
Loss/(Gain) on disposal of property, plant and equipment	<b>54,835</b>	(135,403)	-	-
Loss on striking off a subsidiary	-	355	-	1,000,000
Net fair value (gain)/loss on derivatives	<b>(1,739,695)</b>	25,440	-	-
Property, plant and equipment written off	<b>167,696</b>	124,477	-	-
Revaluation surplus on land and buildings	<b>(2,165,389)</b>	(3,215,908)	-	-
(Reversal)/Allowance for impairment loss on receivables, net	<b>(365,474)</b>	35,407	-	-
Reversal of impairment on property, plant and equipment	-	(110,100)	-	-
Short term accumulating compensated absences	<b>931,893</b>	(4,832)	<b>(5,931)</b>	26,722
Unrealised foreign exchange loss/(gain)	<b>12,160,536</b>	(1,439,628)	<b>11,461</b>	(2,887)
Write down of inventories to net realisable value	<b>7,438</b>	243,904	-	-
Total adjustments	<b>81,795,881</b>	64,438,175	<b>(5,056,951)</b>	(11,961,007)
<b>Operating cash flows before changes in working capital</b>	<b>88,618,987</b>	64,611,789	<b>(357,440)</b>	(249,802)



# STATEMENTS OF CASH FLOWS

For the year ended 30 April 2024

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
<b>Changes in working capital</b>				
Decrease/(Increase) in receivables	<b>30,614,043</b>	13,601,769	<b>(3,738)</b>	(29,076)
Decrease/(Increase) in inventories	<b>47,160,972</b>	(38,625,072)	<b>495</b>	(5,942)
(Decrease)/Increase in payables	<b>(26,320,689)</b>	(18,114,503)	<b>143,675</b>	(111,635)
Decrease in retirement benefit obligations	<b>(618,427)</b>	(299,750)	-	-
<b>Total changes in working capital</b>	<b>50,835,899</b>	(43,437,556)	<b>140,432</b>	(146,653)
<b>Cash flows generated from/(used in) operations</b>				
Interest paid	<b>(18,672,965)</b>	(14,507,716)	-	-
Tax paid	<b>(8,403,385)</b>	(15,353,717)	<b>(857,928)</b>	(891,842)
Tax refund	<b>2,480,435</b>	-	<b>363,224</b>	-
<b>Net cash flows generated from/(used in) from operating activities</b>	<b>114,858,971</b>	(8,687,200)	<b>(711,712)</b>	(1,288,297)
<b>Investing activities</b>				
Purchase of property, plant and equipment (Note A)	<b>(24,399,274)</b>	(17,710,874)	<b>(95,087)</b>	(78,645)
Dividends received	-	-	<b>9,000,000</b>	9,000,000
Interest received	<b>475,104</b>	303,280	<b>4,904,209</b>	4,144,236
Net change in related companies balances	-	-	<b>(4,337,053)</b>	(2,177,292)
Proceeds from disposal of property, plant and equipment	<b>276,845</b>	276,290	-	-
Purchase of other investments	<b>(998,890)</b>	-	-	-
<b>Net cash flows (used in)/generated from investing activities</b>	<b>(24,646,215)</b>	(17,131,304)	<b>9,472,069</b>	10,888,299
<b>Financing activities</b>				
Dividends paid	<b>(8,984,320)</b>	(8,984,320)	<b>(8,984,320)</b>	(8,984,320)
Net change in bank borrowings	<b>(67,218,744)</b>	31,769,421	-	-
Payment of lease liabilities	<b>(2,659,643)</b>	(2,608,087)	<b>(124,800)</b>	(120,600)
<b>Net cash flows (used in)/generated from financing activities</b>	<b>(78,862,707)</b>	20,177,014	<b>(9,109,120)</b>	(9,104,920)
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>11,350,049</b>	(5,641,490)	<b>(348,763)</b>	495,082
<b>Effect of exchange rate</b>	<b>141,217</b>	624,838	-	-
<b>Cash and cash equivalents as at 1 May 2023/2022</b>	<b>44,135,167</b>	49,151,819	<b>1,645,137</b>	1,150,055
<b>Cash and cash equivalents as at 30 April 2024/2023 (Note B)</b>	<b>55,626,433</b>	44,135,167	<b>1,296,374</b>	1,645,137



# STATEMENTS OF CASH FLOWS

For the year ended 30 April 2024

## A. Purchase of property, plant and equipment:

During the financial year, the Group and the Company acquired property, plant and equipment at aggregate costs of RM24,399,274 (2023: RM17,710,874) and RM95,087 (2023: RM78,645) respectively by way of the following:

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Cash payments	<b>24,399,274</b>	17,710,874	<b>95,087</b>	78,645

## B. Cash and cash equivalents comprise:

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Cash on hand and at banks	<b>28,562,897</b>	20,645,525	<b>1,188,488</b>	1,598,724
Deposits with licensed banks	<b>27,063,536</b>	23,489,642	<b>107,886</b>	46,413
	<b>55,626,433</b>	44,135,167	<b>1,296,374</b>	1,645,137





# STATEMENTS OF CASH FLOWS

For the year ended 30 April 2024

## C. Reconciliation of liabilities arising from financing activities:

Group	1 May 2023 RM	Cash flows RM	Others RM	Effect of foreign exchange RM	Carrying amount at 30 April 2024 RM
Loans and borrowings	397,396,481	(67,218,744)	-	3,272,009	333,449,746
Lease liabilities	3,685,228	(2,659,643)	2,515,686	48,283	3,589,554
<b>Company</b>					
Lease liabilities	121,909	(124,800)	2,891	-	-
Group	1 May 2022 RM	Cash flows RM	Others RM	Effect of foreign exchange RM	Carrying amount at 30 April 2023 RM
Loans and borrowings	368,605,589	31,769,421	-	(2,978,529)	397,396,481
Lease liabilities	3,537,835	(2,608,087)	2,688,355	67,125	3,685,228
<b>Company</b>					
Lease liabilities	206,164	(120,600)	36,345	-	121,909

The accompanying accounting policies and explanatory information form an integral part of the financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 April 2024

## 1. Corporate information

The Company is a public limited liability company, incorporated and domiciled in Malaysia, and listed on the Main Board of Bursa Malaysia Securities Berhad. The principal place of business of the Company is located at 886, Jalan Bandar Baru, Sungai Kecil, 14300 Nibong Tebal, Seberang Perai Selatan, Pulau Pinang.

The principal activities of the Company are investment holding and provision of information technology support and management services.

The principal activities of the subsidiaries are described in Note 13.

## 2. Material accounting policies

### 2.1 Basis of preparation

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

The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below and are presented in Ringgit Malaysia ("RM").

### 2.2 Changes in accounting policies

The accounting policies adopted are consistent with those of the previous financial year except as follows:

On 1 May 2023, the Group and the Company adopted the following new and amended MFRSs and IC Interpretation mandatory for annual financial periods beginning on or after 1 January 2023.

<b>MFRSs, Amendments to MFRSs and IC Interpretation</b>	<b>Effective for annual periods beginning on or after</b>
MFRS 17: Insurance Contracts	1 January 2023
Initial Application of MFRS 17 and MFRS 9 – Comparative Information (Amendment to MFRS 17 : Insurance Contracts)	1 January 2023
Classification of Liabilities as Current or Non-current (Amendments to MFRS 101 : Presentation of Financial Statements)	1 January 2023
Disclosure of Accounting Policies (Amendments MFRS 101 :Presentation of Financial Statements)	1 January 2023
Definition of Accounting Estimates (Amendments to MFRS 108 : Accounting Policies, Changes in Accounting Estimates and Errors)	1 January 2023
Deferred Tax related to Assets and Liabilities Arising from a Single Transaction (Amendments to MFRS 112 : Income Taxes)	1 January 2023
International Tax Reform - Pillar Two Model Rules (Amendments to MFRS 112 : Income Taxes)	1 January 2023

The adoption of the above standards and amendments has no material impact on the financial statements of the Group and of the Company in the period of initial application.



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 April 2024

## 2. Material accounting policies (Cont'd)

### 2.3 Standards and interpretations issued but not yet effective

The standards and interpretations that are issued but not yet effective up to the date of issuance of the Group's and the Company's financial statements are disclosed below. The Group and the Company intend to adopt these standards, if applicable, when they become effective.

<b>MFRSs, Amendments to MFRSs and IC Interpretation</b>	<b>Effective for annual periods beginning on or after</b>
Supplier Finance Arrangements (Amendments to MFRS 107 : Statement of Cash Flows and MFRS 7 : Financial Instruments : Disclosures)	1 January 2024
Lease Liability in a Sale and Leaseback (Amendment to MFRS 16 : Leases)	1 January 2024
Non-current Liabilities with Covenants (Amendment to MFRS 101 : Presentation of Financial Statements)	1 January 2024
Lack of Exchangeability (Amendments to MFRS 121 : The Effects of Changes in Foreign Exchange Rates)	1 January 2025
Amendments to the Classification and Measurement of Financial Instruments (Amendments to MFRS 9 Financial Instruments and MFRS 7 Financial Instruments: Disclosures)	1 January 2026
MFRS 18: Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19 : Subsidiaries without Public Accountability: Disclosures	1 January 2027
Sale or Contribution of Assets between an investor and its Associate or Joint Venture (Amendments to MFRS 10 : Consolidated Financial Statements and MFRS 128 : Investments in Associates and Joint Ventures)	Deferred

The directors are still assessing the impact on the financial statements of the Group and of the Company from the adoption of the standards and interpretations above.

### 2.4 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Group and its subsidiaries as at the reporting date. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company's. Consistent accounting policies are applied for like transactions and events in similar circumstances.

The Group controls an investee if and only if the Group has all the following:

- (i) Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- (ii) Exposure, or rights, to variable returns from its investment with the investee; and
- (iii) The ability to use its power over the investee to affect its returns.

When the Group has less than a majority of the voting rights of an investee, the Group considers the following in assessing whether or not the Company's voting rights in an investee are sufficient to give it power over the investee:

- (i) The size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- (ii) Potential voting rights held by the Group, other vote holders or other parties;
- (iii) Rights arising from other contractual arrangements; and



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 April 2024

## 2. Material accounting policies (Cont'd)

### 2.4 Basis of consolidation (Cont'd)

- (iv) Any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Subsidiaries are consolidated when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions are eliminated in full.

Losses within a subsidiary are attributed to the non-controlling interests even if that results in a deficit balance.

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. The resulting difference is recognised directly in equity and attributed to owners of the Company.

When the Group loses control of a subsidiary, a gain or loss calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets and liabilities of the subsidiary and any non-controlling interest, is recognised in profit or loss. The subsidiary's cumulative gain or loss which has been recognised in other comprehensive income and accumulated in equity are reclassified to profit or loss or where applicable, transferred directly to retained earnings. The fair value of any investment retained in the former subsidiary at the date control is lost is regarded as the cost on initial recognition of the investment.

### 2.5 Foreign currency

#### (a) Functional and presentation currency

The individual financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in Ringgit Malaysia ("RM"), which is also the Company's functional currency.

#### (b) Foreign currency transactions

Transactions in foreign currencies are measured in the respective functional currencies of the Company and its subsidiaries and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary items denominated in foreign currencies that are measured at historical cost are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items denominated in foreign currencies measured at fair value are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the reporting date are recognised in profit or loss except for exchange differences arising on monetary items that form part of the Group's net investment in foreign operations, which are recognised initially in other comprehensive income and accumulated under foreign currency translation reserve in equity. The foreign currency translation reserve is reclassified from equity to profit or loss of the Group on disposal of the foreign operation.

Exchange differences arising on the translation of non-monetary items carried at fair value are included in profit or loss for the period except for the differences arising on the translation of non-monetary items in respect of which gains and losses are recognised directly in equity. Exchange differences arising from such non-monetary items are also recognised directly in equity.



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 April 2024

## 2. Material accounting policies (Cont'd)

### 2.5 Foreign currency (Cont'd)

#### (c) Foreign operations

The assets and liabilities of foreign operations are translated into RM at the rate of exchange ruling at the reporting date and income and expenses are translated at exchange rates at the dates of the transactions. The exchange differences arising on the translation are taken directly to other comprehensive income. On disposal of a foreign operation, the cumulative amount recognised in other comprehensive income and accumulated in equity under foreign currency translation reserve relating to that particular foreign operation is recognised in profit or loss.

### 2.6 Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost. The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Subsequent to recognition, freehold land and buildings are measured at fair value less accumulated depreciation on buildings and impairment losses recognised after the date of the revaluation. Valuations are performed with sufficient regularity to ensure that the carrying amount does not differ materially from the fair value of the freehold land and buildings at the reporting date. All other property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. When significant parts of property, plant and equipment are required to be replaced in intervals, the Group recognises such parts as individual assets with specific useful life and depreciation, respectively. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Any revaluation surplus is recognised in other comprehensive income and accumulated in equity under the asset revaluation reserve, except to the extent that it reverses a revaluation decrease of the same asset previously recognised in profit or loss, in which case the increase is recognised in profit or loss. A revaluation deficit is recognised in profit or loss, except to the extent that it offsets an existing surplus on the same asset carried in the asset revaluation reserve.

Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. The revaluation surplus included in the asset revaluation reserve in respect of an asset is transferred directly to retained earnings on retirement or disposal of the asset.

Freehold land has an unlimited useful life and therefore is not depreciated.

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

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

Depreciation is computed on a straight-line basis over the estimated useful life of the other assets, at the following annual rates:

Buildings	2% - 5%
Plant and machinery and electrical installations	10%
Motor vehicles	10% - 20%
Furniture, fittings, renovation, air conditioners, office equipment and computers	5% - 33.33%

The residual value, useful life and depreciation method are reviewed at each financial year end, and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of the asset is included in the profit or loss in the year the asset is derecognised.



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 April 2024

## 2. Material accounting policies (Cont'd)

### 2.7 Subsidiaries

A subsidiary is an entity over which the Company has all the following:

- (i) Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- (ii) Exposure, or rights, to variable returns from its investment with the investee; and
- (iii) The ability to use its power over the investee to affect its returns.

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

### 2.8 Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when an annual impairment assessment for an asset is required, the Group makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's fair value less costs to sell and its value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units ("CGU")).

In assessing value in use, the estimated future cash flows expected to be generated by the asset are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where the carrying amount of an asset exceeds its recoverable amount, the asset is written down to its recoverable amount. Impairment losses recognised in respect of a CGU or groups of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to those units or groups of units and then, to reduce the carrying amount of the other assets in the unit or groups of units on a pro-rata basis.

Impairment losses are recognised in profit or loss except for assets that are previously revalued where the revaluation was taken to other comprehensive income. In this case, the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase. Impairment loss on goodwill is not reversed in a subsequent period.

### 2.9 Financial assets

Financial assets are recognised when, and only when the entity becomes party to the contractual provisions of the instruments.

At initial recognition, the Group and the Company measure financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Trade receivables are measured at the amount of consideration to which the Group and the Company expect to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third party, if the trade receivables do not contain a significant financing component at initial recognition.



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 April 2024

## 2. Material accounting policies (Cont'd)

### 2.9 Financial assets (Cont'd)

#### Investments in debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the contractual cash flow characteristics of the asset. The three measurement categories for classification of debt instruments are:

#### **i. Amortised cost**

Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest rate method, less impairment. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, and through amortisation process.

#### **ii. Fair value through other comprehensive income (FVOCI)**

Financial assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Financial assets measured at FVOCI are subsequently measured at fair value. Any gains or losses from changes in fair value of the financial assets are recognised in other comprehensive income, except for impairment losses, foreign exchange gains and losses and interest calculated using the effective interest rate method are recognised in profit or loss. The cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment when the financial asset is derecognised.

#### **iii. Fair value through profit or loss**

Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt instruments that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss in the period in which it arises.

#### Investments in equity instruments

On initial recognition of an investment in equity instrument that is not held for trading, the Group may irrevocably elect to present subsequent changes in fair value in OCI. Dividends from such investments are to be recognised in profit or loss when the Group's right to receive payments is established. For investments in equity instruments which the Group has not elected to present subsequent changes in fair value in OCI, changes in fair value are recognised in profit or loss.

#### Derivatives

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. Changes in fair value of derivatives are recognised in profit or loss.

#### **Derecognition**

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income for debt instruments is recognised in profit or loss.



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 April 2024

## 2. Material accounting policies (Cont'd)

### 2.10 Impairment of financial assets

The Group and the Company recognise an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss and financial guarantee contracts. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group and the Company expect to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is recognised for credit losses expected over the remaining life of the exposure, irrespective of timing of the default (a lifetime ECL).

For trade receivables, the Group and the Company apply a simplified approach in calculating ECLs. Therefore, the Group and the Company do not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group and the Company have established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Group and the Company consider a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group and the Company may also consider a financial asset to be in default when internal or external information indicates that the Group and the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group and the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

### 2.11 Cash and cash equivalents

Cash and short-term deposits in the statement of financial position comprise cash at banks and on hand and short-term deposits with a maturity of three months or less.

### 2.12 Inventories

Inventories are stated at the lower of cost and net realisable value. Costs incurred in bringing the inventories to their present location and condition are accounted for as follows:

- a) Raw materials, trading goods, consumable inventories, spare parts and accessories: purchase costs on a first-in first-out basis.
- b) Finished goods and work-in-progress: costs of direct materials and labour and proportion of manufacturing overheads based on normal operating capacity.

Net realisable value is the estimated selling price in the ordinary course of business less estimated costs of completion and the estimated costs necessary to make the sale.

### 2.13 Provisions

Provisions are recognised when the Group and the Company have a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic resources will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.





# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 April 2024

## 2. Material accounting policies (Cont'd)

### 2.14 Financial liabilities

#### Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Group and the Company become a party to the contractual provisions of the financial instrument. The Group and the Company determine the classification of their financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

#### Subsequent measurement

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

#### Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. On derecognition, the difference between the carrying amounts and the consideration paid is recognised in profit or loss.

### 2.15 Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due.

Financial guarantee contracts are recognised initially as a liability at fair value, net of transaction costs. Subsequent to initial recognition, financial guarantee contracts are recognised as income in profit or loss over the period of the guarantee. If the debtor fails to make payment relating to a financial guarantee contract when it is due and the Group, as the issuer, is required to reimburse the holder for the associated loss, the liability is measured at the higher of the best estimate of the expenditure required to settle the present obligation at the reporting date and the amount initially recognised less cumulative amortisation.

### 2.16 Borrowing costs

Borrowing costs are capitalised as part of the cost of a qualifying asset if they are directly attributable to the acquisition, construction or production of that asset. Capitalisation of borrowing costs commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditures and borrowing costs are incurred. Borrowing costs are capitalised until the assets are substantially completed for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period they are incurred. Borrowing costs consist of interest and other costs that the Group and the Company incurred in connection with the borrowing of funds.



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 April 2024

## 2. Material accounting policies (Cont'd)

### 2.17 Employee benefits

#### a) Short term benefits

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

#### b) Defined contribution plans

The Group participates in the national pension schemes as defined by the laws of the countries in which it has operations. The Malaysian companies in the Group make contributions to the Employees Provident Fund in Malaysia, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

#### c) Defined benefit plans

The net defined benefit liability or asset is the aggregate of the present value of the defined benefit obligation (derived using a discount rate based on high quality corporate bonds) at the end of the reporting period reduced by the fair value of plan assets (if any), adjusted for any effect of limiting a net defined benefit asset to the asset ceiling. The asset ceiling is the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

The costs of providing benefits under defined benefit plans are determined separately for each plan using the projected unit credit actuarial valuation method.

Past service costs are recognised in profit or loss on the earlier of:

- the date of the plan amendment or curtailment; and
- the date that the Group recognises restructuring-related costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

The Group recognises the following changes in the net defined benefit obligation in the consolidated statement of profit or loss:

- service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- net interest expense or income.

Remeasurements comprising actuarial gains and losses, return on plan assets and any change in the effect of the asset ceiling (excluding net interest on defined benefit liability) are recognised immediately in other comprehensive income in the period in which they arise. Remeasurements are recognised in retained earnings within equity and are not reclassified to profit or loss in subsequent periods.

Plan assets are assets that are held by a long-term employee benefit fund or qualifying insurance policies. Plan assets are not available to the creditors of the Group, nor can they be paid directly to the Group. Fair value of plan assets is based on market price information. When no market price is available, the fair value of plan assets is estimated by discounting expected future cash flows using a discount rate that reflects both the risk associated with the plan assets and the maturity or expected disposal date of those assets (or, if they have no maturity, the expected period until the settlement of the related obligations).



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 April 2024

## 2. Material accounting policies (Cont'd)

### 2.18 Leases

#### As lessee

The Group and the Company apply a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group and the Company recognise lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

#### (a) Right-of-use assets ("ROU assets")

The Group and the Company recognise a ROU asset at the commencement date of the lease. ROU assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of ROU assets include the amount of lease liabilities recognised, initial direct cost incurred and lease payments made at or before the commencement date less any lease incentives received. ROU assets are depreciated on a straight-line basis over the shorter of the lease terms and the estimated useful lives of the assets, as follows:

Leasehold land	45 to 99 years
Rented properties	1 to 97 years
Office equipment	5 years
Motor vehicles	2 to 3 years

If the ownership of the leased asset would be transferred to the Group and the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the assets.

The ROU assets are also subject to impairment as disclosed in Note 2.8.

#### (b) Lease liabilities

At the commencement date of the lease, the Group and the Company recognise lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentive receivable/received, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and the Company and payments of penalties for terminating the lease, if the lease term reflects the Group and the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs. In calculating the present value of lease payments, the Group and the Company use their incremental borrowing rate at the lease commencement date, as the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying assets.

### 2.19 Revenue

Revenue is measured based on the consideration to which the Group and the Company expect to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Revenue is recognised when the Group and the Company satisfy a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 April 2024

## 2. Material accounting policies (Cont'd)

### 2.19 Revenue (Cont'd)

#### (a) Sale of goods

Revenue is recognised when the goods are delivered to the customer and all criteria for acceptance have been satisfied. The goods are often sold with a right of return and with retrospective volume discounts based on the aggregate sales over a period of time.

The amount of revenue recognised is based on the estimated transaction price, which comprises the contractual price, net of the estimated customer rebates and adjusted for expected returns. Based on the Group's experience with similar types of contracts, variable consideration is typically constrained and is included in the transaction only to the extent that it is a highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

The Group recognises the expected customer rebates payable to customer where consideration have been received from customers and refunds due to expected returns from customers as refund liabilities. Separately, the Group recognises a related asset for the right to recover the returned goods, based on the former carrying amount of the good less expected costs to recover the goods, and adjusts them against cost of sales correspondingly.

At the end of each reporting date, the Group updates its assessment of the estimated transaction price, including its assessment of whether an estimate of variable consideration is constrained. The corresponding amounts are adjusted against revenue in the period in which the transaction price changes. The Group also updates its measurement of the asset for the right to recover returned goods for changes in its expectations about returned goods.

#### (b) Other revenue

##### (i) Interest income

Interest income is recognised using the effective interest rate method.

##### (ii) Management fees

Management fees are recognised when services are rendered.

##### (iii) Dividend income

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

### 2.20 Taxes

#### (a) Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

Current taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity.



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 April 2024

## 2. Material accounting policies (Cont'd)

### 2.20 Taxes (Cont'd)

#### (b) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all temporary differences, except:

- where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

- where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be utilised.

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

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

#### (c) Sales and Services Tax ("SST")

When SST is incurred, SST is recognised as part of the expense or cost of acquisition of the asset as SST is not recoverable from the taxation authority.

Whereas, revenue is recognised net of the amount of SST billed as it is payable to the taxation authority. SST payable to the taxation authority is included as part of payables in the statements of financial position.



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 April 2024

## 2. Material accounting policies (Cont'd)

### 2.21 Segment reporting

For management purposes, the Group is organised into operating segments based on business segments which are independently managed by the respective segment managers responsible for the performance of the respective segments under their charge. The segment managers report directly to the management of the Company who regularly reviews the segment results in order to allocate resources to the segments and to assess the segment performance. Additional disclosures on each of these segments are shown in Note 33, including the factors used to identify the reportable segments and the measurement basis of segment information.

### 2.22 Share capital and share issuance expenses

An equity instrument is any contract that evidences a residual interest in the assets of the Group and the Company after deducting all of its liabilities. Ordinary shares are equity instruments.

Ordinary shares are recorded at the proceeds received, net of directly attributable incremental transaction costs. Ordinary shares are classified as equity. Dividends on ordinary shares are recognised in equity in the period in which they are declared.

### 2.23 Treasury shares

When shares of the Company, that have not been cancelled, recognised as equity are reacquired, the amount of consideration paid is recognised directly in equity. Reacquired shares are classified as treasury shares and presented as a deduction from total equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of treasury shares. When treasury shares are reissued by resale, the difference between the sales consideration and the carrying amount is recognised in equity.

### 2.24 Contingencies

A contingent liability or asset is a possible obligation or asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of uncertain future event(s) not wholly within the control of the Group.

Contingent liabilities and assets are not recognised in the statements of financial position of the Group and of the Company.

### 2.25 Fair value measurement

The Group measures financial instruments, such as, derivatives, and non-financial assets such as properties, at fair value at each reporting date. Also, fair values of financial instruments measured at amortised cost are disclosed in Note 30.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the asset or liability; or
- in the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 April 2024

## 2. Material accounting policies (Cont'd)

### 2.25 Fair value measurement (Cont'd)

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
- Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Group determines the policies and procedures for recurring fair value measurement, such as properties, financial assets and financial liabilities at fair value through profit or loss.

External valuers may be involved for valuation of certain significant asset and liabilities, such as properties and financial liabilities at fair value through profit or loss. Involvement of external valuers is decided upon annually by the Group. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

### 2.26 Related parties

A related party is defined as follows:

- (a) a person or a close member of that person's family is related to the Group and the Company if that person:
  - (i) has control or joint control over the Company;
  - (ii) has significant influence over the Company; or
  - (iii) is a member of the key management personnel of the Group or the Company or of a parent of the Company.
- (b) an entity is related to the Group and the Company if any of the following conditions applies:
  - (i) if the entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
  - (ii) one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);
  - (iii) both entities are joint ventures of the same third party;
  - (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
  - (v) the entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company. If the Company is itself such a plan, the sponsoring employers are also related to the Company;
  - (vi) the entity is controlled or jointly controlled by a person identified in (a);
  - (vii) a person identified in (a) (i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); or
  - (viii) the Company, or any member of a Group of which it is a party, provides key management personnel services to the Company or to the parent of the Company.



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 April 2024

## 2. Material accounting policies (Cont'd)

### 2.27 Current and non-current classification

The Group and the Company present assets and liabilities in the statements of financial position based on current and non-current classification.

An asset is classified as current when it is:

- expected to be realised or intended to be sold or consumed in normal operating cycle;
- held primarily for the purpose of trading;
- expected to be realised within 12 months after the reporting period; or
- cash and cash equivalents unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:

- it is expected to be settled in normal operating cycle;
- it is held primarily for the purpose of trading;
- it is due to be settled within 12 months after the reporting period; or
- there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities, respectively.

### 2.28 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the statements of financial position if, and only if:

- there is a currently enforceable legal right to offset the recognised amounts; and
- there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

### 2.29 Climate-related matters

The Group considers climate-related matters in estimates and assumptions, where applicable. This assessment includes a wide range of potential impacts on the Group, encompassing both physical and transition risks associated with climate change.

While the Group believes that its core business model will remain viable, climate-related risks introduce an element of uncertainty. However, the Group assess that these risks are not expected to have a significant impact on the measurement of uncertainty in estimates and assumptions that underpin several items in the financial statements. The Group is continuing to closely monitor relevant changes. The following items and considerations within the financial statements are influenced by climate-related matters:

- Useful life of property, plant and equipment. When reviewing the residual values and expected useful lives of assets, the Group considers climate-related matters, including physical and transition risks such as climate-related legislation and regulations that may restrict the use of assets or require significant capital expenditures.





# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 April 2024

## 2. Material accounting policies (Cont'd)

### 2.29 Climate-related matters (Cont'd)

- Impairment assessment. The Group assesses whether climate risks, including physical risks and transition risks could have a significant impact to the value-in-use assessments. If so, these risks are included in the cash-flow forecasts in assessing value-in-use amounts. The Group determined that no single climate-related assumption is a key driver in the impairment assessments. Climate-related considerations are part of the broader risk management and sustainability efforts of the Group but do not hold a central role in the impairment assessment.
- Provisions and contingencies. Climate-related events, such as extreme weather events or changes in environmental regulations, can lead to provisions and contingencies. The Group assesses and discloses these provisions and contingencies when they are probable and estimable.

## 3. Significant accounting judgements and estimates

The preparation of the Group's and the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities, and the disclosure of contingent liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future.

### 3.1 Judgements made in applying accounting policies

There are no critical judgements made by management in the process of applying the Group's and the Company's accounting policies that has significant effect on the amounts recognised in the financial statements.

### 3.2 Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

#### i. Impairment of property, plant and equipment and right-of-use assets

The Group assesses whether there are any indicators of impairment for all non-financial assets at each reporting date. Other non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. Impairment exists when the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, which is the higher of its value in use and its fair value less cost of disposal.

Estimating the value in use involves estimating the future cash inflows and outflows that will be generated by the cash-generating unit and discounting them at an appropriate rate. The carrying amount of the Group's and the Company's property, plant and equipment and right-of-use assets at the reporting date are disclosed in Note 11 and Note 12 respectively.

#### ii. Impairment of investments in subsidiaries

The Company had recognised impairment losses in respect of investments in subsidiaries, following the internal business restructuring made by the management on the subsidiaries' operations. The Company carried out the impairment tests based on the estimation of the higher of the value in use or the fair value less cost to sell of the cash-generating units ("CGU") to which the investments in subsidiaries belong to. Further details of the impairment losses recognised are disclosed in Note 13.



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 April 2024

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

### 3.2 Key sources of estimation uncertainty (Cont'd)

#### iii. Customer rebates

The Group had recognised customer rebates according to the contractual arrangements entered into with its customers. Customer rebates are recognised based on the expected entitlement earned up to the reporting date under each customer trading agreement and promotions run. Certain customer rebates are triggered when certain conditions are met. The amount payable is based on the conditions achieved, multiplied by rates contracted with each customer in their trading agreements.

The Group assessed the customer rebates at each reporting date which are adjusted to reflect the current best estimate.

Further details of the customer rebates are disclosed in Note 21.

## 4. Revenue

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
<b>Revenue recognised at a point in time</b>				
Sales of tissue paper products	<b>614,551,306</b>	619,000,610	-	-
Sales of personal care products	<b>290,956,440</b>	249,288,314	-	-
Management fees	-	-	<b>10,061,838</b>	9,536,157
Dividend income	-	-	<b>9,000,000</b>	9,000,000
<b>Revenue from contracts with customers</b>	<b>905,507,746</b>	868,288,924	<b>19,061,838</b>	18,536,157

Revenue comprise invoiced sales of goods net of discounts, rebates and returns. The geographical locations of the customers of the Group and of the Company are as follows:

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
<b>Geographical markets</b>				
Malaysia	<b>659,976,474</b>	624,714,958	<b>18,627,868</b>	17,914,468
Singapore	<b>94,941,266</b>	86,889,204	<b>397,015</b>	382,513
Thailand	<b>46,969,808</b>	43,773,802	-	-
Vietnam	<b>71,284,710</b>	69,934,258	<b>36,955</b>	239,176
Others	<b>32,335,488</b>	42,976,702	-	-
<b>Revenue from contracts with customers</b>	<b>905,507,746</b>	868,288,924	<b>19,061,838</b>	18,536,157



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 April 2024

## 4. Revenue (Cont'd)

### Contract balances

Information about trade receivables is disclosed as follows:

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Trade receivables (Note 17)	<b>116,896,109</b>	114,582,192	<b>1,565,903</b>	1,003,640

## 5. Other operating income

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Gain on disposal of property, plant and equipment	-	135,403	-	-
Gain on lease modification	<b>1,220</b>	-	-	-
Gain on lease termination	<b>130</b>	17,972	-	-
Interest income from:				
- deposits with licensed banks	<b>475,104</b>	303,280	<b>33,084</b>	27,627
- receivables	-	-	<b>4,871,125</b>	4,116,609
Net fair value gain on derivatives	<b>1,739,695</b>	-	-	-
Realised foreign exchange gain	-	-	<b>9,669</b>	21,631
Reversal of impairment on property, plant and equipment	-	110,100	-	-
Revaluation surplus on land and buildings	<b>2,165,389</b>	3,215,908	-	-
Sundry income	<b>1,793,079</b>	2,132,029	-	-
Unrealised foreign exchange gain	-	1,439,628	-	2,887
	<b>6,174,617</b>	7,354,320	<b>4,913,878</b>	4,168,754



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 April 2024

## 6. Employee benefits expense

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Wages and salaries	<b>132,649,561</b>	123,799,288	<b>3,287,780</b>	3,174,284
Executive directors' remuneration				
- Directors of the Company	<b>2,428,790</b>	2,227,718	<b>2,428,790</b>	2,227,718
- Directors of subsidiaries	<b>4,637,812</b>	4,485,994	<b>2,152,495</b>	2,150,702
Social security contributions	<b>4,322,327</b>	3,731,259	<b>48,647</b>	44,745
Short term accumulating compensated absences	<b>931,893</b>	(4,832)	<b>(5,931)</b>	26,722
Contribution to defined contribution plan	<b>13,005,366</b>	12,386,287	<b>654,830</b>	644,845
Increase in liability for defined benefit plan (Note 20)	<b>1,741,273</b>	1,920,709	-	-
Sundry wages	<b>12,000,759</b>	11,431,631	<b>61,731</b>	56,945
Other benefits	<b>8,132,178</b>	7,198,766	<b>175,337</b>	197,100
	<b>179,849,959</b>	167,176,820	<b>8,803,679</b>	8,523,061

## 7. Other operating expenses

Other operating expenses are arrived at:

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM

After charging/(crediting):

Auditors' remuneration

- statutory audit

- current year **521,039** 518,527 **113,000** 119,780

- under provision in prior years **36,552** 8,480 **9,040** 8,480

- other services **14,000** 14,840 **14,000** 14,840

Bad debts recovered **(7,553)** (11,449) - -

Bad debts written off **185,649** 399,598 - -

Executive directors' fees **249,370** 245,114 **120,000** 120,000

Expenses relating to short-term leases and leases of low-value assets **4,550** 240 - -

Fair value loss on other investments **457,006** - - -

Impairment loss on investment in a subsidiary - - **8,676,776** -

Inventories written off - 169,717 - -



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 April 2024

## 7. Other operating expenses (Cont'd)

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
After charging/(crediting):				
Loss on disposal of property, plant and equipment	54,835	-	-	-
Loss on striking off a subsidiary	-	355	-	1,000,000
Net fair value loss on derivatives	-	25,440	-	-
Non-executive directors' remuneration	285,656	268,336	254,000	238,000
Property, plant and equipment written off	167,696	124,477	-	-
Realised foreign exchange loss	2,623,809	2,239,215	-	-
(Reversal)/Allowance for impairment loss on receivables, net	(365,474)	35,407	-	-
Write down of inventories to net realisable value	7,438	243,904	-	-
Unrealised foreign exchange loss	12,160,536	-	11,461	-

## 8. Finance costs

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Interest expense on:				
- loans and borrowings	18,672,965	14,507,716	-	-
- lease liabilities (Note 23)	134,992	140,446	2,891	7,813
	18,807,957	14,648,162	2,891	7,813

## 9. Income tax expense

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
<b>Income tax:</b>				
Malaysian income tax	9,705,521	9,695,087	1,134,245	969,614
Foreign tax	407,874	328,975	-	-
	10,113,395	10,024,062	1,134,245	969,614



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 April 2024

## 9. Income tax expense (Cont'd)

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
<b>Income tax:</b>				
Under/(Over) provision in prior years:				
Malaysian income tax	<b>971,554</b>	182,713	<b>(62)</b>	21,774
Foreign tax	-	(134,190)	-	-
	<b>971,554</b>	48,523	<b>(62)</b>	21,774
	<b>11,084,949</b>	10,072,585	<b>1,134,183</b>	991,388
<b>Deferred tax (Note 14):</b>				
Relating to origination and reversal of temporary differences	<b>2,696,497</b>	(3,860,515)	<b>(12,402)</b>	(7,404)
Under/(Over) provision in prior years:				
Malaysian income tax	<b>935,022</b>	(157,045)	<b>2,895</b>	(8,779)
	<b>3,631,519</b>	(4,017,560)	<b>(9,507)</b>	(16,183)
Income tax expense recognised in profit or loss	<b>14,716,468</b>	6,055,025	<b>1,124,676</b>	975,205
<b>Deferred tax (Note 14):</b>				
Relating to other comprehensive income:				
- net surplus on revaluation of freehold land and buildings	<b>1,545,308</b>	1,228,208	-	-
- effect on retirement benefit obligations	<b>36,724</b>	(12,821)	-	-
	<b>1,582,032</b>	1,215,387	-	-

The Malaysian corporate statutory tax rate for the year of assessment 2024 was 24% (2023: 24%).

Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

### **Reconciliation between tax expense and accounting profit**

The reconciliation between tax expense and the product of accounting profit multiplied by the applicable corporate tax rate for the years ended 30 April 2024 and 2023 are as follows:

	Group	
	2024 RM	2023 RM
Profit before tax	<b>6,823,106</b>	173,614



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 April 2024

## 9. Income tax expense (Cont'd)

### Reconciliation between tax expense and accounting profit (Cont'd)

	Group	
	2024 RM	2023 RM
Taxation at Malaysian statutory tax rate of 24% (2023: 24%)	1,637,545	41,667
Effect of different tax rates in other countries	6,370,989	1,687,375
Effect of expenses not deductible for tax purposes	14,553,182	11,136,558
Effect of income not subject to tax	(8,171,562)	(2,909,931)
Utilisation of current year reinvestment allowance	-	(902,368)
Deferred tax assets not recognised on unutilised capital allowances, tax losses and reinvestment allowances in prior year, recognised now	(1,343,237)	(2,288,806)
Deferred tax assets recognised on reinvestment allowances	(237,025)	(600,948)
Under provision of income tax in prior years	971,554	48,523
Under/(Over) provision of deferred tax in prior years	935,022	(157,045)
Tax expense for the year	14,716,468	6,055,025

	Company	
	2024 RM	2023 RM
Profit before tax	4,699,511	11,711,205
Taxation at Malaysian statutory tax rate of 24% (2023: 24%)	1,127,883	2,810,689
Effect of expenses not deductible for tax purposes	2,156,280	305,637
Effect of income not subject to tax	(2,162,320)	(2,154,116)
(Over)/Under provision of income tax in prior years	(62)	21,774
Under/(Over) provision of deferred tax in prior years	2,895	(8,779)
Tax expense for the year	1,124,676	975,205

## 10. Earnings per share

Basic earnings per share is calculated by dividing loss for the year net of tax attributable to owners of the parent by the weighted average number of ordinary shares outstanding during the financial year.

	Group	
	2024	2023
Loss net of tax attributable to owners of the parent used in the computation of basic and diluted earnings per share (RM)	(7,893,362)	(5,881,411)
Number of ordinary shares used in the computation of earnings per share	1,123,040,000	1,123,040,000
Basic earnings per share (sen)	(0.70)	(0.52)
Diluted earnings per share (sen)	(0.70)	(0.52)

Basic and diluted earnings per share are the same as there is no convertible instrument issued.



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 April 2024

## 11. Property, plant and equipment

Group At 30 April 2024	Freehold land RM	Buildings RM	Capital work-in- progress RM	Plant and machinery and electrical installations RM	Motor vehicles RM	Furniture, fittings, renovation, air conditioners, office equipment and computers RM	Total RM
<b>Cost/valuation</b>							
At 1 May 2023							
At cost	-	-	18,155,463	733,138,369	53,435,992	21,355,582	826,085,406
At valuation	127,741,076	156,603,920	-	-	-	-	284,344,996
127,741,076	156,603,920	18,155,463	733,138,369	53,435,992	21,355,582	1,110,430,402	
Additions	-	169,052	19,108,097	1,285,898	2,698,552	1,137,675	24,399,274
Disposals	-	-	-	(2,213,306)	(1,489,947)	(21,320)	(3,724,483)
Write offs	-	-	(166,231)	(9,082)	-	(34,168)	(209,481)
Reclassification	-	1,060,342	(25,438,335)	23,800,912	301,000	-	(276,081)
Revaluation surplus recognised in other comprehensive income	7,586,567	3,216,746	-	-	-	-	10,803,313
Revaluation surplus recognised in profit or loss (Note 5)	-	2,165,389	-	-	-	-	2,165,389
Translation difference	-	(559,500)	60,896	(1,293,442)	71,814	(63,683)	(1,783,915)
At 30 April 2024	135,327,643	162,655,949	11,719,890	754,709,349	55,017,411	22,374,176	1,141,804,418
Representing:							
At cost	-	-	11,719,890	754,709,349	55,017,411	22,374,176	843,820,826
At valuation	135,327,643	162,655,949	-	-	-	-	297,983,592
At 30 April 2024	135,327,643	162,655,949	11,719,890	754,709,349	55,017,411	22,374,176	1,141,804,418



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 April 2024

## 11. Property, plant and equipment (Cont'd)

Group At 30 April 2024	Freehold land RM	Buildings RM	Capital work-in- progress RM	Plant and machinery and electrical installations RM	Motor vehicles RM	Furniture, fittings, renovation, air conditioner, office equipment and computers RM	Total RM
<b>Accumulated depreciation and impairment losses</b>							
At 1 May 2023	-	-	-	495,355,552	39,747,751	15,462,502	550,565,805
Depreciation charge for the year	-	-	-	44,103,903	3,051,997	1,473,620	48,629,520
Disposals	-	-	-	(2,004,322)	(1,383,035)	(5,446)	(3,392,803)
Write offs	-	-	-	(8,316)	-	(33,469)	(41,785)
Translation difference	-	-	-	(837,783)	84,727	(29,221)	(782,277)
At 30 April 2024	-	-	-	536,609,034	41,501,440	16,867,986	594,978,460
<b>Net carrying amount</b>							
At cost	-	-	11,719,890	218,100,315	13,515,971	5,506,190	248,842,366
At valuation	135,327,643	162,655,949	-	-	-	-	297,983,592
At 30 April 2024	135,327,643	162,655,949	11,719,890	218,100,315	13,515,971	5,506,190	546,825,958



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 April 2024

## 11. Property, plant and equipment (Cont'd)

Group At 30 April 2023	Freehold land RM	Buildings RM	Capital work-in- progress RM	Plant and machinery and electrical installations RM	Motor vehicles RM	Furniture, fittings, renovation, air conditioners, office equipment and computers RM	Total RM
<b>Cost/valuation</b>							
At 1 May 2022							
At cost	-	-	30,162,320	706,702,485	52,871,155	20,061,064	809,797,024
At valuation	127,670,259	148,667,409	-	-	-	-	276,337,668
	127,670,259	148,667,409	30,162,320	706,702,485	52,871,155	20,061,064	1,086,134,692
Additions	-	-	12,568,815	2,042,806	1,855,067	1,244,186	17,710,874
Disposals	-	-	-	(54,954)	(1,056,345)	(37,800)	(1,149,099)
Write offs	-	-	(4,991)	(311,640)	(714,240)	(33,818)	(1,064,689)
Reclassification	-	241,147	(24,596,998)	23,949,667	309,284	96,900	-
Revaluation surplus recognised in other comprehensive income	70,817	4,228,956	-	-	-	-	4,299,773
Revaluation surplus recognised in profit or loss (Note 5)	-	3,215,908	-	-	-	-	3,215,908
Translation difference	-	250,500	26,317	810,005	171,071	25,050	1,282,943
At 30 April 2023	127,741,076	156,603,920	18,155,463	733,138,369	53,435,992	21,355,582	1,110,430,402
Representing:							
At cost	-	-	18,155,463	733,138,369	53,435,992	21,355,582	826,085,406
At valuation	127,741,076	156,603,920	-	-	-	-	284,344,996
At 30 April 2023	127,741,076	156,603,920	18,155,463	733,138,369	53,435,992	21,355,582	1,110,430,402

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 April 2024

## 11. Property, plant and equipment (Cont'd)

Group At 30 April 2023	Freehold land RM	Buildings RM	Capital work-in- progress RM	Plant and machinery and electrical installations RM	Motor vehicles RM	Furniture, fittings, renovation, air conditioner, office equipment and computers RM	Total RM
<b>Accumulated depreciation and impairment losses</b>							
At 1 May 2022	-	-	-	450,967,734	38,315,987	14,095,011	503,378,732
Depreciation charge for the year	-	-	-	44,257,123	3,057,226	1,432,906	48,747,255
Disposals	-	-	-	(14,171)	(956,241)	(37,800)	(1,008,212)
Write offs	-	-	-	(193,547)	(714,221)	(32,444)	(940,212)
Reversal of impairment	-	-	-	-	(110,100)	-	(110,100)
Translation difference	-	-	-	338,413	155,100	4,829	498,342
At 30 April 2023	-	-	-	495,355,552	39,747,751	15,462,502	550,565,805
<b>Net carrying amount</b>							
At cost	-	-	18,155,463	237,782,817	13,688,241	5,893,080	275,519,601
At valuation	127,741,076	156,603,920	-	-	-	-	284,344,996
At 30 April 2023	127,741,076	156,603,920	18,155,463	237,782,817	13,688,241	5,893,080	559,864,597



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 April 2024

## 11. Property, plant and equipment (Cont'd)

	Motor vehicles RM	Furniture, fittings, renovation, air conditioners, office equipment and computers RM	Total RM
<b>Company</b>			
<b>At 30 April 2024</b>			
<b>Cost</b>			
At 1 May 2023	631,358	360,894	992,252
Additions	-	95,087	95,087
At 30 April 2024	631,358	455,981	1,087,339
<b>Accumulated depreciation</b>			
At 1 May 2023	631,358	294,181	925,539
Depreciation charge for the year	-	49,719	49,719
At 30 April 2024	631,358	343,900	975,258
<b>Net carrying amount</b>			
At 30 April 2024	-	112,081	112,081



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 April 2024

## 11. Property, plant and equipment (Cont'd)

	Motor vehicles RM	Furniture, fittings, renovation, air conditioners, office equipment and computers RM	Total RM
<b>Company</b>			
<b>At 30 April 2023</b>			
<b>Cost</b>			
At 1 May 2022	631,358	282,249	913,607
Additions	-	78,645	78,645
At 30 April 2023	631,358	360,894	992,252
<b>Accumulated depreciation</b>			
At 1 May 2022	631,358	250,986	882,344
Depreciation charge for the year	-	43,195	43,195
At 30 April 2023	631,358	294,181	925,539
<b>Net carrying amount</b>			
At 30 April 2023	-	66,713	66,713

- (a) Freehold land and buildings have been revalued at the reporting date based on valuations performed by accredited independent valuers. Had the revalued properties been carried under the cost model, the net carrying amounts of each class of property, plant and equipment that would have been included in the financial statements of the Group would be as follows:

	Group	
	2024 RM	2023 RM
Freehold land	<b>28,886,918</b>	28,886,918
Buildings	<b>97,902,461</b>	100,148,922
	<b>126,789,379</b>	129,035,840

- (b) Included in property, plant and equipment of the Group and of the Company are fully depreciated assets which are still in use costing RM355,629,566 (2023: RM331,859,960) and RM905,603 (2023: RM859,961) respectively.
- (c) The net carrying amount of temporarily idle assets of the Group amounted to RM13,946,321 (2023: RM13,485,822).



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 April 2024

## 12. Right-of-use assets

	Leasehold land RM	Rented properties RM	Office equipment RM	Motor vehicle RM	Total RM
<b>Group</b>					
<b>At 30 April 2024</b>					
<b>Cost</b>					
At 1 May 2023	32,211,505	13,096,562	34,149	561,159	45,903,375
Additions	-	2,021,163	40,200	413,259	2,474,622
Reclassification	-	276,081	-	-	276,081
Write offs	-	(1,910,218)	(34,149)	-	(1,944,367)
Termination of lease	-	(42,675)	-	-	(42,675)
Modification of lease	-	(211,038)	-	-	(211,038)
Translation difference	(206,397)	63,832	-	32,357	(110,208)
At 30 April 2024	32,005,108	13,293,707	40,200	1,006,775	46,345,790
<b>Accumulated depreciation</b>					
At 1 May 2023	5,400,401	3,209,622	30,356	228,258	8,868,637
Depreciation charge for the year	607,920	2,477,289	7,814	306,067	3,399,090
Write offs	-	(1,910,218)	(34,149)	-	(1,944,367)
Termination of lease	-	(38,326)	-	-	(38,326)
Modification of lease	-	(122,809)	-	-	(122,809)
Translation difference	(58,748)	33,778	-	14,526	(10,444)
At 30 April 2024	5,949,573	3,649,336	4,021	548,851	10,151,781
<b>Net carrying amount</b>					
At 30 April 2024	26,055,535	9,644,371	36,179	457,924	36,194,009



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 April 2024

## 12. Right-of-use assets (Cont'd)

	Leasehold land RM	Rented properties RM	Office equipment RM	Motor vehicle RM	Total RM
<b>Group</b>					
<b>At 30 April 2023</b>					
<b>Cost</b>					
At 1 May 2022	32,108,307	12,905,973	34,149	552,138	45,600,567
Additions	-	3,290,606	-	258,207	3,548,813
Write offs	-	(1,440,271)	-	(280,843)	(1,721,114)
Termination of lease	-	(1,747,440)	-	-	(1,747,440)
Translation difference	103,198	87,694	-	31,657	222,549
At 30 April 2023	32,211,505	13,096,562	34,149	561,159	45,903,375
<b>Accumulated depreciation</b>					
At 1 May 2022	4,777,878	2,816,191	22,767	310,745	7,927,581
Depreciation charge for the year	598,831	2,561,238	7,589	182,616	3,350,274
Write offs	-	(1,440,271)	-	(280,843)	(1,721,114)
Termination of lease	-	(764,508)	-	-	(764,508)
Translation difference	23,692	36,972	-	15,740	76,404
At 30 April 2023	5,400,401	3,209,622	30,356	228,258	8,868,637
<b>Net carrying amount</b>					
At 30 April 2023	26,811,104	9,886,940	3,793	332,901	37,034,738



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 April 2024

## 12. Right-of-use assets (Cont'd)

	Rented properties	
	2024 RM	2023 RM
<b>Company</b>		
<b>Cost</b>		
At 1 May	510,275	482,578
Additions	-	27,697
Termination of lease	(510,275)	-
At 30 April	-	510,275
<b>Accumulated depreciation</b>		
At 1 May	397,933	289,547
Depreciation charge for the year	112,342	108,386
Termination of lease	(510,275)	-
At 30 April	-	397,933
<b>Net carrying amount</b>		
At 30 April	-	112,342

## 13. Investments in subsidiaries

	Company	
	2024 RM	2023 RM
Unquoted shares, at cost	34,041,318	34,041,318
Accumulated impairment losses	(11,509,580)	(2,832,804)
	<b>22,531,738</b>	<b>31,208,514</b>





# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 April 2024

## 13. Investments in subsidiaries (Cont'd)

Details of the subsidiaries are as follows:

Name of subsidiaries	Equity interest held		Principal activities	Country of incorporation
	2024 %	2023 %		
Nibong Tebal Enterprise Sendirian Berhad	<b>100.00</b>	100.00	Trading in tissues, paper products and personal care products, provision of freight forwarding, transportation and logistics services	Malaysia
Nibong Tebal Paper Mill Sdn. Bhd.	<b>100.00</b>	100.00	Manufacturing of and trading in tissue paper products such as toilet rolls, tissues, serviettes and provision of freight forwarding, transportation and logistics services	Malaysia
Nibong Tebal Personal Care Sdn. Bhd.	<b>100.00</b>	100.00	Manufacturing of and trading in personal care products such as sanitary products, baby diapers, facial cotton, wet tissues and adult diapers	Malaysia
Nibong Tebal Logistics Sdn. Bhd.	<b>100.00</b>	100.00	Provision of integrated logistics services	Malaysia
Nibong Tebal IT Sdn. Bhd.	<b>100.00</b>	100.00	Provision of information technology support and services	Malaysia
Nibong Tebal Technology Sdn. Bhd.	<b>100.00</b>	100.00	Undertaking of research and development activities on the production technology, biotechnology and recycling of waste materials related to paper industry	Malaysia
NTPM (Thailand) Co., Ltd.*	<b>100.00</b>	100.00	Wholesales of pulp paper and sanitary products	Thailand
NTPM (Singapore) Pte. Ltd.**	<b>100.00</b>	100.00	Importers, exporters and dealers in all kinds of paper products, tissue papers, toilet rolls, paper towels and general merchandise	Singapore
NTPM (International) Pte. Ltd.**	<b>100.00</b>	100.00	Investment holding	Singapore
NTPM (Vietnam) Co., Ltd.**	<b>100.00</b>	100.00	Manufacturing and processing of tissue paper and products related to tissue paper and manufacturing of semi-finished jumbo paper rolls	Vietnam

\* Audited by a firm of auditors other than Ernst & Young PLT

\*\* Audited by a member firm of Ernst & Young Global in the respective country



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 April 2024

## 13. Investments in subsidiaries (Cont'd)

### Impairment loss

The management of the Company has carried out a review of the recoverable amounts of its investments in subsidiaries when there is an indication of impairment. Impairment of RM8,676,776 (2023: RMNil) is recognised in current financial year, following the internal business restructuring made by the management on the subsidiaries' operations. The recoverable amount was based on fair value less cost to sell.

## 14. Deferred tax

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
At 1 May	<b>20,019,334</b>	22,819,658	<b>(50,774)</b>	(34,591)
Recognised in profit or loss (Note 9)	<b>3,631,519</b>	(4,017,560)	<b>(9,507)</b>	(16,183)
Recognised in other comprehensive income (Note 9)	<b>1,582,032</b>	1,215,387	-	-
	<b>25,232,885</b>	20,017,485	<b>(60,281)</b>	(50,774)
Exchange differences	<b>1,692</b>	1,849	-	-
At 30 April	<b>25,234,577</b>	20,019,334	<b>(60,281)</b>	(50,774)
Presented after appropriate offsetting as follows:				
Deferred tax assets	<b>(2,584,717)</b>	(2,142,205)	<b>(60,281)</b>	(50,774)
Deferred tax liabilities	<b>27,819,294</b>	22,161,539	-	-
	<b>25,234,577</b>	20,019,334	<b>(60,281)</b>	(50,774)



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 April 2024

## 14. Deferred tax (Cont'd)

The components and movements of deferred tax assets and liabilities during the financial year prior to offsetting are as follows:

### Deferred tax assets of the Group:

	Retirement benefit obligations RM	Unused tax losses, unabsorbed allowance for increase in export, reinvestment allowances and capital allowances RM	Other payables RM	Total RM
At 1 May 2023	(3,886,725)	(29,337,567)	(1,059,356)	(34,283,648)
Recognised in profit or loss	(884,784)	3,185,702	(4,688)	2,296,230
Recognised in other comprehensive income	36,724	-	-	36,724
Exchange differences	-	-	(660)	(660)
At 30 April 2024	(4,734,785)	(26,151,865)	(1,064,704)	(31,951,354)
At 1 May 2022	(3,560,852)	(21,757,601)	(1,045,800)	(26,364,253)
Recognised in profit or loss	(313,052)	(7,579,966)	(13,291)	(7,906,309)
Recognised in other comprehensive income	(12,821)	-	-	(12,821)
Exchange differences	-	-	(265)	(265)
At 30 April 2023	(3,886,725)	(29,337,567)	(1,059,356)	(34,283,648)

### Deferred tax liabilities of the Group:

	Property, plant and equipment RM	Revaluation of properties RM	Others RM	Total RM
At 1 May 2023	33,110,880	17,063,734	4,128,368	54,302,982
Recognised in profit or loss	(341,779)	19,256	1,657,812	1,335,289
Recognised in other comprehensive income	-	1,545,308	-	1,545,308
Exchange differences	2,352	-	-	2,352
At 30 April 2024	32,771,453	18,628,298	5,786,180	57,185,931
At 1 May 2022	32,412,146	15,759,598	1,012,167	49,183,911
Recognised in profit or loss	696,620	75,928	3,116,201	3,888,749
Recognised in other comprehensive income	-	1,228,208	-	1,228,208
Exchange differences	2,114	-	-	2,114
At 30 April 2023	33,110,880	17,063,734	4,128,368	54,302,982



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 April 2024

## 14. Deferred tax (Cont'd)

### Deferred tax assets of the Company:

	Others RM
At 1 May 2023	(56,104)
Recognised in profit or loss	(29,175)
At 30 April 2024	<u>(85,279)</u>
At 1 May 2022	(39,178)
Recognised in profit or loss	(16,926)
At 30 April 2023	<u>(56,104)</u>

### Deferred tax liability of the Company:

	Plant and equipment RM
At 1 May 2023	5,330
Recognised in profit or loss	19,667
At 30 April 2024	<u>24,997</u>
At 1 May 2022	4,587
Recognised in profit or loss	743
At 30 April 2023	<u>5,330</u>

Deferred tax assets have not been recognised in respect of the following items:

	Group	
	2024 RM	2023 RM
Unused tax losses	99,119,736	110,113,022
Unutilised reinvestment allowances	21,618,192	16,221,724
Unabsorbed capital allowances	25,856,161	25,856,161
	<u>146,594,089</u>	<u>152,190,907</u>

Deferred tax assets have not been recognised in respect of these items as they may not be used to offset taxable profits of other subsidiaries in the Group and they have arisen in subsidiaries that have a recent history of losses.

The unused tax losses, unutilised reinvestment allowances, and unabsorbed capital allowances are available for offsetting against future taxable profits subject to no substantial change in shareholdings under the Income Tax Act, 1967 and guidelines issued by the tax authority. The ability to carry forward unutilised reinvestment allowances are restricted to a maximum period of seven consecutive Year of Assessment ("YA") until YA 2044. Based on the latest Malaysian Finance Act gazetted on 31 December 2021, the time limit for the carry forward of the unused tax losses has been extended to 10 years from YA 2018.



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 April 2024

## 14. Deferred tax (Cont'd)

The above unused tax losses of the Group will expire by the end of the following year of assessment:

	Group	
	2024 RM	2023 RM
Unused tax losses:		
2024	-	28,244,275
2025	<b>6,593,088</b>	877,199
2026	<b>5,329,757</b>	5,329,757
2027	<b>12,585,531</b>	12,585,531
2028	<b>36,609,118</b>	36,609,118
2029	<b>5,092,677</b>	5,092,677
2030	<b>5,344,870</b>	5,344,870
2031	<b>3,627,056</b>	3,627,056
2032	<b>5,942,784</b>	5,942,784
2033	<b>6,459,755</b>	6,459,755
2034	<b>11,535,100</b>	-
	<b>99,119,736</b>	110,113,022

## 15. Other investments

	Group	
	2024 RM	2023 RM
<b>Non-current</b>		
Insurance assets:		
At 1 May	-	-
Reclassification from other receivables	<b>998,890</b>	-
Additions	<b>998,890</b>	-
Fair value loss on other investments (Note 7)	<b>(457,006)</b>	-
At 30 April	<b>1,540,774</b>	-



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 April 2024

## 16. Inventories

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
<b>At cost:</b>				
Raw materials	<b>97,386,167</b>	134,267,027	-	-
Work-in-progress	<b>13,163,449</b>	18,562,171	-	-
Finished goods	<b>62,564,726</b>	68,051,365	-	-
Trading goods	<b>9,846,198</b>	8,284,080	-	-
Consumable inventories	<b>6,954,527</b>	7,961,562	-	-
Spare parts and accessories	<b>29,452,470</b>	29,212,549	<b>5,447</b>	5,942
	<b>219,367,537</b>	266,338,754	<b>5,447</b>	5,942
<b>At net realisable value:</b>				
Finished goods	<b>37,193</b>	271,369	-	-
	<b>219,404,730</b>	266,610,123	<b>5,447</b>	5,942

The cost of inventories recognised as an expense during the financial year of the Group amounted to RM735,264,327 (2023: RM733,556,692) and Company amounted to RM61,172 (2023: RM40,927).



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 April 2024

## 17. Trade and other receivables

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
<b>Non-current:</b>				
<b>Other receivable</b>				
Due from subsidiaries	-	-	<b>110,146,148</b>	106,776,397
<b>Current:</b>				
<b>Trade receivables</b>				
Trade receivables	<b>117,250,050</b>	115,302,621	-	-
Due from subsidiaries	-	-	<b>1,565,903</b>	1,003,640
	<b>117,250,050</b>	115,302,621	<b>1,565,903</b>	1,003,640
Allowance for impairment	<b>(353,941)</b>	(720,429)	-	-
Trade receivables, net	<b>116,896,109</b>	114,582,192	<b>1,565,903</b>	1,003,640
<b>Other receivables</b>				
Due from subsidiaries	-	-	<b>524,712</b>	533,280
Deposits for purchase of property, plant and equipment and raw materials	<b>9,678,157</b>	5,565,895	-	-
Prepayments	<b>7,351,708</b>	3,384,988	<b>31,654</b>	27,276
Sundry receivables and deposits	<b>2,951,613</b>	1,652,152	<b>29,125</b>	29,125
Staff advances	<b>795,908</b>	522,555	<b>2,760</b>	3,400
Insurance asset	-	998,890	-	-
Indirect tax recoverable	<b>6,260,176</b>	30,229,612	-	-
Other receivables	<b>27,037,562</b>	42,354,092	<b>588,251</b>	593,081
Allowance for impairment	<b>(15,744)</b>	(15,744)	-	-
Other receivables, net	<b>27,021,818</b>	42,338,348	<b>588,251</b>	593,081
<b>Total trade and other receivables (current)</b>	<b>143,917,927</b>	156,920,540	<b>2,154,154</b>	1,596,721
<b>Total trade and other receivables (non-current and current)</b>	<b>143,917,927</b>	156,920,540	<b>112,300,302</b>	108,373,118
Add: Cash and bank balances (Note 18)	<b>55,626,433</b>	44,135,167	<b>1,296,374</b>	1,645,137
Less: Deposits for purchase of property, plant and equipment and raw materials	<b>(9,678,157)</b>	(5,565,895)	-	-
Less: Prepayments	<b>(7,351,708)</b>	(3,384,988)	<b>(31,654)</b>	(27,276)
Less: Indirect tax recoverable	<b>(6,260,176)</b>	(30,229,612)	-	-
<b>Total financial assets at amortised cost</b>	<b>176,254,319</b>	161,875,212	<b>113,565,022</b>	109,990,979



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 April 2024

## 17. Trade and other receivables (Cont'd)

### (a) Trade receivables

The Group's primary exposure to credit risk arises through its trade receivables. The Group's trading terms with its customers are on both cash and credit basis. The Group's normal trade credit terms range from 30 to 90 days (2023: 30 to 90 days). Other credit terms are assessed and approved on a case-by-case basis. The Group seeks to minimise credit risk. Overdue balances are reviewed regularly by senior management. Trade receivables are non-interest bearing.

The Group has no significant concentration of credit risk that may arise from exposure to a single customer or groups of customers, other than as disclosed in Note 31(a).

#### Ageing analysis of trade receivables

The ageing analysis of the Group's trade receivables is as follows:

	Group	
	2024 RM	2023 RM
Neither past due nor impaired	<b>70,848,228</b>	64,642,579
1 to 30 days past due not impaired	<b>37,930,052</b>	40,429,253
31 to 60 days past due not impaired	<b>6,482,596</b>	6,352,716
61 to 90 days past due not impaired	<b>1,164,053</b>	1,319,551
More than 91 days past due not impaired	<b>471,180</b>	1,838,093
	<b>46,047,881</b>	49,939,613
Impaired	<b>353,941</b>	720,429
	<b>117,250,050</b>	115,302,621

#### Receivables that are neither past due nor impaired

Trade receivables that are neither past due nor impaired are creditworthy debtors with good payment records with the Group. The majority of the Group's trade receivables arises from customers with more than four years of experience with the Group and losses have occurred infrequently.

#### Receivables that are past due but not impaired

The Group has trade receivables amounting to RM46,047,881 (2023: RM49,939,613) that are past due at the reporting date but not impaired.

None of the Group's trade receivables that are past due but not impaired have been renegotiated during the financial year.





# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 April 2024

## 17. Trade and other receivables (Cont'd)

### (a) Trade receivables (Cont'd)

#### Receivables that are impaired

The Group's trade receivables that are individually impaired at the reporting date and the movements of the allowance accounts used to record the impairment are as follows:

	Group	
	2024 RM	2023 RM
At 1 May	720,429	1,085,602
Charge for the year (Note 7)	73,858	584,444
Reversal of impairment (Note 7)	(439,332)	(549,037)
Written off	(3,233)	(415,691)
Exchange difference	(2,219)	15,111
At 30 April	<b>353,941</b>	<b>720,429</b>

Management conducts periodic assessment on its trade receivable balance on account-by-account basis. Hence, all impairment losses are provided for specific trade receivable balances. Management is of the opinion that there are no further factors that warrant the consideration of additional impairment losses on a collective basis.

### (b) Other receivables

The Group's other receivables that are individually impaired at the reporting date and the movements of the allowance accounts to record the impairment are as follows:

	Group	
	2024 RM	2023 RM
At 1 May/30 April	<b>15,744</b>	15,744

Other receivables that are individually determined to be impaired at the reporting date relate to debtors that are in significant financial difficulties and have defaulted on payments. These receivables are not secured by any collateral or credit enhancements.

### (c) Amounts due from subsidiaries

The amounts due from subsidiaries included under trade receivables comprise management fees which are unsecured, interest-free and within the credit term.

The amounts due from subsidiaries included under other receivables comprise unsecured advances amounting to RM110,146,148 (2023: RM106,776,397), bearing interest rates ranging from 4.18% to 4.60% (2023: 3.18% to 4.30%) per annum which are repayable upon demand.

The amounts due from subsidiaries are classified as non-current when the Company does not expect repayments from these subsidiaries within the next twelve months from the financial year end.

Further details on related party transactions are disclosed in Note 28.



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 April 2024

## 18. Cash and bank balances

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Cash on hand and at banks	<b>28,562,897</b>	20,645,525	<b>1,188,488</b>	1,598,724
Deposits with licensed banks	<b>27,063,536</b>	23,489,642	<b>107,886</b>	46,413
	<b>55,626,433</b>	44,135,167	<b>1,296,374</b>	1,645,137

Deposits with licensed banks are made for one day to three months, and earn interests at the respective short-term deposit rates. The interest rates as at 30 April 2024 for the Group range from 0.65% - 3.00% (2023: 0.65% - 2.75%) per annum and the interest rate for the Company range from 0.65% - 0.90% (2023: 0.65% - 0.90%) per annum.

## 19. Loans and borrowings

	Group	
	2024 RM	2023 RM
<b>Current</b>		
Unsecured:		
Bankers' acceptance	<b>102,967,347</b>	96,624,234
Onshore foreign currency loan	<b>17,824,111</b>	40,623,593
Revolving credit	<b>154,290,588</b>	174,815,841
Trust receipts	<b>3,310,146</b>	16,107,364
Term loans	<b>28,520,174</b>	47,731,365
	<b>306,912,366</b>	375,902,397
Secured:	<b>7,625</b>	-
Hire purchase	<b>306,919,991</b>	375,902,397
<b>Non-current</b>		
Unsecured:		
Term loans	<b>26,476,318</b>	21,494,084
Secured:		
Hire purchase	<b>53,437</b>	-
<b>Total loans and borrowings</b>	<b>333,449,746</b>	397,396,481



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 April 2024

## 19. Loans and borrowings (Cont'd)

The remaining maturities of the loans and borrowings as at 30 April 2024 and 2023 are as follows:

	Group	
	2024 RM	2023 RM
On demand or within 1 year	306,919,991	375,902,397
More than 1 year and less than 2 years	13,644,669	13,356,123
More than 2 years and less than 5 years	12,000,358	7,991,436
More than 5 years	884,728	146,525
	<b>333,449,746</b>	<b>397,396,481</b>

At the reporting date, the applicable interest rates per annum ("p.a.") are as follows:

	Group	
	2024 % p.a.	2023 % p.a.
<b>Fixed rate:</b>		
Bankers' acceptance	3.74 – 4.24	2.48 – 4.30
Hire purchase	3.99	-
Onshore foreign currency loan	6.05 – 6.65	5.63 – 6.28
Revolving credit	4.26 – 7.41	1.80 – 7.08
Trust receipts	3.30 – 6.73	1.95 – 6.32
Term loans	6.89	6.11 – 6.64
<b>Floating rate:</b>		
Term loans	<b>3.94 – 5.06</b>	<b>3.45 – 4.64</b>

Bankers' acceptance are denominated in RM.

Onshore foreign currency loan, revolving credit, term loans and trust receipts are denominated in RM and United States Dollar ("USD").

The loans and borrowings have the following terms:

- corporate guarantees from the Company; and
- negative pledge over the assets of certain subsidiaries.

As at 30 April 2024, a subsidiary has breached the financial covenant of one of its bank borrowings which shall not exceed the bank's gearing ratios set at all times. The long term loans of RM5,989,500 have been presented under on demand or within 1 year.

Included in bankers acceptance and revolving credit as at 30 April 2024 are RM63,283,000, of which a subsidiary has breached its financial covenant of minimum net tangible network.

The banks have the absolute discretion to revise or recall banking facilities in the event of breach of covenant.



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 April 2024

## 20. Retirement benefit obligations

The Group operates an unfunded, defined benefit Retirement Benefit Scheme (“the Scheme”) for its eligible employees in Malaysia. Under the Scheme, employees who have completed a minimum of 5 years of service are entitled to retirement benefits calculated based on their employee classification.

The amount recognised at the reporting date represents the present value of the unfunded defined benefit obligations, analysed as follows:

	Group	
	2024 RM	2023 RM
Current	948,635	880,192
Non-current	18,047,427	15,670,705
	<b>18,996,062</b>	<b>16,550,897</b>

The amounts recognised in profit or loss are as follows:

	Group	
	2024 RM	2023 RM
Current service cost	959,463	1,199,491
Interest cost	781,810	721,218
Total, included in employee benefits expense	<b>1,741,273</b>	<b>1,920,709</b>

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

	Group	
	2024 RM	2023 RM
At 1 May	16,550,897	14,875,406
Amounts recognised in profit or loss (Note 6)	1,741,273	1,920,709
Amounts recognised in other comprehensive income	1,323,273	53,419
Contributions paid	(618,427)	(299,750)
Exchange differences	(954)	1,113
At 30 April	<b>18,996,062</b>	<b>16,550,897</b>

Principal actuarial assumptions used:

	Group	
	2024 %	2023 %
Discount rate	4.50	4.80
Expected rate of salary increases	<b>6.00</b>	<b>6.00</b>



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 April 2024

## 20. Retirement benefit obligations (Cont'd)

A quantitative sensitivity analysis for significant assumptions as at 30 April 2024 and 2023 is as shown below:

Assumptions	Discount rate		Salary increment rate	
	1% increase RM	1% decrease RM	1% increase RM	1% decrease RM
<b>Sensitivity Level</b>				
<b>2024</b>				
Impact on the net defined benefit obligations	(2,018,851)	2,584,502	2,579,565	(2,052,669)
<b>2023</b>				
Impact on the net defined benefit obligations	(1,871,042)	2,234,349	2,571,876	(2,163,915)

The sensitivity analyses above have been determined based on a method that extrapolates the impact on net defined benefit obligations as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

The following payments are expected contributions to be made in the future years out of the defined benefit plan obligations:

	2024 RM	2023 RM
Within the next 12 months (next annual reporting period)	948,635	880,192
Between 2 and 5 years	2,588,802	3,050,017
Between 5 and 10 years	8,890,726	6,570,022
After 10 years	66,393,739	65,336,847
<b>Total expected payments</b>	<b>78,821,902</b>	<b>75,837,078</b>



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 April 2024

## 21. Trade and other payables

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
<b>Trade payables</b>				
Trade payables	47,709,552	50,834,854	-	-
Due to subsidiaries	-	-	196,721	28,307
	<b>47,709,552</b>	<b>50,834,854</b>	<b>196,721</b>	<b>28,307</b>
<b>Other payables</b>				
Due to subsidiaries	-	-	-	570,560
Due to directors	139,889	249,107	75,264	181,809
Accrual for payroll related expenses	19,357,607	18,395,646	2,352,144	2,209,741
Indirect taxes	7,230,018	7,443,405	-	-
Other statutory payables	2,087,887	1,936,639	103,992	112,532
Customer rebates	20,522,798	22,777,569	-	-
Accruals of other expenses	10,547,339	12,826,548	280,678	239,111
Sundry payables	20,383,594	16,410,273	94,920	26,061
	<b>80,269,132</b>	<b>80,039,187</b>	<b>2,906,998</b>	<b>3,339,814</b>
<b>Total trade and other payables</b>	<b>127,978,684</b>	<b>130,874,041</b>	<b>3,103,719</b>	<b>3,368,121</b>
Add: Loans and borrowings (Note 19)	333,449,746	397,396,481	-	-
Add: Lease liabilities (Note 23)	3,589,554	3,685,228	-	121,909
Less: Non contractual payroll related expenses	(11,623,768)	(10,912,968)	(1,401,931)	(1,257,263)
Less: Indirect taxes	(7,230,018)	(7,443,405)	-	-
Less: Other statutory payables	(2,087,887)	(1,936,639)	(103,992)	(112,532)
<b>Total financial liabilities carried at amortised cost</b>	<b>444,076,311</b>	<b>511,662,738</b>	<b>1,597,796</b>	<b>2,120,235</b>

### (a) Trade payables

The trade payables are non-interest bearing and the normal trade credit terms granted to the Group range from 7 to 90 days (2023: 7 to 90 days).

### (b) Other payables

The amounts due to directors represent payroll related expenses and advances from the directors of the Company and its subsidiaries. The advances due are interest free and repayable upon demand.

### (c) Amounts due to subsidiaries

The amounts due to subsidiaries are unsecured, interest-free and are repayable upon demand.



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 April 2024

## 22. Derivative assets/(liabilities)

	Group			
	2024 Contract/ Notional amount RM	2024 Assets RM	2023 Contract/ Notional amount RM	2023 Liabilities RM
<b>Non-Current</b>				
Term loan	<b>21,857,134</b>	<b>1,517,536</b>	26,872,159	(222,159)

The Group uses foreign currency-denominated borrowings and foreign currency contracts to manage some of its transaction exposures. These are not designated as cash flow or fair value hedges and are entered into for periods consistent with currency transaction exposure and fair value changes exposure. Such derivatives do not qualify for hedge accounting.

Term loan with cross currency interest rate swap is mainly used to hedge the Group's borrowings denominated in United States Dollar ("USD") for a period of 5 years whereby the Group receives interest at a variable rate equal to SOFR + 1.25% and pays interest at a variable rate equal to KLIBOR + 1.07% which firm commitments existed at the reporting date.

During the financial year, the Group recognised a gain of RM1,739,695 (2023 : loss of RM25,440) arising from fair value changes of derivative assets/(liabilities). The fair value changes are attributable to changes in marked-to-market ("MTM"), foreign exchange spot and forward rate. The method and assumptions applied in determining the fair values of derivatives are disclosed in Note 30.

## 23. Lease liabilities

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
At 1 May	<b>3,685,228</b>	3,537,835	<b>121,909</b>	206,164
Additions	<b>2,474,622</b>	3,548,813	-	28,532
Payments for the year	<b>(2,659,643)</b>	(2,608,087)	<b>(124,800)</b>	(120,600)
Accretion of interest (Note 8)	<b>134,992</b>	140,446	<b>2,891</b>	7,813
Modification of lease	<b>(89,449)</b>	-	-	-
Termination of lease	<b>(4,479)</b>	(1,000,904)	-	-
Exchange differences	<b>48,283</b>	67,125	-	-
	<b>3,589,554</b>	3,685,228	-	121,909
Presented as:				
Current	<b>2,239,421</b>	1,936,639	-	121,909
Non-current	<b>1,350,133</b>	1,748,589	-	-



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 April 2024

## 23. Lease liabilities (Cont'd)

The remaining maturities of the lease liabilities as at 30 April 2024 and 2023 are as follows:

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
On demand or within 1 year	2,239,421	1,936,639	-	121,909
More than 1 year and less than 2 years	883,908	1,168,383	-	-
More than 2 years and less than 5 years	466,225	580,206	-	-
	<b>3,589,554</b>	<b>3,685,228</b>	<b>-</b>	<b>121,909</b>

The following are the amounts recognised in profit or loss:

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Depreciation of right-of-use assets	3,399,090	3,350,274	112,342	108,386
Expenses relating to short-term leases and leases of low-value assets	4,550	240	-	-
Gain on contract modification	(1,220)	-	-	-
Gain on lease termination	(130)	(17,972)	-	-
Interest expense on lease liabilities	134,992	140,446	2,891	7,813
Total amount recognised in profit and loss	<b>3,537,282</b>	<b>3,472,988</b>	<b>115,233</b>	<b>116,199</b>

The Group and the Company had total cash outflows for leases of RM2,664,193 (2023: RM2,608,327) and RM124,800 (2023: RM120,600) respectively for the financial year ended 30 April 2024.

## 24. Share capital

	Number of ordinary shares		Amount	
	Share capital (Issued and fully paid)	Treasury shares	Share capital (Issued and fully paid) RM	Treasury shares RM
At 30 April 2023/30 April 2024	<b>1,123,200,000</b>	<b>(160,000)</b>	<b>112,320,000</b>	<b>(109,376)</b>

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.





# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 April 2024

## 24. Share capital (Cont'd)

### Treasury shares

Treasury shares relate to ordinary shares of the Company that are held by the Company. The amount consists of the acquisition costs of treasury shares net of the proceeds received on their subsequent sale or issuance.

There was no treasury share acquired during the financial year.

The directors of the Company are committed to enhancing the value of the Company for its shareholders and believe that the repurchase plan can be applied in the best interests of the Company and its shareholders. The repurchase transactions were financed by internally generated funds. The shares repurchased are being held as treasury shares.

## 25. Other reserves

	Asset revaluation reserve RM	Foreign currency translation reserve RM	Total RM
<b>Group</b>			
At 30 April 2022	102,827,657	3,139,571	105,967,228
Foreign currency translation	-	1,405,049	1,405,049
Revaluation of land and buildings	3,071,565	-	3,071,565
At 30 April 2023	105,899,222	4,544,620	110,443,842
Foreign currency translation	-	<b>3,762,504</b>	<b>3,762,504</b>
Revaluation of land and buildings	<b>9,258,005</b>	-	<b>9,258,005</b>
At 30 April 2024	<b>115,157,227</b>	<b>8,307,124</b>	<b>123,464,351</b>

The nature and purpose of each category of reserves are as follows:

### (a) Asset revaluation reserve

The asset revaluation reserve is used to record increases in the fair value of freehold land and buildings and decreases to the extent that such decreases relate to increases on the same asset previously recognised in equity.

### (b) Foreign currency translation reserve

The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency. It is also used to record the exchange differences arising from monetary items which form part of the Group's net investment in foreign operations, where the monetary item is denominated in either the functional currency of the reporting entity or the foreign operation.

## 26. Retained profits

The Company may distribute dividends out of its entire retained profits as at 30 April 2024 and 2023 under the single tier system.



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 April 2024

## 27. Dividends

	Dividend recognised in the year		Net dividend per share	
	2024 RM	2023 RM	2024 Sen	2023 Sen
<b>In respect of the financial year ended 30 April 2024:</b>				
Single tier first interim dividend paid on 26 January 2024	8,984,320	-	0.80	-
<b>In respect of the financial year ended 30 April 2023:</b>				
Single tier first interim dividend paid on 28 October 2022	-	8,984,320	-	0.80
	<b>8,984,320</b>	<b>8,984,320</b>	<b>0.80</b>	<b>0.80</b>

The directors do not recommend the payment of any final dividend for the current financial year.

## 28. Related party disclosures

	Group	
	2024 RM	2023 RM
Purchase of sanitary napkin (trading goods) from Jin Teik Organic Health Food Sdn. Bhd., a company connected to certain directors of the Group	6,707,066	4,313,689
Purchase of pulp from APP China Trading Limited, a related corporation connected to substantial shareholder and certain directors of the Company	33,071,40	-
Sales of jumbo roll to Cottonsoft Ltd., a related corporation connected to substantial shareholder and certain directors of the Company	108,728	-
Sales of tissue paper related product to Solaris Paper, Inc., a related corporation connected to substantial shareholder and certain directors of the Company	418,391	-
	Company	
	2024 RM	2023 RM
Dividend income received/receivable from subsidiaries	9,000,000	9,000,000
Management fee paid/payable to a subsidiary (i)	-	17,907
Management fees received/receivable from subsidiaries (i)	10,061,838	9,536,157
Interest income received/receivable from subsidiaries	4,871,125	4,116,609
Lease payments made to a subsidiary (i)	124,800	120,600

(i) The amounts of management fees, interest income and lease payments were arrived at in accordance with prices negotiated between the parties.

Information regarding outstanding balances arising from related party transactions as at 30 April 2024 and 2023 are disclosed in Notes 17 and 21.



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 April 2024

## 28. Related party disclosures (Cont'd)

The remuneration of key management during the year were as follows:

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Short term employee benefits	<b>7,064,316</b>	6,715,979	<b>4,519,882</b>	4,303,241
Post-employment benefit:				
Defined contribution plan	<b>615,572</b>	607,590	<b>456,813</b>	454,603
	<b>7,679,888</b>	7,323,569	<b>4,976,695</b>	4,757,844
Included in the total remuneration of key management personnel are:				
Directors' remuneration	<b>7,679,888</b>	7,323,569	<b>4,976,695</b>	4,757,844

## 29. Capital commitments

	Group	
	2024 RM	2023 RM
Capital expenditure:		
Approved and contracted for:		
Motor vehicle	<b>179,150</b>	157,000
Furniture, fittings, renovation, air conditioners, office equipment and computers	-	3,796,034
Plant and machinery	<b>4,716,033</b>	505,496
	<b>4,895,183</b>	4,458,530



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 April 2024

## 30. Fair value of assets and liabilities

### (a) Fair value of assets and liabilities that are carried at fair value

The following table shows an analysis of the assets and liabilities carried at fair value by level of fair value hierarchy:

Group	Quoted prices in active markets for identical instruments (Level 1) RM	Significant other observable inputs (Level 2) RM	Significant un-observable inputs (Level 3) RM	Total RM
<b>At 30 April 2024</b>				
<b>Non-financial assets</b>				
- Land and buildings (Note 11)				
- Freehold land	-	-	135,327,643	135,327,643
- Buildings	-	-	162,655,949	162,655,949
<b>Financial asset</b>				
- Insurance asset (Note 15)	-	1,540,774	-	1,540,774
- Derivative assets (Note 22)	-	1,517,536	-	1,517,536
<b>At 30 April 2023</b>				
<b>Non-financial assets</b>				
- Land and buildings (Note 11)				
- Freehold land	-	-	127,741,076	127,741,076
- Buildings	-	-	156,603,920	156,603,920
<b>Financial asset</b>				
- Insurance asset (Note 17)	-	998,890	-	998,890
<b>Financial liability</b>				
- Derivative liabilities (Note 22)	-	222,159	-	222,159



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 April 2024

## 30. Fair value of assets and liabilities (Cont'd)

### (a) Fair value of assets and liabilities that are carried at fair value (Cont'd)

#### Fair value hierarchy

The Group classifies fair value measurement using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 – Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

#### Level 3 fair value measurements

##### i) Information about significant unobservable inputs used in Level 3 fair value measurements

The following table shows the information about fair value measurements using significant unobservable inputs (Level 3).

	Fair value RM	Valuation Techniques	Unobservable inputs	Range
Property, plant and equipment				
- Freehold land	135,327,643 (2023: 127,741,076 )	Market comparable approach (2023: Market comparable approach)	Difference in location, time factor and size	-48% to 58% (2023: -40% to 55%)
- Buildings	162,655,949 (2023: 156,603,920)	Depreciated replacement cost approach (2023: Depreciated replacement cost approach)	Difference in location, time factor and size	-59% to -5% (2023: -57% to -3%)

For property, plant and equipment, a significant increase/(decrease) in yield adjustments based on management's assumptions would result in significantly higher/(lower) fair value measurements.

The following table shows the impact on the Level 3 fair value measurement of assets and liabilities that are sensitive to changes in unobservable inputs that reflect reasonable possible alternative assumptions.



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 April 2024

## 30. Fair value of assets and liabilities (Cont'd)

### (a) Fair value of assets and liabilities that are carried at fair value (Cont'd)

#### i) Information about significant unobservable inputs used in Level 3 fair value measurements (Cont'd)

	Effect of reasonable possible alternative assumptions – Increase/(Decrease)		
	Carrying amount RM	Profit or loss RM	Other comprehensive income RM
<b>2024</b>			
Property, plant and equipment			
- Freehold land	135,327,643	-	1,582,124
- Buildings	162,655,949	567,405	1,163,102
<b>2023</b>			
Property, plant and equipment			
- Freehold land	127,741,076	-	1,275,356
- Buildings	156,603,920	545,593	1,118,500

In order to determine the effect of the above reasonable possible alternative assumptions, the Group adjusted the following key unobservable input used in the fair value measurement:

- The Group adjusted the unobservable inputs by increasing the adjustments by 1% depending on the location, time factor and size of the specific properties.

#### ii) Movement in Level 3 assets and liabilities measured at fair value

The following table presents the reconciliation for all assets and liabilities measured at fair value based on significant unobservable inputs (Level 3):

At 30 April 2024	Property, plant and equipment	
	Freehold land RM	Buildings RM
Opening balance	127,741,076	156,603,920
Additions	-	169,052
Reclassification	-	1,060,342
Revaluation surplus recognised in other comprehensive income	7,586,567	3,216,746
Revaluation surplus recognised in profit or loss	-	2,165,389
Translation difference	-	(559,500)
Closing balances	135,327,643	162,655,949



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 April 2024

## 30. Fair value of assets and liabilities (Cont'd)

### (a) Fair value of assets and liabilities that are carried at fair value (Cont'd)

#### ii) Movement in Level 3 assets and liabilities measured at fair value (Cont'd)

At 30 April 2023	Property, plant and equipment	
	Freehold land RM	Buildings RM
Opening balance	127,670,259	148,667,409
Reclassification	-	241,147
Revaluation surplus recognised in other comprehensive income	70,817	4,228,956
Revaluation surplus recognised in profit or loss	-	3,215,908
Translation difference	-	250,500
Closing balances	127,741,076	156,603,920

#### iii) Valuation policies and procedures

The Group engages external professional property valuers to perform the valuation and fair value determination of all its real properties on an annual basis. Changes in Level 3 fair values are analysed and evaluated by the management after obtaining the valuation report from the external valuation experts for reasonableness before adoption into the annual accounts.

### (b) Fair value of assets and liabilities by classes that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value

The following are classes of assets and liabilities that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value:

	Note
Trade and other receivables	17
Loans and borrowings	19
Trade and other payables	21
Lease liabilities	23

The carrying amounts of these financial assets and liabilities are reasonable approximation of fair values, either due to their short-term nature or that they are floating rate instruments that are re-priced to market interest rates on or near the reporting date.

The carrying amounts of the current portion of borrowings are reasonable approximations of fair values due to the insignificant impact of discounting.

The fair values of current borrowings are estimated by discounting expected future cash flows at market incremental lending rate for similar types of lending, borrowing or leasing arrangements at the reporting date.

#### Amounts due from subsidiaries, staff loans, and fixed rate bank loans

The fair values of these financial instruments are estimated by discounting expected future cash flows at market incremental lending rate for similar types of lending, borrowing or leasing arrangements at the reporting date.

#### Derivatives

Forward currency contracts are valued using a valuation technique with market observable inputs. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates and interest rate curves.



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 April 2024

## 31. Financial risk management objectives and policies

The Group and the Company are exposed to financial risks arising from their operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk, interest rate risk and foreign currency risk.

The board of directors reviews and agrees policies and procedures for the management of these risks, which are executed by the executive directors. The Audit Committee provides independent oversight to the effectiveness of the risk management process.

It is, and has been throughout the current and previous financial years, the Group's and the Company's policy that no derivatives shall be undertaken except for the use as hedging instruments where appropriate and cost-efficient.

The following sections provide details regarding the Group's and the Company's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

### (a) Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group's and the Company's exposure to credit risk arises primarily from trade and other receivables. For other financial assets (including cash and bank balances and derivatives), the Group and the Company minimise credit risk by limiting their associations to business partners with high creditworthiness. Trade receivables are monitored on an ongoing basis via the Group's management reports.

The Group has not provided any lifetime expected credit losses ("ECL") for trade receivables as based on the Group's historical trend, there were no significant default events observed or incurred.

The Group's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant. For transactions that do not occur in the country of the relevant operating unit, the Group does not offer credit terms without the approval of the Group Chief Executive Officer.

#### Exposure to credit risk

At the reporting date, the Group's and the Company's maximum exposure to credit risk is represented by:

- The carrying amount of each class of financial assets recognised in the statements of financial position; and
- A nominal amount of RM333,449,746 (2023: RM397,396,481) relating to corporate guarantees provided by the Company to banks as securities for the subsidiaries' bank borrowings as disclosed in Note 19.

Information regarding credit enhancements for trade and other receivables is disclosed in Note 17.





# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 April 2024

## 31. Financial risk management objectives and policies (Cont'd)

### (a) Credit risk (Cont'd)

#### Credit risk concentration profile

The Group determines concentrations of credit risk by monitoring the country and industry sector profile of its trade receivables on an ongoing basis. The credit risk concentration profile of the Group's trade receivables at the reporting date are as follows:

	2024		2023	
	RM	%	RM	%
<b>By country:</b>				
Malaysia	<b>88,206,538</b>	<b>76</b>	87,200,816	76
Singapore	<b>15,501,855</b>	<b>13</b>	16,187,473	14
Other countries	<b>13,187,716</b>	<b>11</b>	11,193,903	10
	<b>116,896,109</b>	<b>100</b>	114,582,192	100
<b>By industry sector:</b>				
Hypermarket and supermarket	<b>42,865,363</b>	<b>37</b>	47,297,248	41
Wholesale	<b>13,705,969</b>	<b>12</b>	11,206,810	10
Other retail	<b>44,118,129</b>	<b>38</b>	40,625,990	35
Commercial/others	<b>16,206,648</b>	<b>13</b>	15,452,144	14
	<b>116,896,109</b>	<b>100</b>	114,582,192	100

At the reporting date, approximately 30% (2023: 32%) of the Group's trade receivables were due from 8 (2023: 10) major customers who are located in Malaysia and Singapore.

#### Financial assets that are neither past due nor impaired

Information regarding trade receivables that are neither past due nor impaired is disclosed in Note 17. Deposits with banks and other financial institutions and derivatives that are neither past due nor impaired are placed with or entered into with reputable financial institutions or companies with high credit ratings and no history of default.

#### Financial assets that are either past due or impaired

Information regarding financial assets that are either past due or impaired is disclosed in Note 17.

### (b) Liquidity risk

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group's and the Company's objective is to maintain a balance between continuity of funding and flexibility through the use of available credit facilities.

The Group and the Company manage their debt maturity profile, operating cash flows and the availability of funding so as to ensure that all refinancing, repayment and funding needs are met. As part of its overall liquidity management, the Group and the Company maintain sufficient levels of cash or cash convertible investments to meet the working capital requirements. In addition, the Group and the Company strive to maintain available banking facilities of a reasonable level to its overall debt position. Furthermore, the Group and the Company are able to raise funds from both capital markets and financial institutions and balance their portfolios with a combination of a mixture of short and long term fundings so as to achieve overall cost effectiveness.



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 April 2024

## 31. Financial risk management objectives and policies (Cont'd)

### (b) Liquidity risk (Cont'd)

#### Analysis of financial instruments by remaining contractual maturities

	2024			
	On demand or within 1 year RM	1 to 5 years RM	More than 5 years RM	Total RM
<b>Group</b>				
Financial assets:				
Trade and other receivables	120,627,886	-	-	120,627,886
Cash and bank balances	55,626,433	-	-	55,626,433
Derivative assets	-	1,517,536	-	1,517,536
Total undiscounted financial assets	176,254,319	1,517,536	-	177,771,855
Financial liabilities:				
Trade and other payables	107,382,137	-	-	107,382,137
Loans and borrowings	311,957,932	28,363,900	-	340,321,832
Lease liabilities	2,340,687	1,376,959	-	3,717,646
Total undiscounted financial liabilities	421,680,756	29,740,859	-	451,421,615
	2023			
	On demand or within 1 year RM	1 to 5 years RM	More than 5 years RM	Total RM
<b>Group</b>				
Financial assets:				
Trade and other receivables	117,740,045	-	-	117,740,045
Cash and bank balances	44,135,167	-	-	44,135,167
Total undiscounted financial assets	161,875,212	-	-	161,875,212
Financial liabilities:				
Trade and other payables	110,581,029	-	-	110,581,029
Derivative liabilities	-	222,159	-	222,159
Loans and borrowings	383,981,520	22,924,130	-	406,905,650
Lease liabilities	2,038,845	1,805,244	-	3,844,089
Total undiscounted financial liabilities	496,601,394	24,951,533	-	521,552,927



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 April 2024

## 31. Financial risk management objectives and policies (Cont'd)

### (b) Liquidity risk (Cont'd)

#### Analysis of financial instruments by remaining contractual maturities (Cont'd)

	2024		
	On demand or within 1 year RM	1 to 5 years RM	Total RM
<b>Company</b>			
Financial assets:			
Trade and other receivables	2,122,500	110,146,148	112,268,648
Cash and bank balances	1,296,374	-	1,296,374
Total undiscounted financial assets	3,418,874	110,146,148	113,565,022
Financial liabilities:			
Trade and other payables	1,597,796	-	1,597,796
Total undiscounted financial liabilities	1,597,796	-	1,597,796
	2023		
	On demand or within 1 year RM	1 to 5 years RM	Total RM
<b>Company</b>			
Financial assets:			
Trade and other receivables	1,569,445	106,776,397	108,345,842
Cash and bank balances	1,645,137	-	1,645,137
Total undiscounted financial assets	3,214,582	106,776,397	109,990,979
Financial liabilities:			
Trade and other payables	1,998,326	-	1,998,326
Lease liabilities	124,800	-	124,800
Total undiscounted financial liabilities	2,123,126	-	2,123,126



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 April 2024

## 31. Financial risk management objectives and policies (Cont'd)

### (c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's and the Company's financial instruments will fluctuate because of changes in market interest rates.

The Group's exposure to interest rate risk arises primarily from its loans and borrowings while the Company's interest rate risk arises primarily from its intercompany receivables. Loans and borrowings and intercompany receivables charged at floating rates expose the Group and the Company to cash flow interest rate risk.

#### Sensitivity analysis for interest rate risk

At the reporting date, if interest rates had been 50 (2023: 50) basis point higher/(lower), with all other variables held constant, the Group's loss net of tax and the Company's profit net of tax would have been RM202,213 (2023: RM230,870) (higher)/lower and RM418,555 (2023: RM405,750) higher/(lower) respectively.

The table below demonstrates the sensitivity to a reasonably possible change in interest rates with all other variables held constant, of the Group's and the Company's profit net of tax (through the impact on interest expense from floating rate loans and borrowings) and of the Company's profit net of tax (through the impact on interest income from floating rate advances to certain subsidiaries).

2024	Increase/ (Decrease) in basis point	Group Effect on loss net of tax RM	Company Effect on profit net of tax RM
- Ringgit Malaysia	+50	(202,213)	418,555
- Ringgit Malaysia	-50	202,213	(418,555)
<b>2023</b>			
- Ringgit Malaysia	+50	(230,870)	405,750
- Ringgit Malaysia	-50	230,870	(405,750)

### (d) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Group has transactional currency exposures arising from sales or purchases that are denominated in a currency other than the respective functional currencies of the Group entities, primarily RM, Singapore Dollar ("SGD"), Vietnamese Dong ("VND") and Thai Baht ("THB"). The foreign currency in which these transactions are denominated is mainly United States Dollar ("USD").

Approximately 27% (2023: 27%) of the Group's sales are denominated in foreign currency whilst almost 23% (2023: 32%) of the Group's costs is denominated in the foreign currency. The Group's trade receivable and trade payable balances at the reporting date have similar exposures.

The Group also holds cash and cash equivalents denominated in foreign currencies for working capital purposes. At the reporting date, such foreign currency balances amounted to RM28,030,697 (2023: RM23,368,225) for the Group.



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 April 2024

## 31. Financial risk management objectives and policies (Cont'd)

### (d) Foreign currency risk (Cont'd)

The Group uses forward currency contracts to mitigate the currency exposures on any firm commitment for sales or borrowings.

During the year ended 30 April 2024, the Group have not hedged any (2023: 0%) of its foreign currencies denominated sales.

#### Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity of the Group's loss net of tax and Company's profit net of tax to a reasonably possible change in the various exchange rates against the respective functional currencies of the Group entities, with all other variables held constant.

<b>2024</b>	<b>(Increase)/ Decrease Group Loss net of tax RM</b>	<b>Increase/ (Decrease) Company Profit net of tax RM</b>
EUR/MYR - strengthened 5%	<b>(198,823)</b>	-
- weakened 5%	<b>198,823</b>	-
GBP/MYR - strengthened 5%	<b>(6,860)</b>	-
- weakened 5%	<b>6,860</b>	-
JPY/MYR - strengthened 5%	<b>(173)</b>	-
- weakened 5%	<b>173</b>	-
RMB/MYR - strengthened 5%	<b>(252,628)</b>	-
- weakened 5%	<b>252,628</b>	-
THB/MYR - strengthened 5%	<b>1,282,301</b>	-
- weakened 5%	<b>(1,282,301)</b>	-
USD/MYR - strengthened 5%	<b>(4,510,873)</b>	<b>1,404</b>
- weakened 5%	<b>4,510,873</b>	<b>(1,404)</b>
SGD/MYR - strengthened 5%	<b>3,593,390</b>	<b>15,087</b>
- weakened 5%	<b>(3,593,390)</b>	<b>(15,087)</b>
USD/SGD - strengthened 5%	<b>(692,843)</b>	-
- weakened 5%	<b>692,843</b>	-



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 April 2024

## 31. Financial risk management objectives and policies (Cont'd)

### (d) Foreign currency risk (Cont'd)

Sensitivity analysis for foreign currency risk (Cont'd)

<b>2023</b>	<b>(Increase)/ Decrease Group Loss net of tax RM</b>	<b>Increase/ (Decrease) Company Profit net of tax RM</b>
AUD/MYR - strengthened 5%	(48)	-
- weakened 5%	48	-
EUR/MYR - strengthened 5%	(169,476)	-
- weakened 5%	169,476	-
GBP/MYR - strengthened 5%	(3,768)	-
- weakened 5%	3,768	-
JPY/MYR - strengthened 5%	(425)	-
- weakened 5%	425	-
RMB/MYR - strengthened 5%	(72,024)	-
- weakened 5%	72,024	-
THB/MYR - strengthened 5%	1,575,302	-
- weakened 5%	(1,575,302)	-
USD/MYR - strengthened 5%	(7,109,153)	9,089
- weakened 5%	7,109,153	(9,089)
SGD/MYR - strengthened 5%	3,297,917	14,535
- weakened 5%	(3,297,917)	(14,535)
USD/SGD - strengthened 5%	(1,325,909)	-
- weakened 5%	1,325,909	-

## 32. Capital management

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating, interest coverage ratio and healthy capital ratios in order to support its business and maximise shareholders' value.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To manage or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the financial years ended 30 April 2024 and 2023.

The Group monitors capital using net gearing ratio, which is net debt divided by total capital plus net debt. The Group's policy is to keep the Group's net gearing ratio at a level deemed appropriate considering business, economic and investment conditions.



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 April 2024

## 32. Capital management (Cont'd)

	Group	
	2024 RM	2023 RM
Loans and borrowings (Note 19)	<b>333,449,746</b>	397,396,481
Less: Cash and bank balances (Note 18)	<b>(55,626,433)</b>	(44,135,167)
Net debt	<b>277,823,313</b>	353,261,314
Equity attributable to owners of the parent, representing capital	<b>505,153,009</b>	510,370,179
<b>Capital and net debt</b>	<b>782,976,322</b>	863,631,493
<b>Net gearing ratio</b>	<b>35%</b>	41%

## 33. Segmental information

(a) Product segments:

The operations of the Group mainly consist of the manufacturing of two main products, which are:

- i. Tissue paper products such as toilet rolls, tissues and serviettes; and
- ii. Personal care products such as sanitary products, baby diapers, adult diapers, cotton products and wet tissue.

2024	Tissue paper RM	Personal care RM	Elimination RM	Consolidated RM
<b>Revenue</b>				
Revenue from external customers	<b>614,551,306</b>	<b>290,956,440</b>	-	<b>905,507,746</b>
Inter-segment	<b>10,468,317</b>	<b>8,294,901</b>	<b>(18,763,218)</b>	-
Total revenue				<b>905,507,746</b>
<b>Results</b>				
Segment results	<b>(7,744,020)</b>	<b>32,899,979</b>	-	<b>25,155,959</b>
Interest income				<b>475,104</b>
Operating profit				<b>25,631,063</b>
Finance costs				<b>(18,807,957)</b>
Profit before tax				<b>6,823,106</b>
Income tax expense				<b>(14,716,468)</b>
Profit net of tax				<b>(7,893,362)</b>



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 April 2024

## 33. Segmental information (Cont'd)

(a) Product segments: (Cont'd)

2024	Tissue paper RM	Personal care RM	Elimination RM	Consolidated RM
<b>Assets and liabilities</b>				
Segment assets	861,741,458	143,285,909	-	1,005,027,367
Unallocated assets:				
Deferred tax assets				2,584,717
Tax assets				12,351,768
Consolidated total assets				<u>1,019,963,852</u>
Segment liabilities	110,721,522	39,842,778	-	150,564,300
Unallocated liabilities:				
Loans and borrowings				333,449,746
Tax liabilities				2,977,503
Deferred tax liabilities				27,819,294
Consolidated total liabilities				<u>514,810,843</u>
<b>Other information</b>				
Additions to non-current assets	22,604,582	4,545,397	-	27,149,979
Depreciation	44,048,472	7,980,138	-	52,028,610
Non-cash expenses other than depreciation and amortisation	10,733,569	700,848	-	11,434,417
<b>2023</b>				
<b>Revenue</b>				
Revenue from external customers	619,000,610	249,288,314	-	868,288,924
Inter-segment	8,384,772	9,736,350	(18,121,122)	-
Total revenue				<u>868,288,924</u>
<b>Results</b>				
Segment results	(12,352,952)	26,871,448	-	14,518,496
Interest income				303,280
Operating profit				14,821,776
Finance costs				(14,648,162)
Profit before tax				173,614
Income tax expense				(6,055,025)
Profit net of tax				<u>(5,881,411)</u>





# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 April 2024

## 33. Segmental information (Cont'd)

(a) Product segments: (Cont'd)

2023	Tissue paper RM	Personal care RM	Elimination RM	Consolidated RM
<b>Assets and liabilities</b>				
Segment assets	922,132,602	142,432,563	-	1,064,565,165
Unallocated assets:				
Deferred tax assets				2,142,205
Tax assets				14,890,122
Consolidated total assets				<u>1,081,597,492</u>
Segment liabilities				
Unallocated liabilities:	97,853,457	53,478,868	-	151,332,325
Loans and borrowings				397,396,481
Tax liabilities				336,968
Deferred tax liabilities				22,161,539
Consolidated total liabilities				<u>571,227,313</u>
<b>Other information</b>				
Additions to non-current assets	18,066,926	3,192,761	-	21,259,687
Depreciation	43,460,080	8,637,449	-	52,097,529
Non-cash expenses other than depreciation and amortisation	(1,325,803)	(678,433)	-	(2,004,236)



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 April 2024

## 33. Segmental information (Cont'd)

(b) Geographical segments:

The Group's operations are mainly located in Malaysia, except those of the subsidiaries in Singapore, Thailand and Vietnam. The customers for the manufacturing businesses are located worldwide, namely in Singapore and other countries such as Hong Kong, Brunei, the Philippines, USA, Australia and New Zealand.

	Total revenue from external customers		Segment assets		Additions to non-current assets	
	2024 RM	2023 RM	2024 RM	2023 RM	2024 RM	2023 RM
Malaysia	659,976,474	624,714,958	778,024,886	789,615,307	20,591,787	12,007,458
Singapore	94,941,266	86,889,204	24,924,796	22,188,660	2,466,922	458,735
Thailand	46,969,808	43,773,802	15,747,507	16,654,058	67,455	375,395
Vietnam	71,284,710	69,934,258	186,330,178	236,107,140	4,023,815	8,418,099
Others *	32,335,488	42,976,702	-	-	-	-
Consolidated	905,507,746	868,288,924	1,005,027,367	1,064,565,165	27,149,979	21,259,687

\* Others mainly refer to countries such as New Zealand, Australia, Brunei, India, Mauritius, Papua New Guinea and other countries in Africa, South Asia and Southeast Asia.

### Information about major customers

Revenue from 10 (2023: 10) major customers amounting to RM270,164,728 (2023: RM253,021,192) arose from sales made to the tissue paper and personal care segment.

## 34. Comparatives

Certain comparative figures have been reclassified to conform with current year's presentation as set out below:

	2023 (as previously stated) RM	Adjustments RM	2023 (as restated) RM
<b>Statements of financial position</b>			
<b>Group</b>			
<b>Current liabilities</b>			
Derivative liabilities	222,159	(222,159)	-
<b>Non-current liabilities</b>			
Derivative liabilities	-	222,159	222,159

## 35. Authorisation of financial statements for issue

The financial statements for the year ended 30 April 2024 were authorised for issue in accordance with a resolution of the directors on 23 August 2024.



# LIST OF PROPERTIES

Location/ Address	Description of property/ Existing use	Land/ Built-up Area (Sq.m.)	Approximate Age of Building (Year)	Tenure	Registered Owner	NBV 30.4.2024 RM	Date of Valuation
1 Lot 109, Lot 609, Lot 808, Lot 811, Lot 1126, Lot 1127, Lot 1129, Lot 1131, Lot 1132, Lot 1133, Lot 1136, Lot 1139, Lot 810, Lot 958, Lot 959, Lot 1138, Lot 1140, Lot 1143 Mukim 8, Seberang Perai Selatan, Penang.	All the Lots are utilised as paper mill and paper related manufacturing factory with exception of Lot 1127, Lot 1132, Lot 1140, Lot 958, Lot 959, Lot 1143 & Lot 810 which are currently vacant.  The entire factory is located at No. 886, Jalan Bandar Baru, Sungai Kecil, 14300 Nibong Tebal.	260,356/ 108,727	Between 1 to 44	Freehold industrial land	NTPM	128,026,561	30.4.2024
2 Lot 642, Grant No. 2263, Mukim 8, Seberang Perai Selatan, Penang.	A parcel of agricultural land.	52,102	-	Freehold agricultural land	NTPM	3,413,838	30.4.2024
3 Lot 5787, Pajakan Negeri No 41687, Mukim of Parit Buntar, District of Krian, Perak.	A factory complex with a gross built-up area of 3,100 sq.m located at P.t. No 139, Kawasan Perusahaan Parit Buntar, which presently is utilised as wet wipe manufacturing plant.	4,165/ 3,294	Between 1 to 27	Leasehold industrial land for a term of 60 years expiring on 22.10.2047	NTPM	1,798,969	30.4.2024
4 Lot 6292, Lot 6293, Lot 6294 & Lot 6295 Mukim 7, and Lot 794, G.M.277, Mukim 8, Seberang Perai Selatan, Penang.	Lot 6293 & Lot 6295 - vehicle workshop building. Lot 794 - pump house.  Lot 6292 & Lot 6294 are utilised as sanitary napkin and cotton products manufacturing plant.	69,456/ 27,999	Between 3 to 21	Freehold industrial land except for Lot 794 which is a freehold agricultural land	NTPM	39,000,000	30.4.2024



# LIST OF PROPERTIES

	<b>Location/ Address</b>	<b>Description of property/ Existing use</b>	<b>Land/ Built-up Area (Sq.m.)</b>	<b>Approximate Age of Building (Year)</b>	<b>Tenure</b>	<b>Registered Owner</b>	<b>NBV 30.4.2024 RM</b>	<b>Date of Valuation</b>
5	H.S.(D) 224308 PTD No. 41665 Senai-Kulai, Johor Bahru, Johor.	An office and warehouse complex.	4,390/ 1,955	20	Freehold land	NTPM	4,050,000	30.4.2024
6	No 5, Jalan Tiang U8/93, Bukit Jelutong Industrial Park, Shah Alam, Selangor.	An office and warehouse complex.	10,119/ 6,004	Between 13 to 18	Freehold industrial land	NTPM	28,800,000	30.4.2024
7	Lot No 784, G.M. 267, Lot No 786, G.M. 269, Lot No 787, G.M. 270, Lot No 788, G.M. 271, Lot No 789, G.M. 273, Lot No 790, G.M. 274, Lot No 799, G.M. 279, Lot No 800, G.M. 280, Lot No 960, G.M. 504, Lot No 812, G.M. 287, Mukim 8, Seberang Perai Selatan, Penang.	Vacant agriculture land except for the following:  Lot 784, Lot 786, Lot 787, Lot 788 & Lot 960 which are utilised as open storage yard for waste paper and material feed for boiler.	116,529/ 1212	9	Freehold land	NTPM	12,073,440	30.4.2024
8	Lot 7278, Pajakan Negeri, Mukim Parit Buntar, Daerah Kerian, Perak	A personal care manufacturing factory, office & warehouse factory located at P.t. No 3688, Jln Perusahaan 3, Kawasan Perindustrian Parit Buntar, 34200 Parit Buntar.	16,192/ 11,954	Between 14 to 15	Leasehold industrial land or a term of 60 years expiring on 1.6.2050	NTPC	5,290,409	30.4.2024
9	Lot 192, G.M. 423, Mukim Senai, Kulaijaya, Johor	Vacant industrial land.	21,094	-	Freehold land	NTPM	8,600,000	30.4.2024



# LIST OF PROPERTIES

Location/ Address	Description of property/ Existing use	Land/ Built-up Area (Sq.m.)	Approximate Age of Building (Year)	Tenure	Registered Owner	NBV 30.4.2024 RM	Date of Valuation
10 Lot 8389, Pajakan Negeri No. Hakmilik 49664, Lot 8390, Pajakan Negeri No. Hakmilik 49659, Lot 8391, Pajakan Negeri No. Hakmilik 49656, Mukim Krubong, Daerah Melaka Tengah, Melaka.	An office and warehouse complex.	6,354/ 4,315	12	Leasehold industrial land for a term of 99 years expiring on 24.11.2107	NTPM	6,787,196	30.4.2024
11 Lot 3A, Industrial Zone 7 (IZ 7) CL015582153, Kota Kinabalu Industrial Park (KKIP), Kota Kinabalu, Sabah.	Tissue converting plant and warehouse.	19,870/ 8,665	8	Leasehold industrial land for a term of 98 years expiring in 31.12.2096	NTPM	18,664,465	30.4.2024
12 Lot 148, 149, 150, 160, 161 & 162 VSIP IIA, Tan Uyen Town Binh Duong Province, Vietnam.	Paper Mill manufacturing factory and warehouse.	100,095/ 44,029	1 to 9	Leasehold industrial land for a term of 45 years expiring in 19.3.2058	NVCL	63,813,370	30.4.2024
13 HS(D) 18622 PT 6543, Mukim Sungai Karang, District Of Kuantan, State Of Pahang	Vacant industrial land.	11,768	-	Freehold land	NTPM	3,600,000	30.4.2024
14 Lot No.523, Mukim 8, Daerah Seberang Perai Selatan, Pulau Pinang	Vacant development land	4,225	-	Freehold land	NTPM	1,300,000	30.4.2024
15 Lot No. 498, 540, 806. Mukim 8, Daerah Seberang Perai Selatan Pulau Pinang	Vacant development land	18,742	-	Freehold land	NTPM	5,440,000	30.4.2024
						330,658,248	

Note: \* date of acquisition



# ANALYSIS OF SHAREHOLDINGS

AS AT 31 JULY 2024

Issued Shares : 1,123,200,000 Ordinary Shares  
 Class of Equity Securities : Ordinary Shares ("Share(s)")  
 Voting Rights : One (1) vote per Share

## DISTRIBUTION SCHEDULE OF SHAREHOLDERS

No. of Holders	Size of Shareholdings	No. of Shareholdings	%#
56	Less than 100	1,882	*
539	100 - 1,000	328,147	0.03
2,797	1,001 - 10,000	16,066,839	1.43
2,075	10,001 to 100,000	72,363,339	6.44
449	100,001 to less than 5% of issued shares	343,972,511	30.63
3	5% and above of issued shares	690,307,282	61.47
<b>5,919</b>		<b>1,123,040,000</b>	<b>100.00</b>

# Excluding 160,000 Shares which are currently held as treasury shares.

\* Negligible

## 30 LARGEST SECURITIES ACCOUNT HOLDERS BASED ON RECORD OF DEPOSITORS

(without aggregating the securities from different securities accounts belonging to the same person)

No.	Name	No. of Shares held	%#
1	LEE SEE JIN	331,835,349	29.55
2	CGS-CIMB NOMINEES (ASING) SDN BHD PREMIER INVESTMENT LIMITED	251,760,736	22.42
3	LEE CHONG CHOON	106,711,197	9.50
4	CGS-CIMB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LEE CHONG CHOON	25,400,000	2.26
5	WU, KUN-CHIN	25,306,800	2.25
6	MDCON HOLDINGS SDN BHD	15,480,500	1.38
7	NG INN BEO	13,449,421	1.20
8	HSBC NOMINEES (ASING) SDN BHD TNTC FOR APOLLO ASIA FUND LTD.	12,245,500	1.09
9	TAN KIA SIEW	12,000,000	1.07
10	TAN KIA CHUAN	9,398,000	0.84
11	SUSY DING	8,379,300	0.75
12	OOI YAN HUA	6,129,945	0.55
13	HENG KIM NAM SDN. BHD.	5,000,000	0.45
14	CITIGROUP NOMINEES (TEMPATAN) SDN BHD KUMPULAN WANG PERSARAAN (DIPERBADANKAN) (KENANGA)	4,656,200	0.41
15	RHB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR WONG YEE HUI	4,350,000	0.39



# ANALYSIS OF SHAREHOLDINGS

AS AT 31 JULY 2024

## 30 LARGEST SECURITIES ACCOUNT HOLDERS BASED ON RECORD OF DEPOSITORS (Cont'd)

(without aggregating the securities from different securities accounts belonging to the same person)

No.	Name	No. of Shares held	%#
16	LLSB 1980 HOLDINGS SDN BHD	4,033,000	0.36
17	NG LAY TUAN	3,790,301	0.34
18	TEOH TEIK JIN	3,748,500	0.33
19	NG LAY SIN	3,737,084	0.33
20	NG CHONG KEE	3,260,000	0.29
21	LEE DAY HOON	3,237,334	0.29
22	OOI INN LOON	3,044,027	0.27
23	OOI KAR GUN	3,040,525	0.27
24	OOI KAH KENG	3,008,025	0.27
25	HENG KIM NAM	3,000,000	0.27
26	OOI TIN PHOCK	2,969,025	0.26
27	OOI INN TOON	2,930,225	0.26
28	OOI AH NEE	2,864,025	0.26
29	KHOO CHEE HIONG	2,741,900	0.24
30	RHB CAPITAL NOMINEES (TEMPATAN) SDN BHD PLEGDED SECURITIES ACCOUNT FOR SUSY DING	2,400,000	0.21

## DIRECTORS' SHAREHOLDINGS BASED ON THE REGISTER OF DIRECTORS' SHAREHOLDINGS

Name of Directors	No of Shares held				Note
	Direct	%#	Indirect	%#	
Lee See Jin	331,835,349	29.55	138,421,142	12.33	a
Lee Chong Choon	132,111,197	11.76	-	-	
Tan Choon Thye	-	-	353,700	0.03	b
Dato' Dr. Juita Binti Ghazalie	-	-	-	-	
Chang Hui Yui	100,000	0.01	-	-	
Nishant Grover	-	-	-	-	

# Excluding 160,000 Shares which are currently held as treasury shares.

Notes:

- Deemed interests through his spouse and children pursuant to Section 59 of the Companies Act, 2016 ("Act").
- Deemed interests through his spouse pursuant to Section 59 of the Act.



# ANALYSIS OF SHAREHOLDINGS

AS AT 31 JULY 2024

## SUBSTANTIAL SHAREHOLDERS BASED ON REGISTER OF SUBSTANTIAL SHAREHOLDERS

(excluding those who are bare trustee pursuant to Section 130 of the Companies Act, 2016)

Name of Substantial Shareholders	No. of Shares held				Note
	Direct	%#	Indirect	%#	
Lee See Jin	331,835,349	29.55	138,421,142	12.33	a
Lee Chong Choon	132,111,197	11.76	-	-	-
Premier Investment Limited	251,760,736	22.42	-	-	-
Oei Tjie Goan	-	-	251,760,736	22.42	b
Scotsdale Holding Limited	-	-	251,760,736	22.42	b
Titan (MY) Sdn Bhd	-	-	251,760,736	22.42	b
PT Purinusa Ekapersada	-	-	251,760,736	22.42	b
PT Pindo Deli Pulp and Paper Mills	-	-	251,760,736	22.42	b

# Excluding 160,000 Shares which are currently held as treasury shares.

Notes:

- Deemed interests through his spouse and children pursuant to Section 59 of the Act.
- Deemed interests through his/its shareholdings in Premier Investment Limited by virtue of Section 8 of the Act.

## INTERESTS IN THE RELATED CORPORATION

Mr. Lee See Jin, by virtue of his interest in Shares in the Company, is deemed interested in shares of all the Company's related corporations to the extent that the Company has an interest.

Save as disclosed above, none of the other Directors in office has any interest in shares in the Company's related corporations as at 31 July 2024.





# NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT** the Twenty-Eighth ("28<sup>th</sup>") Annual General Meeting ("AGM") of NTPM Holdings Berhad ("the Company") will be held at Bukit Jawi Golf Resort, 691, Main Road, Sungai Bakap, 14200 Seberang Perai Selatan, Pulau Pinang on Thursday, 26 September 2024 at 9.30 a.m. for the following purposes:

## AGENDA

### AS ORDINARY BUSINESS: -

1. To receive the Audited Financial Statements for the financial year ended 30 April 2024 together with the Reports of the Directors and Auditors thereon. *(Please refer to Explanatory Note 1)*
2. To re-elect the following Directors who are retiring by rotation pursuant to Regulation 136 of the Constitution of the Company ("Constitution") and being eligible, have offered themselves for re-election:
  - (i) Mr. Lee See Jin; and
  - (ii) Dato' Dr. Juita binti Ghazalie.**Resolution 1**  
**Resolution 2**
3. To approve the payment of Directors' fees amounting to RM360,000 for the financial year ended 30 April 2024. **Resolution 3**
4. To approve the payment of Directors' benefits (excluding Directors' fees) to the Directors of the Company up to an amount of RM50,000 for the period from 27 September 2024 until the next AGM to be held in year 2025. **Resolution 4**
5. To re-appoint Messrs. Ernst & Young PLT as Auditors of the Company until the conclusion of the next AGM and to authorise the Directors to fix their remuneration. **Resolution 5**
6. To transact any other business of which due notice shall have been given in accordance with the Companies Act, 2016 and the Company's Constitution.

### AS SPECIAL BUSINESS: -

7. To consider and if thought fit, with or without any modification, to pass the following resolutions which will be proposed as Ordinary Resolutions: -
  - 7.1 **Ordinary Resolution: -**  
**Proposed Renewal of Existing Shareholders' Mandate for existing Recurrent Related Party Transactions ("RRPT(s)") of a Revenue or Trading Nature and Proposed New Shareholders' Mandate for new RRPTs ("Proposed Shareholders' Mandate")** **Resolution 6**

"THAT subject to the Companies Act, 2016 (the "Act"), the Company's Constitution, the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities") and the approvals of all relevant governmental and/or regulatory authorities (if any), approval be and is hereby given to the Company and/or its subsidiaries (collectively the "Group") to enter into and give effect to the recurrent related party transactions of a revenue or trading nature with the related parties as specified in Section 2.4 of the Circular to Shareholders dated 28 August 2024, which are necessary for the Group's day-to-day operations are undertaken in the ordinary course of business, at arm's length basis, on normal commercial terms and transaction prices which are not more favourable to the related parties than those generally available to the public and not detrimental to the minority shareholders of the Company.



# NOTICE OF ANNUAL GENERAL MEETING

7. To consider and if thought fit, with or without any modification, to pass the following resolutions which will be proposed as Ordinary Resolutions: - (Cont'd)

## 7.1 Ordinary Resolution: -

### **Proposed Renewal of Existing Shareholders' Mandate for existing Recurrent Related Party Transactions ("RRPT(s)") of a Revenue or Trading Nature and Proposed New Shareholders' Mandate for new RRPTs ("Proposed Shareholders' Mandate") (Cont'd)**

THAT the mandate given by the shareholders of the Company shall only continue to be in force until:

- (a) the conclusion of the next Annual General Meeting ("AGM") of the Company following this AGM at which such resolution is passed at which time it will lapse unless by an ordinary resolution passed at that next AGM, the authority is renewed, either unconditionally or subject to conditions; or
- (b) the expiration of the period within which the next AGM after that date is required by law to be held pursuant to Section 340(2) of the Act (but must not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- (c) revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting,

whichever occurs first;

AND THAT authority be and is hereby given to the Board to do all such acts, deeds and things thereafter in accordance with the Act, the provisions of the Constitution of the Company and the requirements and/or guidelines of Bursa Securities and other relevant governmental and/or regulatory authorities to effect the Proposed Shareholders' Mandate."

## 7.2 Ordinary Resolution: -

### **Proposed Renewal of Share Buy-Back Authority**

### **Resolution 7**

"THAT subject to the Companies Act, 2016 (the "Act"), the Company's Constitution, the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities") and the approvals of all relevant governmental and/or regulatory authorities (if any), the Board of Directors of the Company ("Board") be and are hereby authorised, to the fullest extent permitted by law, to purchase such number of ordinary shares in the Company ("Proposed Share Buy-Back") from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit and expedient in the best interest of the Company provided that:

- (a) the aggregate number of ordinary shares to be purchased pursuant to this resolution shall not exceed ten percentum (10%) of the total number of issued shares of the Company; and
- (b) the maximum amount of funds to be utilised for the purpose of the Proposed Share Buy-Back shall not exceed the aggregate retained earnings of the Company based on its Audited Financial Statements for the year ended 30 April 2024 of RM21,416,981;



# NOTICE OF ANNUAL GENERAL MEETING

7. To consider and if thought fit, with or without any modification, to pass the following resolutions which will be proposed as Ordinary Resolutions: - (Cont'd)

**7.2 Ordinary Resolution: -  
Proposed Renewal of Share Buy-Back Authority (Cont'd)**

THAT such authority shall commence immediately upon passing of this resolution until:

- (a) the conclusion of the next Annual General Meeting ("AGM") of the Company following this AGM at which such resolution is passed at which time it will lapse unless by an ordinary resolution passed at that next AGM, the authority is renewed, either unconditionally or subject to conditions; or
- (b) the expiration of the period within which the next AGM after that date is required by law to be held; or
- (c) The authority is revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting,

whichever occurs first.

AND THAT the Board be and is hereby authorised to take such steps to give full effect to the Proposed Share Buy-Back with full power to assent to any condition, modification, variation and/or amendment as may be imposed by the relevant authorities and/or to do all such acts and things as the Board may deem fit and expedient in the best interest of the Company."

By Order of the Board,

**YEOW SZE MIN** (SSM PC No. 201908003120) (MAICSA 7065735)  
**LOW SEOW WEI** (SSM PC No. 202008000437) (MAICSA 7053500)  
Company Secretaries

Penang  
28 August 2024

**NOTES: -**

**1. Appointment of Proxy and/or Authorised Representatives**

- (i) In respect of deposited securities, only members whose names appear on the Record of Depositors as at **17 September 2024** (General Meeting Record of Depositors) shall be eligible to attend, speak and vote at the 28<sup>th</sup> AGM.
- (ii) A member entitled to attend and vote at the 28<sup>th</sup> AGM is entitled to appoint up to two (2) proxies to attend and vote in his or her stead. Where a member appoints two (2) proxies, the appointments shall be invalid unless he/she specifies the proportion of his/her shareholdings to be represented by each proxy.
- (iii) A proxy may but need not be a member of the Company. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend the meeting shall have the same rights as the member to speak and vote at the meeting.
- (iv) In the case of a corporate member, the instrument appointing a proxy must be either under its common seal or under the hand of its officer or attorney duly authorised.
- (v) Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991, it may appoint at least one (1) proxy but not more than two (2) proxies in respect of each Securities Account it holds with ordinary shares of the Company standing to the credit of the said Securities Account. The appointment of two (2) proxies in respect of any particular Securities Account shall be invalid unless the authorised nominee specifies the proportion of its shareholding to be represented by each proxy.



# NOTICE OF ANNUAL GENERAL MEETING

## NOTES: - (Cont'd)

### 1. Appointment of Proxy and/or Authorised Representatives (Cont'd)

- (vi) Where a member of the Company is an Exempt Authorised Nominee ("EAN") which holds ordinary shares in the Company for multiple beneficial owners in one (1) Securities Account ("Omnibus Account"), there shall be no limit to the number of proxies which the EAN may appoint in respect of each Omnibus Account it holds. Where an EAN appoints more than one (1) proxy in respect of each Omnibus Account, the appointment shall be invalid unless EAN specifies the proportion of its shareholding to be represented by each proxy.
- (vii) The instrument appointing a proxy and the power of attorney or other authority (if any), under which it is signed or a duly notarised certified copy of that power or authority, shall be deposited at the Registered Office of the Company at Suite 18.05, MWE Plaza, No. 8, Lebu Farquhar, 10200 George Town, Pulau Pinang not less than forty-eight (48) hours before the time appointed for holding the meeting or at any adjournment thereof.

### 2. Poll Voting

Pursuant to Paragraph 8.29A(1) of the MMLR of Bursa Securities, all resolutions set out in this notice will be put to vote by way of a poll.

## EXPLANATORY NOTES

### 1. Audited Financial Statements for the financial year ended 30 April 2024

This Agenda item is meant for discussion only, as the provision of Section 340(1)(a) of the Act does not require formal approval for the Audited Financial Statements from the shareholders and hence, Agenda 1 is not put forward for voting.

### 2. Resolutions 1 and 2: Re-election of Directors

Regulation 136 of the Constitution states that one-third (1/3) of the Directors shall retire from office and shall be eligible for re-election at each AGM. All Directors shall retire from office at least once in each three (3) years but shall be eligible for re-election.

Mr. Lee See Jin and Dato' Dr. Juita binti Ghazalie, who retire in accordance with Regulation 136 of the Constitution (collectively referred to as "Retiring Directors"), being eligible, have offered themselves for re-election. The profile of the Retiring Directors are stated on pages 13 and 14 of the Annual Report 2024 of the Company.

For the purpose of determining the eligibility of the Retiring Directors to stand for re-election at the 28<sup>th</sup> AGM, the Nominating Committee ("NC") has reviewed and assessed each of the Retiring Directors from the annual assessment of the Board for the FY2024 and Directors' Fit and Proper Policy of the Company.

The NC had recommended the re-election of Retiring Directors to the Board based on the following consideration: -

- (i) satisfactory performance and met Board's expectations in discharging their duties and responsibilities;
- (ii) met the criteria of character, experience, integrity, competence and time commitment in discharging their roles as directors of the Company;
- (iii) level of independence demonstrated by the Independent Director; and
- (iv) their ability to act in the best interest of the Company in decision-making.

The Board endorsed the recommendation of the NC on the re-election of the Retiring Directors. All the Retiring Directors have consented to their re-election and have abstained from deliberations and decisions on their eligibility to stand for re-election at the relevant NC and Board meetings.



# NOTICE OF ANNUAL GENERAL MEETING

## EXPLANATORY NOTES (Cont'd)

### 3. Resolutions 3 and 4: Payment of Directors' fees and benefits made payable to the Directors

Section 230(1) of the Act provides amongst others, that the fees of the Directors and any benefits payable to the Directors of a listed company and its subsidiaries shall be approved at a general meeting.

Pursuant thereto, shareholders' approval will be sought at this 28<sup>th</sup> AGM for the following resolutions in relation to the fees and benefits to be made payable to the Directors: -

#### 3.1 Ordinary Resolution 3 on the proposed Directors' fees of RM360,000 in respect of the financial year ended 30 April 2024

The Directors are entitled to annual Directors' fees. The proposed Directors' fees for all the Directors of the Company are maintained at RM60,000 per annum for each Director of the Company.

#### 3.2 Ordinary Resolution 4 on the payment of Directors' benefits (excluding Directors' fees) to the Directors of the Company up to an amount of RM50,000 for the period from 27 September 2024 until the next AGM of the Company to be held in year 2025

Ordinary Resolution 4 on the payment of Directors' benefits (excluding Directors' fees) to the Directors of the Company pursuant to Section 230(1)(b) of the Act has been reviewed by the Board of Directors of the Company, which recognises that the Directors' benefit payable is in the best interest of the Company for the period from 27 September 2024 until the next AGM of the Company to be held in year 2025. The Directors' benefits comprise Directors and Officers Liabilities Insurance and the meeting allowance, which will only be accorded based on actual attendance of meetings by the Directors.

In the event that the proposed Directors' fees and benefits payable to Directors are insufficient due to the enlarged size of the Board, approval will be sought at the next AGM for additional Directors' fees and benefits to meet the shortfall.

### 4. Resolution 5 – Re-appointment of Auditors

The current auditors, Messrs. Ernst & Young PLT has expressed their willingness to continue in office.

The Audit Committee ("AC") and the Board have assessed the suitability and independence of the existing auditors and are satisfied with the performance, competency, audit approach and independence of Messrs. Ernst & Young PLT and collectively agreed that they have met the relevant criteria prescribed by Paragraph 15.21 of MMLR of Bursa Securities.

The Board endorsed AC's recommendation and seek shareholders' approval to re-appoint Messrs. Ernst & Young PLT as external auditors of the Company until the conclusion of the next AGM and to authorise the Directors to fix their remuneration.

### 5. Resolution 6 – Proposed Shareholders' Mandate

The proposed Ordinary Resolution 6, if approved by shareholders, will enable the Group to enter into recurrent related party transactions of a revenue or trading nature involving interests of related parties, which are necessary for its day-to-day operations and undertaken at arm's length, subject to the transactions being carried out in the ordinary course of business and terms not more favorable to the related parties than those generally available to the public are not detrimental to minority shareholders of the Company.

This approval shall continue to be in force until the conclusion of the next AGM of the Company at which time it will lapse unless the authority is renewed by a resolution passed at the meeting; or the expiration of the period within which the next AGM after the date it is required to be held pursuant to Section 340(2) of the Act (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or revoked/varied by resolutions passed by the shareholders of the Company in general meeting; whichever is the earlier.

Please refer to the Circular to Shareholders in relation to the Proposed Shareholders' Mandate for further information.



# NOTICE OF ANNUAL GENERAL MEETING

## **EXPLANATORY NOTES (Cont'd)**

### **6. Resolution 7 – Proposed Renewal of Share Buy-Back Authority**

The proposed adoption of Ordinary Resolution 7 is to renew the authority granted by the shareholders of the Company at the 27<sup>th</sup> AGM of the Company held on 25 September 2023.

The Proposed Renewal of Share Buy-Back Authority, if approved by shareholders, will empower the Directors to buy back and/or hold up to a maximum of 10% of the total number of issued shares of the Company at the time of purchase by utilising the funds allocated which shall not exceed the Company's retained earnings based on the latest audited financial statements for the financial year ended 30 April 2024. This authority, unless revoked or varied by the Company in a general meeting, will expire at the conclusion of the next AGM of the Company, or the expiration of the period within which the next AGM is required by law to be held, whichever is earlier.

Please refer to Statement to Shareholders in relation to the Proposed Renewal of Share Buy-Back Authority for further information.

#### **Personal data privacy:**

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company: -

- (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes");
- (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes; and
- (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.



# STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

*(Pursuant to Paragraph 8.27(2) of the Listing Requirements)*

1. Details of individuals who are standing for election as Directors.

As at date of this notice, there are no individuals who are standing for election as Directors (excluding the Directors who are standing for re-election) at this forthcoming 28<sup>th</sup> AGM.



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# FORM OF PROXY



**NTPM HOLDINGS BERHAD**  
Registration No. 199601012313 (384662-U)  
**启顺控股有限公司**  
(Incorporated in Malaysia)

Number of shares held	
CDS Account no.	

I/We \_\_\_\_\_ (Tel:) \_\_\_\_\_ NRIC/Passport No. \_\_\_\_\_  
(Full Name in Capital Letters) (Please provide contact number for better co-ordination)

of \_\_\_\_\_  
(Full address in capital Letters)

being a member of **NTPM HOLDINGS BERHAD** ("the Company") hereby appoint the following person(s): -

First Proxy		
Full Name:	NRIC/Passport No.:	No. of shares or % of shares to be presented

and/or failing \*him/her,

Second Proxy		
Full Name:	NRIC/Passport No.:	No. of shares or % of shares to be presented

or failing \*him/her/them, the Chairman of the Meeting, as \*my/our proxy to vote in \*my/our name(s) on \*my/our behalf at the Twenty-Eighth Annual General Meeting ("28<sup>th</sup> AGM") of the Company to be held at **Bukit Jawi Golf Resort, 691, Main Road, Sungai Bakap, 14200 Seberang Perai Selatan, Pulau Pinang** on **Thursday, 26 September 2024** at **9.30 a.m.** and at any adjournment thereof.

\*My/our proxy is to vote on the resolutions referred to in the Notice of 28<sup>th</sup> AGM as indicated below: -

ORDINARY RESOLUTIONS		First Proxy		Second Proxy	
		For	Against	For	Against
<b>ORDINARY BUSINESS:</b>					
Resolution 1	To re-elect Mr. Lee See Jin as Director				
Resolution 2	To re-elect Dato' Dr. Juita binti Ghazalie as Director				
Resolution 3	To approve the payment of Directors' fees				
Resolution 4	To approve the payment of benefits payable (excluding Directors' fees) to the Directors of the Company				
Resolution 5	To re-appoint Messrs. Ernst & Young PLT as Auditors				
<b>SPECIAL BUSINESS</b>					
Resolution 6	Proposed Shareholders' Mandate				
Resolution 7	Proposed Renewal of Share Buy-Back Authority				

(Please indicate with an "X" in the appropriate box how you wish your proxy to vote. If no instruction is given, the proxy will vote or abstain at his/her discretion).

\* Strike out whichever not applicable.

Note : Please note that the short descriptions given above of the Resolutions to be passed do not in any way whatsoever reflect the intent and purpose of the Resolutions. The short descriptions have been inserted for convenience only. Shareholders are encouraged to refer to the **Notice of 28<sup>th</sup> AGM** for the full purpose and intent of the Resolutions to be passed.

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2024.

\_\_\_\_\_  
Signature of Shareholder(s)/Common Seal



Notes:

- (1) In respect of deposited securities, only members whose names appear on the Record of Depositors as at **17 September 2024** (General Meeting Record of Depositors) shall be eligible to attend, speak and vote at the 28<sup>th</sup> AGM.
- (2) A member entitled to attend and vote at the 28<sup>th</sup> AGM is entitled to appoint up to two (2) proxies to attend and vote in his or her stead. Where a member appoints two (2) proxies, the appointments shall be invalid unless he/she specifies the proportion of his/her shareholdings to be represented by each proxy.
- (3) A proxy may but need not be a member of the Company. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend the meeting shall have the same rights as the member to speak and vote at the meeting.
- (4) In the case of a corporate member, the instrument appointing a proxy must be either under its common seal or under the hand of its officer or attorney duly authorised.
- (5) Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991, it may appoint at least one (1) proxy but not more than two (2) proxies in respect of each Securities Account it holds with ordinary shares of the Company standing to the credit of the said Securities Account. The appointment of two (2) proxies in respect of any particular Securities Account shall be invalid unless the authorised nominee specifies the proportion of its shareholding to be represented by each proxy.
- (6) Where a member of the Company is an Exempt Authorised Nominee ("EAN") which holds ordinary shares in the Company for multiple beneficial owners in one (1) Securities Account ("Omnibus Account"), there shall be no limit to the number of proxies which the EAN may appoint in respect of each Omnibus Account it holds. Where an EAN appoints more than one (1) proxy in respect of each Omnibus Account, the appointment shall be invalid unless EAN specifies the proportion of its shareholding to be represented by each proxy.
- (7) The instrument appointing a proxy and the power of attorney or other authority (if any), under which it is signed or a duly notarised certified copy of that power or authority, shall be deposited at the Registered Office of the Company at Suite 18.05, MWE Plaza, No. 8, Lebuq Farquhar, 10200 George Town, Pulau Pinang not less than forty-eight (48) hours before the time appointed for holding the meeting or at any adjournment thereof.
- (8) Any alteration to the instrument appointing a proxy must be initialed.

**Personal data privacy:**

By submitting the duly executed proxy form, the member and his/her proxy consent to the Company and/or its agents/service providers to collect, use and disclose the personal data therein in accordance with the Personal Data Protection Act 2010, for the purpose of the 28<sup>th</sup> AGM of the Company and any adjournment thereof.

*Please fold across the line and close*

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**STAMP**

To **Company Secretaries**  
**NTPM Holdings Berhad**  
Registration No. 199601012313 (384662-U)

Suite 18.05, MWE Plaza, No. 8, Lebuq Farquhar,  
10200 George Town, Pulau Pinang, Malaysia

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**NTPM HOLDINGS BERHAD**  
Registration No. 199601012313 (384662-U)

No. 886, Jalan Bandar Baru, Sungai Kecil,  
14300 Nibong Tebal,  
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