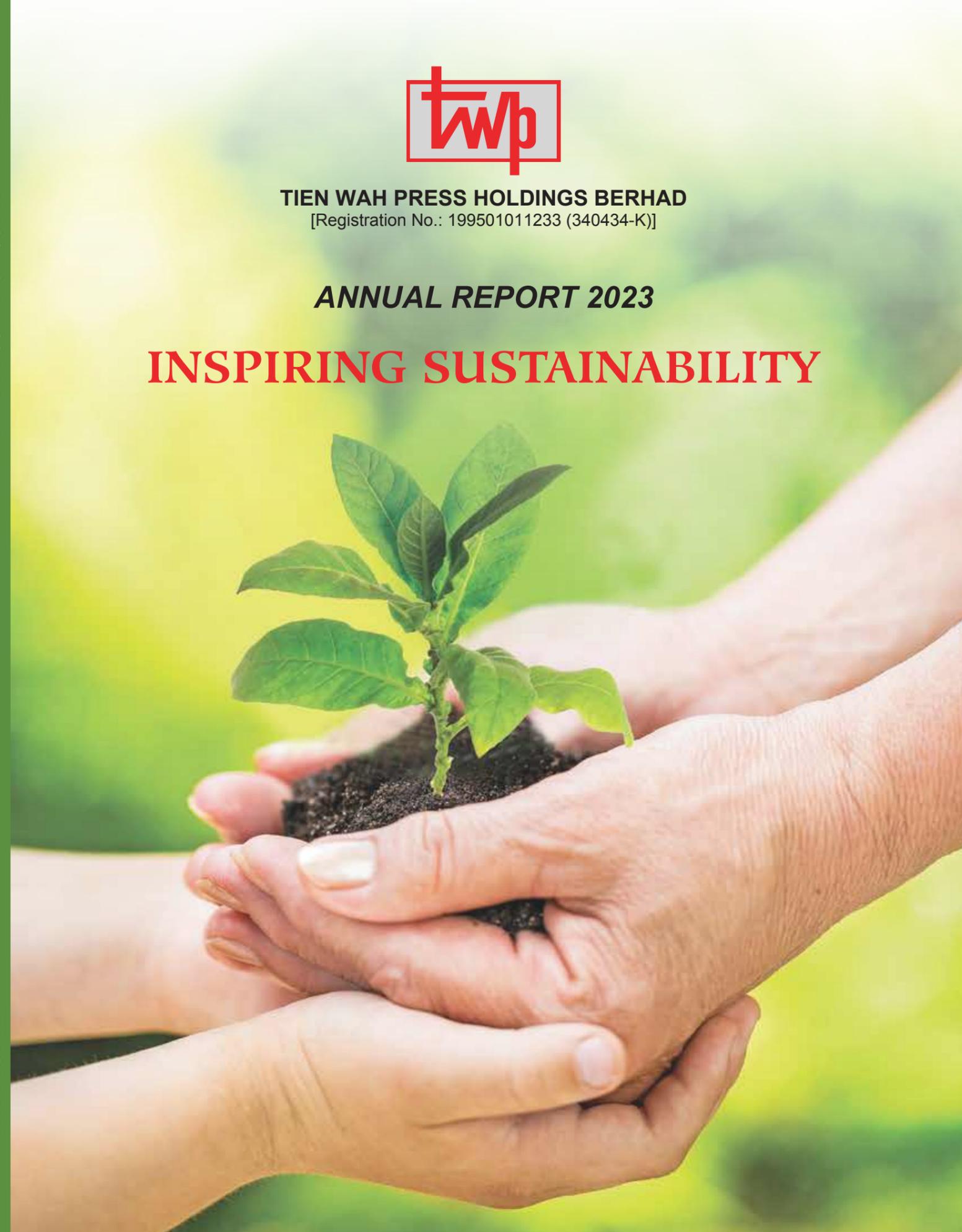




TIEN WAH PRESS HOLDINGS BERHAD
[Registration No.: 199501011233 (340434-K)]

ANNUAL REPORT 2023

INSPIRING SUSTAINABILITY



TIEN WAH PRESS HOLDINGS BERHAD [Registration No.: 199501011233 (340434-K)]

ANNUAL REPORT 2023



TIEN WAH PRESS HOLDINGS BERHAD
[Registration No.: 199501011233 (340434-K)]

Lot 03-8, 8th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim
Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia.
Tel : +60 (3) 5031 3980 Fax : +60 (3) 5031 3966

Website : www.tienwah.com

HIGHLIGHTS OF THE YEAR

	Year Ended 31.12.23 RM million	Year Ended 31.12.22 RM million	Increase/ (Decrease) %
Revenue	270.4	244.0	10.8
Profit/ (Loss) before tax	12.7	(14.0)	190.8
Profit/ (Loss) for the year	9.8	(16.0)	161.2
Profit/ (Loss) attributable to owners of the Company	8.6	(15.2)	156.5
Total equity attributable to owners of the Company	278.3	268.3	3.7
Return on shareholders' funds	(%) 3.1	(5.7)	154.1
Net earnings per share	(sen) 5.9	(10.5)	156.5
Net dividends per share	(sen) 5.6	5.6	-

FINANCIAL CALENDAR

FINANCIAL YEAR 2023

ANNOUNCEMENT OF RESULTS

First Quarterly Report - Unaudited consolidated results for the quarter ended 31 March 2023	24 May 2023
Second Quarterly Report - Unaudited consolidated results for the quarter ended 30 June 2023	10 August 2023
Third Quarterly Report - Unaudited consolidated results for the quarter ended 30 September 2023	16 November 2023
Fourth Quarterly Report - Unaudited consolidated results for the quarter ended 31 December 2023	29 February 2024

DIVIDEND

Interim Dividend

(Interim single-tier dividend of 2.8 sen per ordinary share)

Date paid	31 October 2023
-----------	-----------------

Proposed Final Dividend

(Final single-tier dividend of 2.8 sen per ordinary share)

Date of entitlement	9 July 2024
Date payable	31 July 2024

ANNUAL REPORT AND ANNUAL GENERAL MEETING

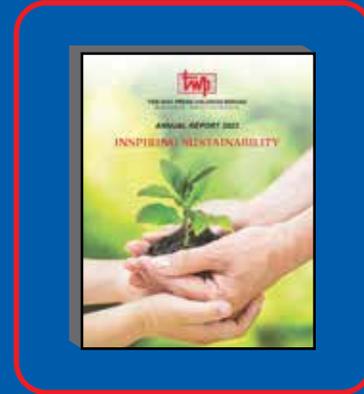
2023 Annual Report Date of issuance	23 April 2024
-------------------------------------	---------------

29th Annual General Meeting

Date of notice	23 April 2024
Date of meeting	23 May 2024



WHAT'S INSIDE



COVER RATIONALE

Inspiring Sustainability
Embracing adversity to scale
greater heights on the foundation of
over 50 years of solid track record

Corporate Highlights

- Highlights of The Year
- Financial Calendar
- 2 Corporate Vision and Mission Statement
- 3 Notice of Annual General Meeting
- 8 Corporate Information
- 9 Group Corporate Structure
- 10 Corporate Profile

Financial Highlights

- 12 Five-Year Group Financial Highlights
- 14 Investor Information

Leadership Quality

- 15 Profile of Directors
- 22 Profile of Key Senior Management
- 24 Chairman's Review Statement
- 26 CEO's Business Operations Review,
Management Discussion & Analysis Statement

Corporate Governance

- 30 Corporate Governance Overview Statement
- 40 Statement on Risk Management and Internal Control
- 46 Audit and Risk Committee Report
- 50 Directors' Responsibility Statement

Caring Environment

- 51 Sustainability Report

Financial Statements 2023

- 74 Directors' Report
- 80 Statement by Directors
- 80 Statutory Declaration
- 81 Independent Auditors' Report to the Members of
Tien Wah Press Holdings Berhad
- 85 Statements of Financial Position
- 87 Statements of Profit or Loss and Other
Comprehensive Income
- 89 Statements of Changes in Equity
- 92 Statements of Cash Flows
- 95 Notes to the Financial Statements

Other Information

- 150 Analysis of Shareholdings
- 154 List of Properties owned by
Tien Wah Press Holdings Group
- 155 Administrative Guide for
Tien Wah Press Holdings Berhad's
Twenty-Ninth Annual General Meeting

Proxy Form



CORPORATE VISION

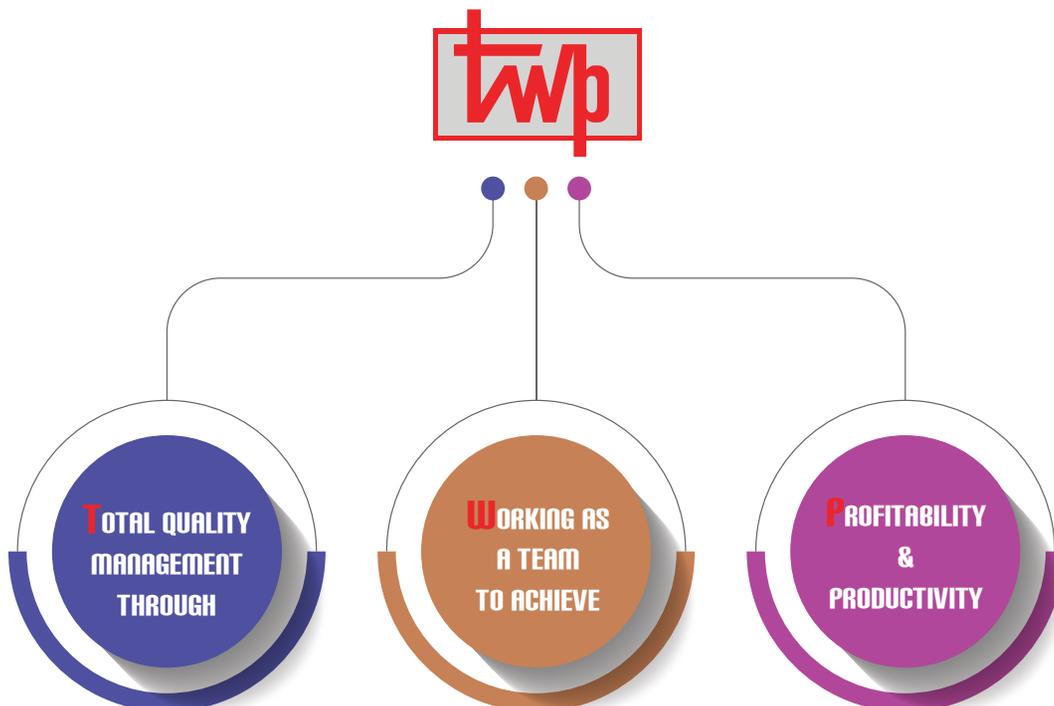
To be the Winning Company in the provision of Solutions and Services to our customers in the Image Transfer Industry

CORPORATE MISSION STATEMENT



To maximise Stakeholders Value through:-

- Focusing on the continuous improvement in the provision of solutions
- Operational excellence to help serve our customers' needs better and to grow together
- Conducting our business in a healthy and safe environment and in compliance to the law
- Cultivating a culture of achievements
- Continuous innovation with creation of new products and new business



NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Twenty-Ninth Annual General Meeting (“**29th AGM**”) of the Company will be held at Atlanta Ballroom, Level 3, Armada Hotel, Lot 6, Lorong Utara C, Section 52, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia on Thursday, 23 May 2024 at 10.00 a.m. for the following purposes:

AGENDA

As Ordinary Business

- | | | |
|----|--|--|
| 1. | To receive the Audited Financial Statements for the financial year ended 31 December 2023 together with the Directors’ and Auditors’ Reports thereon. | (Please refer to Note 1 of the Explanatory Notes) |
| 2. | To declare a final single-tier dividend of 2.80 sen per ordinary share in respect of the financial year ended 31 December 2023. | Ordinary Resolution 1 |
| 3. | To approve the Non-Executive Directors’ Fees up to an aggregate amount of RM823,000.00 per annum in respect of the financial year ending 31 December 2024 and the payment thereof. | Ordinary Resolution 2
(Please refer to Note 2 of the Explanatory Notes) |
| 4. | To approve the Benefits Payable up to an aggregate amount of RM120,000.00 to the Non-Executive Directors for the period from this AGM until the next AGM of the Company in year 2025, to be paid quarterly in arrears. | Ordinary Resolution 3
(Please refer to Note 3 of the Explanatory Notes) |
| 5. | To re-elect the following Directors who are retiring under Clause 96 of the Constitution of the Company: | |
| | (a) Mr Tung Kum Hon | Ordinary Resolution 4 |
| | (b) Mr John David Cambridge | Ordinary Resolution 5 |
| | (c) YM Tengku Djan Ley Bin Tengku Mahaleel | Ordinary Resolution 6
(Please refer to Note 4 of the Explanatory Notes) |
| 6. | To re-appoint Ernst & Young PLT as Auditors of the Company and to authorise the Directors to fix their remuneration. | Ordinary Resolution 7
(Please refer to Note 5 of the Explanatory Notes) |

As Special Business

To consider and, if thought fit, to pass the following resolutions:-

7. **Proposed Renewal of Shareholders’ Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature (“Proposed Shareholders’ Mandate”)**

“**THAT** subject to Paragraph 10.09 of the Main Market Listing Requirements (“**MMLR**”) of Bursa Malaysia Securities Berhad (“**Bursa Securities**”), the Company and its subsidiaries (“**TWPH Group**”) be and are hereby authorised to enter into recurrent related party transactions (“**RRPTs**”) of a revenue or trading nature as set out in Section 2.3 of the Circular to Shareholders dated 23 April 2024 with the related parties mentioned therein which are necessary for the TWPH Group’s day-to-day operations and/or in the ordinary course of business of TWPH Group on normal commercial terms which are not more favourable to the related parties than those generally available to the public and are not to the detriment of the minority shareholders of the Company and **THAT** such approval shall continue to be in force until:

- (i) the conclusion of the next AGM of the Company following the general meeting at which this Ordinary Resolution shall be passed, at which time it will lapse, unless by a resolution passed at the general meeting, the authority conferred by this resolution is renewed;
- (ii) the expiration of the period within which the next AGM of the Company after the date it is required to be held pursuant to Section 340(2) of the Companies Act 2016 (“**the Act**”) (but shall not extend to such extensions as may be allowed pursuant to Section 340(4) of the Act); or

NOTICE OF ANNUAL GENERAL MEETING

(Cont'd)

- (iii) revoked or varied by resolution passed by the shareholders of the Company at a general meeting,

whichever is earlier;

THAT in making the disclosure of the aggregate value of the RRPTs conducted pursuant to the proposed shareholders' approval in the Company's annual report, the Company shall provide a breakdown of the aggregate value of RRPTs made during the financial year, amongst others, based on:

- (i) the type of the RRPTs made; and
- (ii) the name of the related parties involved in each type of the RRPTs made and their relationship with the Company.

AND THAT the Directors of the TWPH Group be and are hereby authorised to complete and do all such acts and things as they may consider expedient or necessary to give effect to the transactions as authorised by this Proposed Shareholders' Mandate."

**Ordinary Resolution 8
(Please refer to Note 6 of
the Explanatory Notes)**

8. To transact any other business of which due notice shall be given in accordance with the Company's Constitution and the Act.

FURTHER NOTICE IS HEREBY GIVEN THAT for the purpose of determining a member who shall be entitled to attend this 29th AGM, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. in accordance with Clauses 67 and 68 of the Company's Constitution and Section 34(1) of the Securities Industry (Central Depositories) Act, 1991 to issue a General Meeting Record of Depositors as at 14 May 2024. Only a depositor whose name appears on the Record of Depositors as at 14 May 2024 shall be entitled to attend the said meeting or appoint proxies to attend, participate and/or vote on his/her behalf.

NOTICE OF DIVIDEND PAYMENT

NOTICE IS ALSO HEREBY GIVEN THAT, subject to the approval of the shareholders at the 29th AGM, a final single-tier dividend of 2.80 sen per ordinary share in respect of the financial year ended 31 December 2023 will be paid to the shareholders on 31 July 2024. The entitlement of the said dividend shall be on 9 July 2024.

A Depositor shall qualify for entitlement to the Dividend only in respect of:-

- (a) Shares transferred to the Depositor's securities account before 4.30 p.m. on 9 July 2024 in respect of transfers; and
- (b) Shares bought on Bursa Securities on cum entitlement basis according to the Rules of Bursa Securities.

BY ORDER OF THE BOARD

TAI YIT CHAN

(SSM PC No. 202008001023)

(MAICSA 7009143)

TAN AI NING

(SSM PC No. 202008000067)

(MAICSA 7015852)

Company Secretaries

Selangor Darul Ehsan

Date: 23 April 2024

NOTICE OF ANNUAL GENERAL MEETING

(Cont'd)

NOTES:

1. A member (other than an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991) entitled to attend and vote at the meeting is entitled to appoint a maximum of two (2) proxies to attend, participate and vote on his (her) behalf. A proxy may but need not be a member of the Company. There shall be no restriction as to the qualification of the proxy.
2. Where a member appoints two (2) proxies, the appointments shall be invalid unless he (she) specifies the proportion of his (her) holdings to be represented by each proxy.
3. Where a member is an exempt authorised nominee which holds shares in the Company for multiple beneficial owners in one securities account (“**omnibus account**”) as defined under the Securities Industry (Central Depositories) Act, 1991, there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
4. The Proxy Form shall be signed by the appointer of his (her) attorney duly authorised in writing or, if the member is a corporation, must be executed under its Common Seal or by its duly authorised attorney or officer.
5. The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing or if the appointor is a corporation, either under its common seal or under the hand of an officer or attorney duly authorised in writing.
6. The appointment of proxy may be made in a hard copy form or by electronic means, not less than forty-eight (48) hours before the time for holding the AGM or at any adjournment thereof, as follows:-
 - (i) **In hard copy form**

In the case of an appointment made in hard copy form, the original proxy form shall be deposited at the Company’s Share Registrar, Tricor Investor & Issuing House Services Sdn. Bhd. at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or its the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur.
 - (ii) **By electronic means**

The Proxy Form can be electronically lodged with the Company’s Share Registrar, Tricor Investor & Issuing House Services Sdn. Bhd. via TIIH Online. Kindly refer to the Procedure for Electronic Submission of Proxy Form as per the Administrative Guide for the 29th AGM.
7. Pursuant to Paragraph 8.29A(1) of the MMLR of Bursa Securities, all the resolutions set out in the Notice of AGM will be put to vote by way of poll.

Explanatory Notes:

1. To receive the Audited Financial Statements

Agenda item no. 1 is meant for discussion only as the provision of Section 340(1)(a) of the Act does not require a formal approval of shareholders for the Audited Financial Statements. Hence, this item on the Agenda is not put forward for voting.

NOTICE OF ANNUAL GENERAL MEETING

(Cont'd)

2. Ordinary Resolution 2 on the Directors' Fees to the Non-Executive Directors for the financial year ending 31 December 2024

Based on the recommendation from the Remuneration Committee ("RC"), the Board approved the proposed revised Directors' Fee for the financial year ending 31 December 2024 to be tabled to the shareholders for approval at the forthcoming AGM of the Company. Other than the Directors' Fees from the Company, the Non-Executive Directors do not receive any Directors' Fees from any of the subsidiaries within the TWPH Group.

In the event that the proposed Directors' Fees to the Non-Executive Directors during the above period exceed the estimated amount sought at the 29th AGM, approval will be sought at the next AGM for additional Directors' Fees to meet the shortfall, prior to the payment is made.

The payment of the Non-Executive Directors' Fees for the financial year ending 31 December 2024 will only be made if the proposed Ordinary Resolution 2 has been passed at the 29th AGM.

3. Ordinary Resolution 3 on the Benefits Payable to the Non-Executive Directors for the period from this AGM until the next AGM of the Company in year 2025, to be paid quarterly in arrears

Section 230(1) of the Act requires 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. Based on the recommendation from the RC, the Board approved the proposed Benefits Payable to be tabled to the shareholders for approval at the forthcoming AGM of the Company, to be paid quarterly in arrears.

The Benefits Payable to the Non-Executive Directors comprise meeting allowance only. Other than the Benefits Payable from the Company, the Non-Executive Directors do not receive any Benefits Payable from any of the subsidiaries within the TWPH Group.

In the event that the proposed Benefits Payable to the Non-Executive Directors during the above period exceed the estimated amount sought at the 29th AGM, approval will be sought at the next AGM for additional benefits to meet the shortfall, prior to the payment is made.

The payment of the Benefits Payable to the Non-Executive Directors for the period from this AGM until the next AGM of the Company in year 2025 to be paid quarterly in arrears will only be made if the proposed Ordinary Resolution 3 has been passed at the 29th AGM.

4. Ordinary Resolutions 4, 5 and 6 on the Re-election of Directors

The performance, contribution, effectiveness and independence of each Director who is recommended for re-election have been assessed through the Board annual evaluation. In addition, the Nomination Committee has also conducted an assessment on the fitness and propriety of the retiring Directors including the review of their fit and proper assessment declarations in accordance with the Directors' Fit & Proper Policy of the Company. The Nomination Committee and the Board of Directors are satisfied with the performance, contribution, effectiveness and independence of Mr Tung Kum Hon, Mr John David Cambridge and YM Tengku Djan Ley Bin Tengku Mahaleel who are due for retirement as Directors, and being eligible, have offered themselves for re-election at the 29th AGM.

The three (3) retiring Directors have abstained from deliberations and decision on their own eligibility and suitability to stand for re-election at the Nomination Committee (as the case may be) and Board meetings. The profiles of the Directors who are standing for re-election under Ordinary Resolutions 4, 5 and 6 are set out in the Board of Directors' profile of the Annual Report 2023.

NOTICE OF ANNUAL GENERAL MEETING

(Cont'd)

5. Ordinary Resolution No. 7 on the Re-appointment of Auditors and authorisation for the Directors to fix their remuneration

Messrs. Ernst & Young PLT, the auditors of the Company have expressed their willingness to continue in office as auditors of the Company for the financial year ending 31 December 2024. The Board has approved the Audit and Risk Committee's recommendation that they be retained after taking into account relevant feedback on their experience, performance and independence following a formal assessment.

6. Ordinary Resolution 8 on the Proposed Shareholders' Mandate

Ordinary Resolution 8 proposed under item 7 of the Agenda, if passed, will allow the TWPH Group to enter into RRPTs in accordance with Paragraph 10.09 of the MMLR of Bursa Securities and the necessity to convene separate general meetings from time to time to seek shareholders' approval as and when such RRPTs occur would not arise. This would reduce substantial administrative time and expenses associated with the convening of such meetings without compromising the corporate objectives of the TWPH Group or affecting the business opportunities available to the TWPH Group. The Proposed Shareholders' Mandate is subject to renewal on an annual basis.

Further information on the Proposed Shareholders' Mandate is set out in the Circular of the Proposed Shareholders' Mandate of the Company dated 23 April 2024.

Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to participate 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.

CORPORATE INFORMATION

BOARD OF DIRECTORS

YEN WEN HWA (NGAN TZEE MANH)
Non-Independent Non-Executive Director,
Chairman

LEE CHEE WHYE
Executive Director
Chief Executive Officer

ANGELA HENG CHOR KIANG
Executive Director

TUNG KUM HON
Independent Non-Executive Director

JOHN DAVID CAMBRIDGE
Independent Non-Executive Director

DR ONG ENG LENG (ONG ENG LIN)
Independent Non-Executive Director

YM TENGKU DJAN LEY BIN TENGKU MAHALEEL
Independent Non-Executive Director

COMPANY SECRETARIES

TAN AI NING (SSM PC No. 202008000067)
(MAICSA 7015852)
TAI YIT CHAN (SSM PC No. 202008001023)
(MAICSA 7009143)
Tel : +60 (3) 7890 4800
Fax : +60 (3) 7890 4650
E-mail : boardroom-kl@boardroomlimited.com

REGISTERED OFFICE

12th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim
Seksyen 13
46200 Petaling Jaya
Selangor Darul Ehsan, Malaysia
Tel : +60 (3) 7890 4800
Fax : +60 (3) 7890 4650
E-mail : boardroom-kl@boardroomlimited.com
Website : www.boardroomlimited.com

SHARE REGISTRAR

TRICOR INVESTOR & ISSUING HOUSE SERVICES SDN BHD
(197101000970) (11324-H)
Unit 32-01, Level 32, Tower A
Vertical Business Suite
Avenue 3, Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur, Malaysia
Tel : +60 (3) 2783 9299
Fax : +60 (3) 2783 9222
E-mail : is.enquiry@my.tricorglobal.com
Website : www.tricorglobal.com

TRICOR CUSTOMER SERVICE CENTRE

Unit G-3, Ground Floor,
Vertical Podium Avenue 3,
Bangsar South
No. 8 Jalan Kerinchi
59200 Kuala Lumpur, Malaysia

AUDITORS

ERNST & YOUNG PLT
(LLP0022760-LCA & AF0039)
Chartered Accountants
Level 23A, Menara Milenium,
Jalan Damanlela, Pusat Bandar Damansara,
50490 Kuala Lumpur, Malaysia
Tel : +60 (3) 7495 8000
Fax : +60 (3) 2095 5332
E-mail : myeysupport@ey.com
Website : www.ey.com

PRINCIPAL BANKERS

OCBC BANK (MALAYSIA) BERHAD
(199401009721) (295400-W)
UNITED OVERSEAS BANK (MALAYSIA) BERHAD
(199301017069) (271809-K)

PRINCIPAL OFFICES

HEAD OFFICE TIEN WAH PRESS HOLDINGS BERHAD
(199501011233) (340434-K)
Lot 03-08, 8th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim
Seksyen 13, 46200 Petaling Jaya
Selangor Darul Ehsan, Malaysia
Tel : +60 (3) 5031 3980
Fax : +60 (3) 5031 3966
E-mail : zc.soo@newtoyo.com
Website : www.tienwah.com

SUBSIDIARY COMPANIES

TIEN WAH PRESS (MALAYA) SDN BHD
(196001000181) (3850-D)
TIEN WAH PROPERTIES SDN BHD
(199701013008) (428504-A)
Lot 03-08, 8th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim
Seksyen 13
46200 Petaling Jaya
Selangor Darul Ehsan, Malaysia
Tel : +60 (3) 5031 3980
Fax : +60 (3) 5031 3966

ALLIANCE PRINT TECHNOLOGIES CO. LTD
(463043000165)
38, Huu Nghi Street
Vietnam – Singapore Industrial Park
Thuan An District
Binh Duong Province, Vietnam
Tel : +84 (274) 376 7194,
376 7195
Fax : +84 (274) 376 7089,
376 7459
E-mail : gavin.ong@newtoyo.com

ALLIANCE PRINT TECHNOLOGIES FZE

(178665)
Plot No. S30605, PO Box 263919
Jafza South, Jebel Ali Free Zone,
Dubai, United Arab Emirates
Tel : +971 488 65 707
E-mail : angela.heng@newtoyo.com

PT. BINTANG PESONA JAGAT

(8120107850698)
Jl. Perusahaan No. 48
Karanglo, Banjararum Singosari,
Malang, Jawa Timur 65153,
Indonesia
Tel : +62 (341) 434 3400
E-mail : alexis.ong@newtoyo.com

JOINTLY CONTROLLED ENTITY

LUM CHANG TIEN WAH PROPERTY SDN BHD

(201601008211) (1179139-K)
Lot 10-03, Level 10, Menara HLA
3 Jalan Kia Peng,
50450, Kuala Lumpur
Wilayah Persekutuan, Malaysia
Tel : +60 (3) 2332 0611
Fax : +60 (3) 2856 7566
E-mail : lctwp@lumchang.com.my

TOYO (VIET) – DOFICO PRINT PACKAGING CO. LTD

(9876782084)
Lot B4, A Street, Binh Chieu Industrial
Park, Thu Duc District,
Ho Chi Minh City, Vietnam
Tel : +84 (028) 3897 1267
Fax : +84 (028) 3729 4888
E-mail : tuyen.pham@newtoyo.com

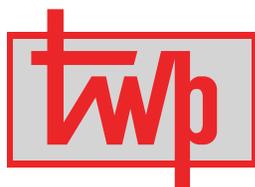
STOCK EXCHANGE LISTING

BURSA MALAYSIA SECURITIES BERHAD

(200301033577) (635998-W)
Main Market
Listed since : 2 August 1996
Stock Code : 7374
Stock Name : TIENWAH

GROUP CORPORATE STRUCTURE

as at 29 MARCH 2024



TIEN WAH PRESS HOLDINGS BERHAD
 Registration No: 199501011233 (340434-K)
 Investment holding company and provision of management services to its subsidiaries.
 Incorporated on 15 April 1995

Tien Wah Press (Malaya) Sdn Bhd
 (Registration No: 196001000181 (3850-D))
Equity 100%
 Dormant
 Incorporated on 20 July 1960

New Toyo Investments Pte Ltd
 (Company No: 199600807W)
Equity 100%
 Investment holding company
 Incorporated on 1 February 1996

Alliance Print Technologies FZE
 (Registration No: 178665)
Equity 100%
 Provision of printing services for tobacco packaging and packaging services in general.
 Incorporated on 8 March 2016

Max Ease International Limited
 (Company No: 1250981)
Equity 51%
 Investment holding, sales, sub-contracting and licensing for the manufacturing, printing and selling of printed folding cartons and tobacco product packaging.
 Incorporated on 26 June 2008

Toyo (Viet) – Dofico Print Packaging Co. Ltd
 (Investment Licence No: 412043000459)
Equity 50%
 Provision of printing services for tobacco packaging and packaging services in general.
 Incorporated on 14 July 1993

Tien Wah Properties Sdn Bhd
 (Registration No: 199701013008 (428504-A))
Equity 100%
 Investment property holding
 Incorporated on 23 April 1997

C&A Packaging Company Limited
 (Investment Licence No: 3232613056)
Equity 50%
 Production of paper packaging and printing packaging.
 Incorporated on 29 December 2023

Alliance Print Technologies Co. Ltd
 (Investment Licence No: 463043000165)
Equity 100%
 Provision of printing services for tobacco packaging and packaging services in general.
 Incorporated on 24 November 2004

Anzpac Services (Australia) Pty Ltd
 (Company No: ABN 25000032164)
Equity 100%
 Dormant
 Incorporated on 31 March 1936

Max View Holdings Limited
 (Company No: 2417577)
Equity 100%
 Investment holding
 Incorporated on 19 August 2016

PT Bintang Pesona Jagat
 (Company No: 4016121535260388)
Equity 100%
 Provision of printing services for tobacco packaging and packaging services in general.
 Incorporated on 16 November 2002

Max Ease International (SG) Pte Ltd
 (Company No: 202140010W)
Equity 100%
 Dormant
 Incorporated on 17 November 2021

Lum Chang Tien Wah Property Sdn Bhd
 (Registration No: 201601008211 (1179139-K))
Equity 50%
 Investment holding
 Incorporated on 11 March 2016

CORPORATE PROFILE



INCORPORATION & PRINCIPAL ACTIVITIES

Tien Wah Press Holdings Berhad (“TWPH”) was incorporated in Malaysia on 15 April 1995 as a private limited company and was converted into a public company on 13 June 1995. The Company was listed on the Second Board of the Kuala Lumpur Stock Exchange on 2 August 1996 and migrated to the Main Board of Bursa Malaysia Securities Berhad on 8 October 2007, now known as Main Market. Its principal activity is that of investment holding and provision of management services to its subsidiaries, while the activities of its subsidiaries, jointly controlled entity and associate company are those of rotogravure and photolithography printing.

BACKGROUND AND BUSINESS OVERVIEW

Corporate Development of TWPH Group

The TWPH Group’s operation began with the establishment of Tien Wah Press (Malaya) Sdn Bhd (“TWPM”) on 20 July 1960 with a workforce of 78 involved initially in the operations of photolithography printing specialising in book printing and folding carton conversion. Spurred by the steady growth of its business, TWPM ventured into rotogravure printing technology in 1986 to meet the increasing demand in tobacco packaging.

Since its listing in 1996, TWPH developed further by establishing joint venture companies; Benkert (Malaysia) Sdn Bhd (“Benkert”) in 1998 and Paper Base Converting Sdn Bhd (“PBC”) in 1999. Benkert operates as a member of the International Benkert Group who is a major supplier of gravure printed and perforated tipping materials to the global cigarette manufacturers. PBC manufactures aluminium foil laminated paper and paperboard for cigarette packaging and other applications such as liquor and cosmetics. PBC was disposed to New Toyo Lamination (M) Pte Ltd, a deemed substantial shareholder of TWPH, on 4 December 2008 and the remaining 30% shares in Benkert was disposed to Benkert UK Ltd on 7 March 2017.

In 2007, TWPH completed the acquisition of a wholly-owned subsidiary, New Toyo Investments Pte Ltd (“NTIV”) from New Toyo International Holdings Ltd (“NTIH”), the ultimate shareholder of TWPH. NTIV is an investment holding company which owns 100% of Alliance Print Technologies Co. Ltd in Vietnam. This acquisition enabled the TWPH Group to enter into Vietnam, a market in Southeast Asia with strong growth, attractive tax regime and low production cost.

On 8 September 2008, TWPH acquired Max Ease International Limited (“MEIL”), a company incorporated and domiciled in Hong Kong Special Administrative Region of the People’s Republic of China, and converted it into a joint venture company with NTIH. Through MEIL, TWPH Group expanded its operations into the Australasia region by acquiring Anzpac Services (Australia) Pty Ltd (“Anzpac”), based in Sydney, Australia. The acquisition of Anzpac was completed on 31 October 2008.

In 2009, TWPH acquired Toyo (Viet) Paper Product Co. Ltd. (“TVP”), a company incorporated and domiciled in Vietnam.

On 16 May 2016, Tien Wah Properties Sdn Bhd (“TWPSB”), a wholly-owned subsidiary of TWPH, entered into a Shareholders’ Agreement with Kemensah Holdings Pte Ltd (“KHPL”), a wholly-owned subsidiary of Lum Chang Holdings Ltd (“LCH”), to form and operate a joint venture company known as Lum Chang Tien Wah Property Sdn Bhd (“LCTWP”), formerly known as Sterling Model Sdn Bhd (“SMSB”) to jointly develop the property at No 9 & 11, Jalan Professor Khoo Kay Kim, 46200 Petaling Jaya, Selangor Darul Ehsan into a mixed-use commercial development. The aforesaid property was previously owned by TWPSB.

On 8 March 2016, TWPH incorporated a new wholly-owned subsidiary, Alliance Print Technologies FZE (“APTF”), in Jebel Ali Free Zone, Dubai, United Arab Emirates (“UAE”). The incorporation of APTF enables the TWPH Group to expand its business in a free trade zone market in UAE.

On 24 October 2016, TWPH through MEIL, its 51% subsidiary acquired Max View Holdings Limited (“MVHL”), a company incorporated and domiciled in Hong Kong Special Administrative Region of the People’s Republic of China. Through MVHL, TWPH Group expanded its operations into Indonesia by acquiring 100% of PT Bintang Pesona Jagat (“BPJ”), a member of British American Tobacco Group (“BAT Group”) in Indonesia. The acquisition of BPJ was completed on 15 December 2016.

In line with the Group’s re-organisation of its production footprint in order to improve the Group’s strategic positioning to service its customers and reduce operating cost over a longer term, TWPH ceased its printing business in Australia and Malaysia on 15 June 2017 and 20 July 2017 respectively.

TWPH Regional Production Footprint

TWPH Group’s manufacturing operations are presently sited at factories located at:-

- Vietnam-Singapore Industrial Park in Ho Chi Minh City, Vietnam
- Jebel Ali Free Zone Authority in Dubai, United Arab Emirates
- Kabupateng Malang in East Java, Indonesia

TWPH Group is reputed as a high-quality print packaging company offering excellent quality materials using state-of-the-art printing technologies. In terms of market share, the TWPH Group is a major printer in South East Asia. Supported by its staff of about 500, the TWPH Group will continue to focus on developing its core competencies and consolidating its strengths to enable it to maintain our leading edge in the industry regionally.

The TWPH Group, established over five decades ago and built on a strong track record position, dedicated work force and extensive market coverage, remains firm in providing quality products and services to its customers.



FIVE-YEAR GROUP FINANCIAL HIGHLIGHTS

	2023 RM'000	2022 RM'000	2021 RM'000	2020 RM'000	2019 RM'000
PROFITABILITY					
Revenue	270,384	243,960	252,246	277,394	346,255
Results from operating activities	17,387	(10,500)	13,072	12,017	(4,193)
Profit/(Loss) before tax	12,718	(14,030)	8,969	3,838	(14,198)
Profit/(Loss) for the year	9,788	(15,974)	4,947	2,841	(15,944)
Profit/(Loss) attributable to owners of the Company	8,582	(15,210)	6,262	(1,177)	(20,045)
Net annual dividends	8,106	8,106	8,106	7,961	7,961
KEY BALANCE SHEET DATA					
Share capital	156,187	156,187	156,187	156,187	156,187
Total equity attributable to owners of the Company	278,292	268,282	281,616	281,337	292,388
Intangible assets	75,443	74,357	72,610	73,234	72,412
Property, plant and equipment	201,440	173,440	188,155	206,731	238,599
Investment properties	333	342	351	360	368
Investment in joint venture	31,865	32,930	33,337	33,136	34,292
Other non-current assets	19,453	12,806	17,380	17,479	23,288
Current assets	143,362	140,016	154,247	155,684	218,772
Total assets	471,896	433,891	466,080	486,624	587,731
Non-current liabilities	80,941	66,248	52,772	71,045	102,969
Current liabilities	66,996	57,093	89,352	89,982	148,596
Total liabilities	147,937	123,341	142,124	161,027	251,565
Loans and borrowings	-	2,101	21,268	46,918	106,910
Capital expenditure	50,403	20,614	9,092	9,639	32,455
Cash generated from operations	64,655	41,719	51,357	87,382	74,847
SHARE INFORMATION					
Gross earnings per share (sen)	8.79	(9.69)	6.20	2.65	(9.81)
Net earnings per share (sen)	5.93	(10.51)	4.33	(0.81)	(13.85)
Net assets per share (RM)	2.24	2.15	2.24	2.25	2.02
Net dividends per share (sen)	5.60	5.60	5.60	5.50	5.50
Share price as at FYE (RM)	0.85	0.89	1.16	0.92	1.11
FINANCIAL RATIOS					
Return on revenue (%)	3.17	(6.23)	2.48	(0.42)	(5.79)
Return on paid-up capital (%)	5.49	(9.74)	4.01	(0.75)	(12.83)
Return on shareholders' funds (%)	3.09	(5.67)	2.22	(0.42)	(6.86)
Gearing (net borrowings to shareholders' funds) - times	-	0.01	0.08	0.17	0.37

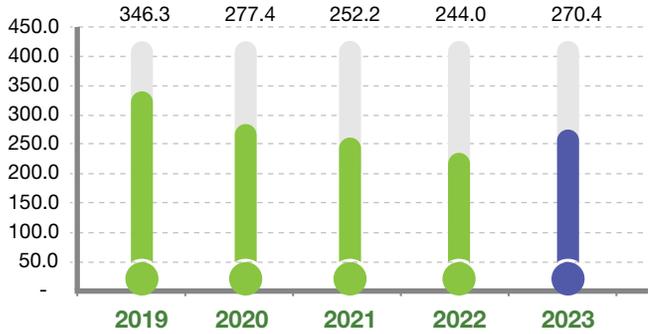


FIVE-YEAR GROUP FINANCIAL HIGHLIGHTS

(Cont'd)

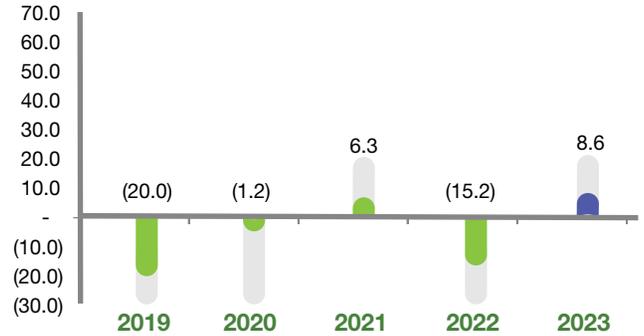
REVENUE

Profitability (RM'million)



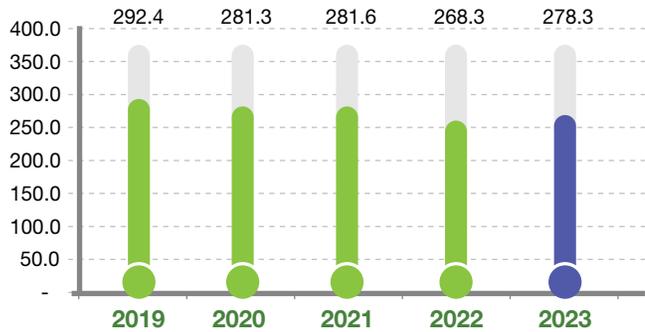
PROFIT ATTRIBUTABLE TO OWNERS OF THE COMPANY

Profitability (RM'million)



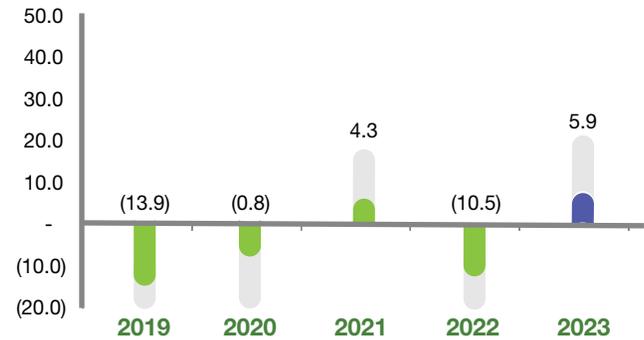
TOTAL EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY

Key Balance Sheet Data (RM'million)



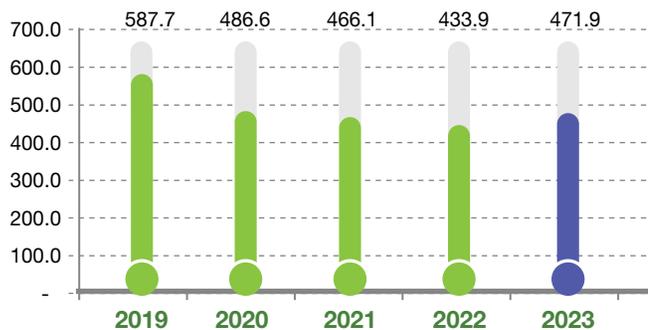
NET EARNINGS PER SHARE

Share Information (Sen)



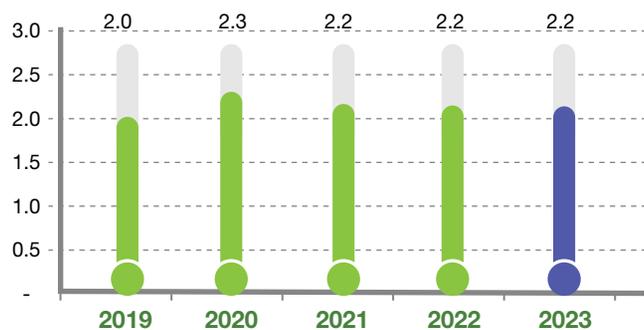
TOTAL ASSETS

Key Balance Sheet Data (RM'million)



NET ASSETS PER SHARE

Share Information (RM)



INVESTOR INFORMATION

STOCK MARKET PERFORMANCE IN 2023

Bursa Malaysia's benchmark index, the FBM KLCI, continued to be volatile in 2023 due to elevated global inflation, banking crisis in the US and Europe, geopolitical tensions and persistent selling pressure from fund outflows as a result of various rate hikes in the US.

In the first quarter of the year (Q1), the local bourse had a rocky start with a decline of 4.9% quarter-on-quarter, and the Malaysian stock market saw a net foreign outflow totalled RM1.87bil mainly due to investors' concern on the corporate earnings.

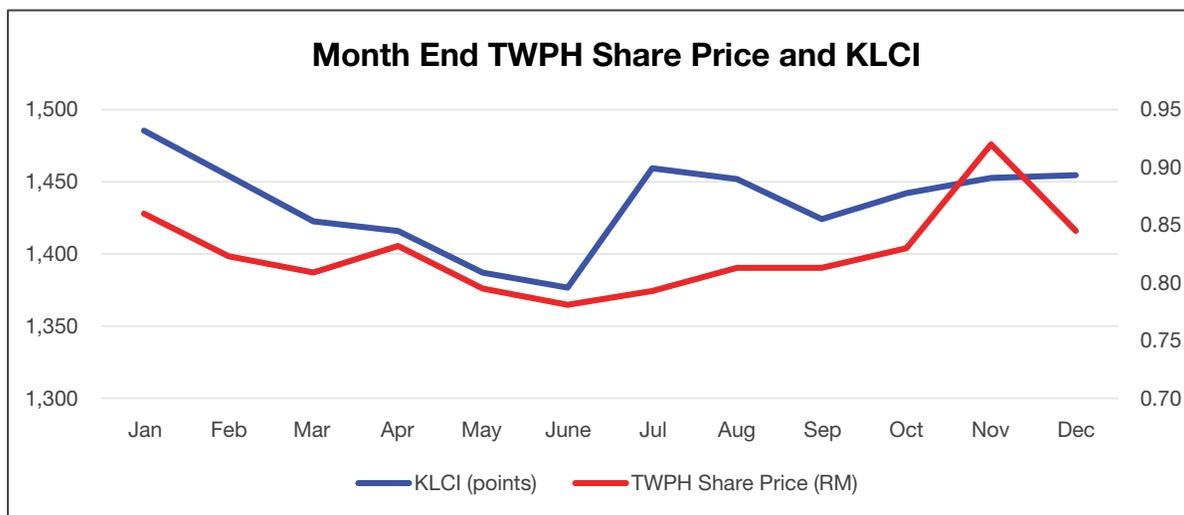
In Q2, the FBM KLCI faced significant challenges, largely stemming from weak corporate earnings reported for the first quarter. Additionally, lower external demand, normalisation of domestic spending, higher input costs, and outflows from foreign funds further compounded these challenges.

In Q3, the FBM KLCI staged a remarkable comeback, registering a solid quarter-over-quarter return of 3.4%. This resurgence can be attributed to several factors, including the political stability following the conclusion of the 6 state elections and the launch of Malaysia's National Energy Transition Roadmap and these developments have enhanced Malaysia's appeal as an attractive destination for foreign investments.

In Q4, the index continues to play catch up against regional peers, posting a modest gain of 2.1% mainly attributed to the better performance from top sectors in healthcare and utilities sectors.

The KLCI closed at 1,455 points as of 31 December 2023, marking a decrease of 40 points or 2.7% from its closing point of 1,495 the previous year. Throughout the year, the KLCI reached its peak at 1,500.33 points on 20 January 2023, while its lowest level was recorded at 1,374.64 points on 8 June 2023.

TIEN WAH PRESS HOLDINGS ("TWPH") SHARE PRICE PERFORMANCE IN 2023



TWPH shares began the year at RM0.89 and experienced a downward trend in the first half of 2023, reflecting the declining equity market performance in Malaysia and the broader regional market. However, in line with the FBM KLCI's upward trend in the second half of 2023, TWPH share price improved and closed the year at RM0.85.



MR YEN WEN HWA (NGAN TZEE MANH)

Non-Independent Non-Executive Director, Chairman
Singaporean, Age 75 years, Male

Mr Yen was appointed to the Board of the Company and elected as Executive Chairman on 16 February 2015. He was redesignated as Non-Independent Non-Executive Chairman effective from 1 January 2021. He had earlier served as the Chief Executive Officer ("CEO") of the Company from 1 September 2010 to 31 December 2011.

He is the founder of New Toyo International Holdings Ltd ("NTIH") Group and served as Managing Director and Chairman of the Board of NTIH until 30 September 2011 and re-appointed as Director and Non-Executive Chairman of NTIH on 1 September 2016. He was redesignated as Executive Chairman of NTIH from 1 November 2020. He also served as a Non-Independent Non-Executive Director of Shanghai Asia Holdings Ltd from 10 February 2004 to 1 May 2012.

Mr Yen was responsible for the overall business strategy and development of NTIH and its subsidiaries ("NTIH Group"). Mr Yen has accumulated more than forty (40) years of experience in the paper conversion and packaging industry.

Other than TWPH, he does not hold any other directorships in other public companies and listed issuers in Malaysia.

He is deemed interested in the recurrent related party transactions by virtue of his shareholdings in Yen & Son Holdings Pte Ltd ("YSH") and NTIH pursuant to Section 8(4) of the Companies Act 2016. YSH is a major shareholder of the Company and is deemed interested by virtue of its shareholdings in NTIH. NTIH is a major shareholder and ultimate holding company of TWPH via its shareholding in Tien Wah Holdings (1990) Sdn Bhd and Singapore Pacific Investments Pte Ltd. Other than traffic offences, he has never been convicted for any offences within the past five (5) years, nor any public sanctions or penalty imposed by the relevant regulatory bodies during the financial year.

He has attended all the four (4) board meetings held in the financial year ended 31 December 2023.

PROFILE OF DIRECTORS

(Cont'd)



MR LEE CHEE WHYE

Executive Director, Chief Executive Officer
Singaporean, Age 57 years, Male

Mr Lee was appointed as the CEO of the Company effective 1 August 2014 and appointed as the Executive Director to the Board on 1 September 2016.

He holds a Bachelor in Computer Science with Business degree and has more than twenty (20) years of senior management, operations and marketing experience. He was the Executive Director and CEO of NTIH, a major shareholder and ultimate holding company of TWPH until 1 August 2014. He was seconded to TWPH to serve as the CEO effective 5 November 2014. Prior to this appointment, he was the Operations Manager of New Toyo Aluminium Paper Product Co (Pte) Ltd, a subsidiary of NTIH from years 2005 to 2006 and was subsequently promoted to Business Head of Specialty Papers Division in October 2006.

In his current role as the Executive Director and CEO, Mr Lee is responsible for implementing the business plan and policies established by the Board as well as to manage the daily conduct of the business and affairs to ensure smooth operation of TWPH Group. Other than TWPH, he does not hold any other directorships in other public companies and listed issuers in Malaysia.

He is deemed interested in the recurrent related party transactions by virtue of him being a person connected with NTIH, a major shareholder and ultimate holding company of TWPH via its shareholding in Tien Wah Holdings (1990) Sdn Bhd and Singapore Pacific Investments Pte Ltd. He does not have any family relationship with any director and/or major shareholder of TWPH Group. Other than traffic offences, he has never been convicted for any offences within the past five (5) years, nor any public sanctions or penalty imposed by the relevant regulatory bodies during the financial year.

He has attended all the four (4) board meetings held in the financial year ended 31 December 2023.



MS ANGELA HENG CHOR KIANG

Executive Director

Singaporean, Age 65 years, Female

Ms Angela was appointed to the Board of the Company as Non-Executive director on 25 April 2014. She was redesignated as Executive Director on 1 April 2021.

She was appointed to the Board of NTIH on 27 March 2014 and elected as Executive Chairman of NTIH on 25 April 2014. On 1 September 2016, she stepped down as the Executive Chairman and was appointed as the Group CEO of NTIH. NTIH is a major shareholder and ultimate holding company of TWPH. She joined NTIH in the 1970s and was one of the pioneers of NTIH. She was instrumental in setting up the administration and accounts departments and later responsible for the sales and marketing activities of the NTIH Group.

In 1990, she assumed the position of General Manager of New Toyo Aluminium Paper Product Co. (Pte) Ltd and led the unit to achieve its ISO 9002 certification in 1996; paving the way for many other NTIH units' certifications. She started New Toyo International Co (Pte) Ltd ("NTIT") in 1992 and served as director till 1995 and was re-appointed as its Director in 2002. She was one of the key personnel involved in the listing of the NTIH Group on the main board of the Singapore Exchange Securities Trading Limited in 1997. She was appointed as the Deputy Chairperson of NTIH from 1997 to 1999 and the President for Asia Pacific from 2002 to 2006.

Ms Angela has accumulated more than thirty-five (35) years of experience in the lamination industry, more than 20 years of experience in the printing business.

She holds a Master of Social Science from Swinburne University of Technology in Australia.

Other than TWPH, she does not hold any other directorships in other public companies and listed issuers in Malaysia.

She is deemed interested in the recurrent related party transactions by virtue of her being a person connected with NTIH, a major shareholder and ultimate holding company of TWPH via its shareholding in Tien Wah Holdings (1990) Sdn Bhd and Singapore Pacific Investments Pte Ltd. She does not have any family relationship with any director and/or major shareholder of TWPH Group. Other than traffic offences, she has never been convicted for any offences within the past five (5) years, nor any public sanctions or penalty imposed by the relevant regulatory bodies during the financial year.

She has attended all the four (4) board meetings held in the financial year ended 31 December 2023.

PROFILE OF DIRECTORS

(Cont'd)



MR TUNG KUM HON

Independent Non-Executive Director
Singaporean, Age 65 years, Male

Mr Tung was appointed to the Board of the Company on 1 August 2017. He serves as the Chairman of the Audit and Risk Committee and a member of the Nomination Committee. He had earlier served as the Non-Executive Director, Chairman of the Nomination Committee and a member of the Audit Committee and Investment and Finance Committee of the Company from 20 November 2006 to 7 June 2012.

He is a qualified Chartered Accountant and Certified Public Accountant and a member of the Malaysia Institute of Certified Public Accountants and Malaysian Institute of Accountants. He has more than fifteen (15) years of experience in public accountancy, business advisory and transaction services with PricewaterhouseCoopers, Hong Kong and Malaysia and KPMG Singapore. He was formerly the Executive Director and CEO of Geo Energy Resources Ltd and Bellzone Mining Plc (AIM), Executive Director and Chief Finance Officer of Shanghai Asia Holdings Ltd, Chief Operating Officer of Bintang Melewar Group of Companies, Senior Vice President of Corporate Finance and Development and Special Assistant to the Executive Chairman of NTIH, a major shareholder and ultimate holding company of TWPH.

Other than TWPH, he does not hold any other directorships in other public companies and listed issuers in Malaysia.

He does not have any family relationship with any director and/or major shareholder of TWPH Group, or any conflict of interests in any business arrangement involving the Company. Other than traffic offences, he has never been convicted for any offences within the past five (5) years, nor any public sanctions or penalty imposed by the relevant regulatory bodies during the financial year.

He has attended all the four (4) board meetings held in the financial year ended 31 December 2023.



MR JOHN DAVID CAMBRIDGE

Independent Non-Executive Director
 Australian, Age 80 years, Male

Mr John Cambridge was appointed to the Board of the Company on 18 May 2017. He serves as the Chairman of the Remuneration Committee and a member of the Audit and Risk Committee and the Nomination Committee.

He holds a Bachelor of Economics degree from the Monash University, Australia and is a Graduate of the Royal Military College, Duntroon, Australia (1963-1966) as well as Australian Staff College (1977) and the “Harvard” Advance Management Programme at the University of Hawaii (1984). He served as an officer in the Australian Army (1967-1980) and he was on active duty in the Vietnam conflict (1970- 1971). Following his service in the Army, he was the head of various departments in the Government of South Australia, including the Economic Development Authority of South Australia (1994-1996), the Department of Industry and Trade (1997-2001), the Office of Asian Business (1998) and the SA Centre for Manufacturing Pty Ltd (1987-1993). He has served on numerous State, Federal Government and National bodies including the Industry Research and Development (IR&D) Board, the Intellectual Property Council, the Australian Industry (AUSINDUSTRY) Board, Standards Australia Association (SAA) Board and Board of the National Association of Testing Authorities (NATA).

Up until the end of December 2019 he served as a Director of various Australian subsidiaries of CK Life Sciences LL, Hong Kong commencing 2002 and was the Chairman and CEO of “JD Cambridge Corporate Service” Pty Ltd (2001-2008). He is the author of over 30 papers on economic development and manufacturing.

Other than TWPH, he does not hold any other directorships in other public companies and listed issuers in Malaysia.

He does not have any family relationship with any director and/or major shareholder of TWPH Group, or any conflict of interests in any business arrangement involving the Company. Other than traffic offences, he has never been convicted for any offences within the past five (5) years, nor any public sanctions or penalty imposed by the relevant regulatory bodies during the financial year.

He has attended all the four (4) board meetings held in the financial year ended 31 December 2023.

PROFILE OF DIRECTORS

(Cont'd)



DR ONG ENG LENG (ONG ENG LIN)

Independent Non-Executive Director
Malaysian, Age 84 years, Male

Dr Ong was appointed to the Board of the Company on 18 May 2017. He serves as the Chairman of the Nomination Committee and a member of Audit and Risk Committee and Remuneration Committee.

He holds a Bachelor of Medicine and Bachelor of Surgery degree from the University of Sydney, Australia. He was the owner and Director of Orchard Medical Centre from 1975 to 2002.

Other than TWPH, he does not hold any other directorships in other public companies and listed issuers in Malaysia.

He does not have any family relationship with any director and/or major shareholder of TWPH Group, or any conflict of interests in any business arrangement involving the Company. Other than traffic offences, he has never been convicted for any offences within the past five (5) years, nor any public sanctions or penalty imposed by the relevant regulatory bodies during the financial year.

He has attended all the four (4) board meetings held in the financial year ended 31 December 2023.



YM TENGKU DJAN LEY BIN TENGKU MAHALEEL

Independent Non-Executive Director
 Malaysian, Age 47 years, Male

Tengku Djan was appointed to the Board of the Company on 26 February 2018. He serves as a member of Audit and Risk Committee and Remuneration Committee.

He holds a Bachelor degree in Automotive Engineering from Wilhelm Maybach Institute, Germany. He had earlier served as an Apprentice Trainee in Munich Airport AG, Germany (1996-1997) and Dr. Ing. Porsche AG, Germany (1998-1999). He has more than eighteen (18) years of experience in the automotive industry. Prior to this current appointment as Head of Company of Lotus Cars Malaysia Sdn Bhd commencing 2014, he was the Vehicle Dynamics Engineer, Lead Development Engineer and Certified Lotus Driver Trainer of Lotus Engineering, United Kingdom (1999-2002), Senior Technical Development Engineer, Lead Chassis Engineer and Specialised Automotive Consultant of Lotus Engineering, Malaysia (2002-2007) and Head of Proton Motorsports Division, Technical Director, Lead Chassis Engineer, Head of R3 of Perusahaan Nasional Berhad, Malaysia (2007-2017).

Tengku Djan is the son of YM Tengku Tan Sri Dr. Mahaleel Bin Tengku Ariff, an Independent Non- Executive Director of NTIH, a major shareholder and ultimate holding company of TWPH. Tengku Mahaleel was the Executive Chairman of TWPH from 20 November 2006 to 31 August 2010. He was then re-designated as Non-Executive Chairman on 1 September 2010, a position which he assumed until he retired from the Board on 16 February 2015. Save as disclosed above, Tengku Djan does not have any other conflict of interest in any business arrangement involving the Company.

Other than TWPH, he does not hold any other directorships in other public companies and listed issuers in Malaysia.

Other than traffic offences, he has never been convicted for any offences within the past five (5) years, nor any public sanctions or penalty imposed by the relevant regulatory bodies during the financial year.

He has attended all the four (4) board meetings held in the financial year ended 31 December 2023.

PROFILE OF KEY SENIOR MANAGEMENT



MR SOO ZIN CHUEN

Group Finance Director
Tien Wah Press Holdings Berhad
Malaysian, Age 45 years, Male

Mr Soo joined TWPH on 1 March 2024 as the Group Finance Director and is responsible for overseeing the Group's finance, accounting, treasury and tax functions of the Group. He has over twenty-three (23) years of working experiences in auditing, tax, finance and accounting in the commerce and public accounting firm.

He graduated with a Bachelor of Accounting from the University Malaysia Sabah and has completed his professional exam with ACCA. He is also a member of the Malaysian Institute of Accountants.

He does not hold any directorship in any public companies and listed issuers in Malaysia.

He does not have any family relationship with any director and/or major shareholder of TWPH Group, or any conflict of interest in any business arrangement involving the Company. Other than traffic offenses, he has never been convicted for any offences within the past five (5) years, nor any public sanctions or penalty imposed by the relevant regulatory bodies during the financial year.



MR GAVIN ONG YEW DEE

Group Operations Director
Tien Wah Press Holdings Berhad
Singaporean, Age 58 years, Male

Mr Ong graduated with a Bachelor Degree in Mechanical Engineering from Queen's University of Belfast Northern Ireland, United Kingdom and Master in Science in Megatronic from National University of Singapore.

He brings with him more than twenty-five (25) years of experience in the Electronic and Tobacco manufacturing industry and has held multiple responsibilities in operation, supply chain, general management and project management. His portfolio includes factory set up/consolidation, product transfer/development and management of operating facilities in various country like, Myanmar, Vietnam, Cambodia, Malaysia, China and Singapore.

He joined TWPH on 7 January 2019 as the Group Operations Director and is responsible for group operation.

He does not hold any directorship in any public companies and listed issuers in Malaysia.

He does not have any family relationship with any director and/or major shareholder of TWPH Group, or any conflict of interest in any business arrangement involving the Company. Other than traffic offenses, he has never been convicted for any offences within the past five (5) years, nor any public sanctions or penalty imposed by the relevant regulatory bodies during the financial year.

CHAIRMAN'S REVIEW STATEMENT



Dear Shareholders,

On behalf of the Board of Directors of Tien Wah Press Holdings Berhad ("TWPH"), it is with great pleasure that I present to our loyal shareholders, the Group's performance for the financial year ended 31 December 2023 ("FYE2023").

YEN WEN HWA (NGAN TZEE MANH)
Non-Independent Non-Executive Chairman

PERFORMANCE REVIEW

During the year, the global economic uncertainty still persisted due to ongoing geopolitical tensions, supply chain disruptions and inflation pressures. However, concerted efforts by central banks to maintain monetary policy in 2023 to support the sustainable economic growth, have helped to stabilise the borrowing costs.

Despite these challenges faced by the Group, the Group delivered an improved set of financial performance, marked by a 10.8% sales growth and a commendable 161.3% increase in the profit after tax to RM9.8 million. This was mainly resulted from the improved sales performance in our operational segment in the middle east, where the sales increased by more than 70.1%. And due to the improved financial performance, the Group was able to reverse an impairment loss of the carrying amount of property, plant, and equipment amounting to RM1.7 million in year 2023. This stands in contrast to the total impairment loss of RM11.4 million recorded in the previous year.

DIVIDENDS

The Group remains committed to reward our shareholders for their unflinching support amidst the tough business environment. The Board has proposed a final single-tier dividend of 2.80 sen per ordinary share, subject to shareholders' approval at the upcoming Annual General Meeting. Including the interim dividend paid earlier, the total dividend for FYE2023 is 5.60 sen per ordinary share.

OUTLOOK FOR 2024

The global economic growth is expected to grow by 3.1% in 2024 according to the World Economic Outlook by the International Monetary Fund ("IMF"). Locally, Malaysia's economy has normalised to 3.7% in 2023 after a strong growth of 8.7% in 2022. The expected reopening of China to spur growth of the global economy will remain at a modest pace amid the continue efforts to combat against the elevated inflation and interest rates.

However, with all the challenges in 2023, our major customers continue to demonstrate resilience in the face of adversity. The global tobacco market, estimated at \$941 billion in 2023, is projected to increase to \$965 billion in 2024 and the growth is primarily fueled by increasing demand in Asia and Africa's developing nation.

The Group is confident on its established network in Asia and Middle East will be a springboard for its next phase of growth and are convinced that our foothold in the Middle East is imperative for our strategic expansion strategy. Nevertheless, the Group will continue to explore other business opportunities related to packaging in other industries as part of its growth strategy.

APPRECIATION

On behalf of the Board, I would like to convey our deepest appreciation to our valued customers, suppliers, staff and management for their continued belief and unwavering support, through both prosperous times and challenges in our journey.

Thank you.

YEN WEN HWA
Chairman

CEO'S BUSINESS OPERATIONS REVIEW, MANAGEMENT DISCUSSION & ANALYSIS STATEMENT



2023 PERFORMANCE OVERVIEW

Despite the economic recovery post-pandemic, 2023 presented another set of challenges amid the global economic conditions and ongoing geopolitical tensions. These factors continued to disrupt global supply chains and contribute to rising costs of materials. Nonetheless, the Group successfully navigated through each obstacle, emerging stronger and more resilient than before. This has further strengthened our ability to pursue excellence while also reaffirming our commitment to all our stakeholders.

In 2023, with our sustained efforts to expand our business in the Middle East market and we achieved a remarkable sales growth rate of 70%. Additionally, our presence in the Indonesia market also shown significant growth, with a double-digit increase of 44% in 2023. However, these gains were partially offset by lower revenue from our Vietnam operations, primarily due to decreased demand from our major tobacco customer.

In 2023, the Group recorded a total revenue of RM270.4 million, marking a 10.8% increase compared to 2022. With this improved revenue contribution, the Group achieved a better gross profit margin of 14.9%, a significant improvement compared to 10.6% in 2022. The Group ended FYE2023 with a profit after tax of RM9.8 million compared to a loss after tax of RM16.0 million for 2022.

Operations Performance Review

The Group is principally in the printing business that mainly serving tobacco companies in the printing of cigarette cartons. Although the Group utilises a variety of printing technology, the key requirement for printing cigarette cartons is the use of Gravure printers, which has the capability of printing exceptionally high-quality products to meet the high standard demanded by tobacco companies.

The FYE2023 key performance measures on Gravure printers as set out below:

	2023	2022
	Weighted Average*	Weighted Average*
Number of Gravure printers	12.5	14
Number of Available Gravure Hours **	109,500	122,640
Number of Production Gravure Hours	37,482	35,207
Utilisation %	34.2	28.7

Notes:-

* Simple count and weighted average for gravure printers in use although specifications, productivity may be significantly different

** Available hours are based on 24 hours at 365 days and disregards rest days as well as contingency capacity required by customers

The higher weighted average utilisation 34.2% in 2023 due to higher customer demands for our packaging products.

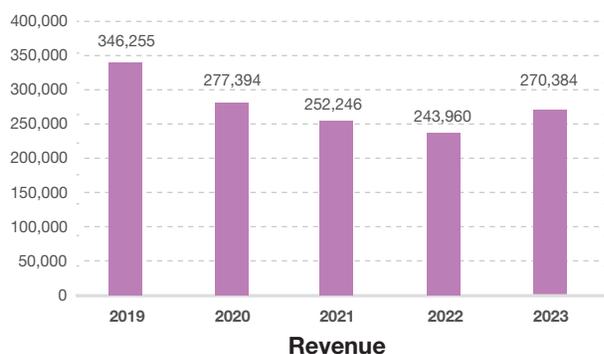
CEO'S BUSINESS OPERATIONS REVIEW, MANAGEMENT DISCUSSION & ANALYSIS STATEMENT

(Cont'd)

REVENUE PERFORMANCE

Although demand for cigarette-related packaging products from our major tobacco customers shown minimal growth, the Group effectively mitigated this by increasing revenue from non-major tobacco customers, particularly in the Middle East market. Overall, total revenue increased by 10.8% to RM270.4million in FYE2023 mainly due to higher demand from our customers.

The Group's main customer type are the tobacco customers print requirements such as hinge lid blanks, display outer cartons and limited-edition cigarette packaging while general packaging for non-tobacco customers mainly derived from food and beverage packaging. For FYE2023, non-tobacco customer remained at less than 1%.



NET PROFIT

For the fiscal year ending 2023, the Group reported a profit after tax of RM9.8 million, a significant improvement compared to the loss after tax of RM16.0 million in the previous year. These positive earnings mainly attributed to the strong revenue growth achieved during the year, as well as the absence of the RM11.4 million impairment loss incurred on property, plant, and equipment, and right-of-use assets in the Middle East operation in 2022.

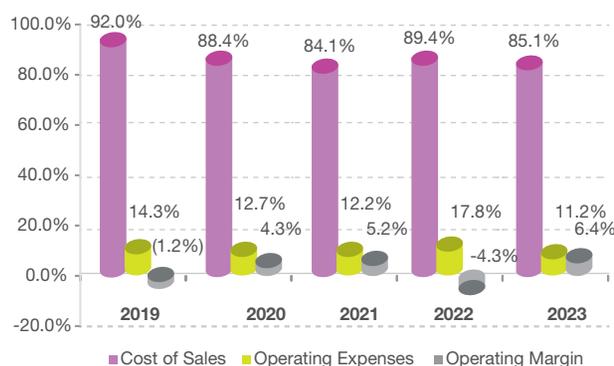
Consequently, the Group Earnings before Interest, Tax, Depreciation and Amortisation (EBITDA) amounted to RM51.9 million, an increase of 77% compared to RM30.0 million in 2022.



COST AND MARGIN

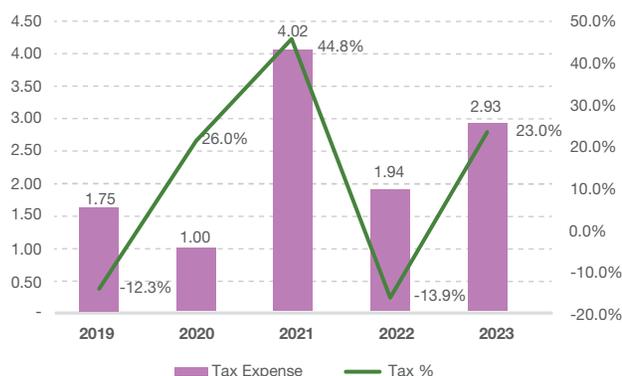
Cost of sales as a percentage of revenue decreased from 89.4% to 85.1% in FYE2023, primarily attributed to improved revenue contribution from the Middle East and Indonesia market.

The operating expenses in 2023 of RM30.4 million, which was RM13.0 mil lower than FYE2022 is mainly due to impairment losses on Property, Plant & Equipment and Right-of-use assets of RM11.4 million from our Middle East operation's which was provided for in last year.



TAX EXPENSE

As a results of a stronger financial performance, the Group has a tax expense of RM2.9 million compared to RM1.9 million in 2022. The lower effective interest rate is mainly due to the tax-exempt status and lower tax rate enjoyed by the subsidiaries in Hong Kong and Vietnam.



CEO'S BUSINESS OPERATIONS REVIEW, MANAGEMENT DISCUSSION & ANALYSIS STATEMENT

(Cont'd)

CASH FLOW MANAGEMENT

CONSOLIDATED CASH FLOW STATEMENT	12 months 2023 RM'000	12 months 2022 RM'000	Increase / (Decrease) %
Profit/(Loss) from operations	12,718	(14,030)	190.6
Adjustment for:-			
Net interest expense	3,408	2,848	19.7
Property, plant and equipment and right-of-use assets			
- Depreciation	34,242	37,549	(8.8)
- Gain on disposal	(228)	(1)	22,700.0
- (Reversal) / Impairment	(1,652)	11,365	(114.5)
Impairment of receivables	777	165	370.9
Inventory write down/off	305	(54)	664.8
Employment benefit	884	408	116.7
Share of profit after tax for joint venture	1,261	682	84.9
Amortisation of intangible assets	1,381	2,918	(52.7)
Other non-cash item	1,742	1,109	57.1
Changes in working capital	9,817	(1,240)	(891.7)
Cash generated from operations	64,655	41,719	55.0
Interest received	145	40	262.5
Employee benefits used	(471)	(99)	375.8
Income tax (paid) / refunded	(2,536)	162	(1,665.4)
Net capital expenditure	(50,403)	(20,614)	144.5
Proceed from disposal of PPE & investment properties	1,545	1	154,400.0
Other Investing activities	-	124	(100.0)
Dividend paid	(8,106)	(8,106)	0.0
Other financing activities	(5,359)	(6,686)	(19.8)
(Decrease)/Increase in cash and cash equivalents	(530)	6,541	(108.1)
Exchange differences on translation of opening balance	(4,036)	(3,621)	11.5
Cash and cash equivalents at 1 January	22,890	19,970	14.6
Cash and cash equivalents at 31 December	18,324	22,890	(19.9)

As at 31 December 2023, cash and cash equivalents amounted to RM18.3 million, with a decrease of RM4.6 million compared to FY2022.

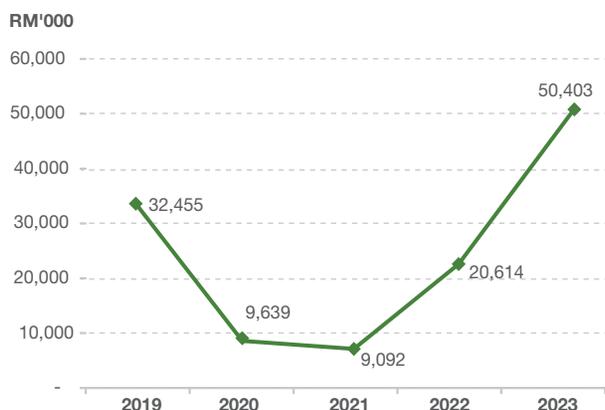
The Group's key significant cash movements during the financial year are as follows:-

- Cash generated from operations of RM64.7 million.
- Net repayment of bank borrowing and interest of RM5.7 million.
- Capital expenditure of RM50.4 million of which RM13.3 million relates to tooling for secured jobs from customers.
- Dividend payment of RM8.1 million.

CEO'S BUSINESS OPERATIONS REVIEW, MANAGEMENT DISCUSSION & ANALYSIS STATEMENT

(Cont'd)

CAPITAL EXPENDITURE ("CAPEX")



PERFORMANCE OF ASSOCIATED AND JOINT VENTURE COMPANIES

Toyo (Viet) – Dofico Print Packaging Co. Ltd ("TVDP")

The principal activity of TVDP is the provision of printing services for tobacco packaging and packaging services in general. The Company, commenced on 1 January 2016 as a 50:50 strategic joint venture with Dong Nai Food Industrial Corporation ("DOFICO"). The Investment and Business license of TVDP has expired on 14 July 2021 and TVDP is being liquidated. Management is pleased to report that the business of TVDP have been successfully transferred to our other business units and the liquidation process is expected to be completed in year 2024.

C&A Packaging Company Limited (the "JV Company")

In January 2024, Alliance Print Technologies Co Ltd ("APT"), a wholly-owned subsidiary of New Toyo Investments Pte Ltd ("NTIV"), which is in turn a wholly-owned subsidiary of the Company, had entered into a Joint Venture Agreement with Cat Loi Joint Stock Company ("CLC") for the establishment of a JV Company in Vietnam to undertake the business of production of paper packaging, printing packaging and other business activities. The Group has completed the formalisation of the new JV Company on 21 March 2024 and expects the JV to contributed positively to the Group in second half of 2024.

APPRECIATION

In agreement with the Chairman, as the global economies normalised and our marketing endeavors in the Middle East market gaining traction, management anticipated a stronger financial performance for 2024. Nevertheless, management will remain vigilant and committed to undertaking appropriate measures to address any adverse developments as agility and adaptability will be crucial for our continued success. I am confident that the dedication and commitment of the people in TWPB will play a pivotal role in overcoming these challenges and achieving our goals.

On behalf of the management, I would like to take this opportunity to thank all our customers, shareholders, suppliers and employees of the Group for their patience and continual support to TWPB Group. I wish to convey my personal gratitude to all the staff that have assisted in meeting the challenges in 2023 and beyond.

LEE CHEE WHYE

Chief Executive Officer

CORPORATE GOVERNANCE OVERVIEW STATEMENT

This Corporate Governance Overview Statement of Tien Wah Press Holdings Berhad (“TWPH” or the “Company”) is produced pursuant to Paragraph 15.25(1) of Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Malaysia Listing Requirements”). This Corporate Governance Overview Statement was prepared in reference to the Practice Note 9 of Bursa Malaysia Listing Requirements and the Corporate Governance Guide (4th edition) issued by Bursa Malaysia Berhad.

The Corporate Governance Overview Statement is complemented with a Corporate Governance Report, based on a prescribed format as set out in Paragraph 15.25(2) of the Bursa Malaysia Listing Requirements so as to provide a detailed articulation on the application of TWPH’s corporate governance practices in relation to the Malaysian Code on Corporate Governance (“MCCG”). The Corporate Governance Report is available on the Company’s website, www.tienwah.com as well as via an announcement on the website of Bursa Malaysia Berhad.

This Corporate Governance Overview Statement should also be read in conjunction with the other statements in the Annual Report (e.g. Statement on Risk Management and Internal Control, Reports on Board Committees and Sustainability Report) as the application of certain corporate governance practices may be more evidently manifested in the context of the respective statements.

CORPORATE GOVERNANCE APPROACH

The Board of Directors (the “Board”) of TWPH is committed to ensuring that the highest standards of corporate governance are practiced and maintained throughout the Company. The Board viewed the importance of corporate governance with four key concepts: **Transparency, Accountability, Integrity and Corporate Performance**. The Board believes that embedding high standards of corporate governance practices will create, nurture and deliver long-term sustainable shareholders’ value.

TWPH’s overall approaches to corporate governance are as follows:-

- establishing processes and structures that enables the Board to set the “tone at the top” ensuring long term sustainability and profitability of the Company;
- driving the application of good corporate governance practices through the alignment of the interests of shareholders and the Board as well as the Management; and
- meeting stakeholder expectations of sound corporate governance as part of TWPH’s broader responsibility to shareholders, customers and the community in which it operates.

The Board leads and drives efforts to ensure good corporate governance practices in the Company. This includes monitoring local and global developments in corporate governance and assessing their implications. Its approach provides a framework of control measures that support the Company in achieving its objectives in order to prevent conflicts.

Recognising that improving corporate governance is an organic process which necessitates continuous improvement, TWPH will continue to enhance its day-to-day activities to ensure that they are underpinned by the tenets of **Transparency, Accountability, Integrity and Corporate Performance**.

TWPH has also taken steps specifically designed to synchronise its corporate governance standards and practices throughout the Company and its subsidiaries (“TWPH Group” or the “Group”). This effort is focused on standardising its principles relating to various corporate governance matters including Board composition, Directors’ independence criteria, roles of Board Committees, and Directors’ remuneration framework. TWPH is not only concerned about the interests of the shareholders but also the interest of other stakeholders such as customers, suppliers, employees, society and the community in which TWPH conduct its business.

As at 31 December 2023, the Board has applied the main principles and practices of the MCCG except as disclosed and explained in the Corporate Governance Report. Where there is a departure, clear and meaningful disclosure on why the practice was not applied and how the alternative practice achieves the Intended Outcome. TWPH will further enhance its MCCG adoption and put in effort to adhere to all recommended best practices from time to time.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(Cont'd)

A summary of TWPB's corporate governance practices with reference to the MCCG is described below:-

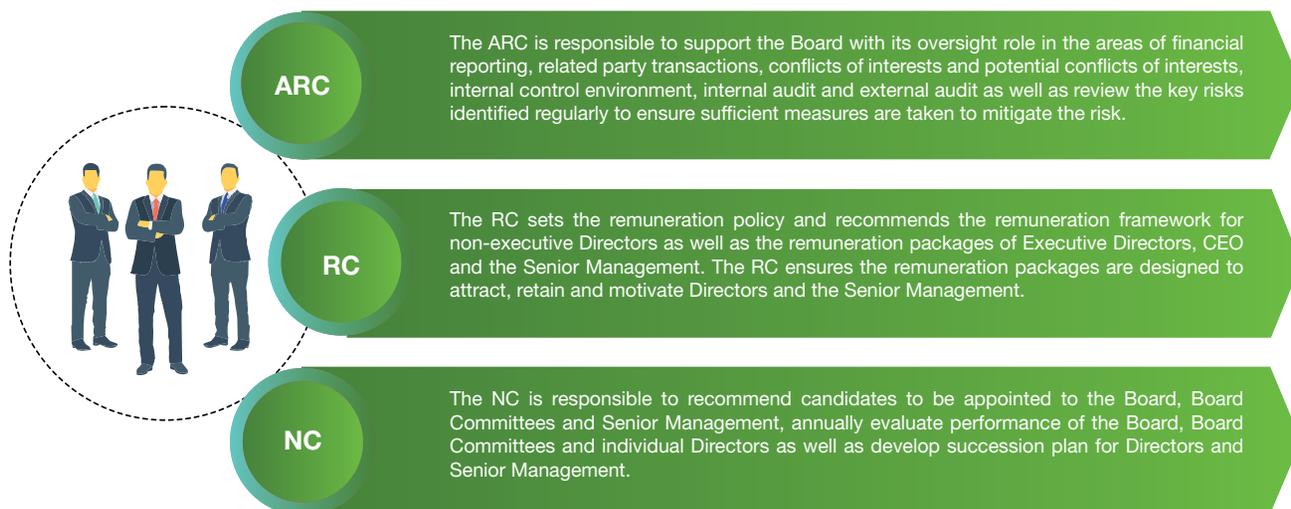
PRINCIPLE A: BOARD RESPONSIBILITIES, LEADERSHIP AND EFFECTIVENESS

TWPB Group acknowledges the pivotal role played by the Board in the stewardship of its discretion and operations, and ultimately the enhancement of long-term shareholders' value. The Board represents and serves the interest of the shareholders. The Group is led by an effective and experience Board with members from diverse background and specialisations. To fulfill this role, the Board is responsible for the overall corporate governance of the TWPB Group including its strategic direction, establishing goals for the Management and monitoring the achievement of these goals.

The Board has a formal schedule of matters reserved for decision-making which includes the TWPB Group's overall strategy and direction, acquisition and divestment policy, approval of major capital expenditure, corporate projects, consideration of significant financial matters, environmental, social and governance ("ESG") matters and it reviews the financial and operating performance of the TWPB Group. This schedule ensures that good governance is in place for the TWPB Group.

To ensure the effective discharge of its oversight functions and responsibilities, the Board has established and delegated certain responsibilities to the Board Committees, namely, the Audit and Risk Committee ("ARC"), Nomination Committee ("NC") and Remuneration Committee ("RC").

The Board Committees are entrusted with specific responsibilities to oversee the Company's affairs, in accordance with their respective written Terms of References and operating procedures and the Board receives reports of their proceedings and deliberations. The Chairman of the respective Board Committees will report to the Board on the outcome of these meetings. The Board Committees were formed in order to enhance business and operational efficiency as well as efficacy and the Board remains fully responsible for the direction and control of the Company and the TWPB Group.



CORPORATE GOVERNANCE OVERVIEW STATEMENT

(Cont'd)

The attendance of individual Directors for the meetings of the Board and Board Committees are outlined below:-

Directors	Board	ARC	RC	NC
Yen Wen Hwa (Ngan Tzee Manh)	4/4			
Lee Chee Whye	4/4			
Angela Heng Chor Kiang	4/4			
Dr Ong Eng Leng (Ong Eng Lin)	4/4	4/4	1/1	1/1
John David Cambridge	4/4	4/4	1/1	1/1
Tung Kum Hon	4/4	4/4		1/1
YM Tengku Djan Ley Bin Tengku Mahaleel	4/4	4/4	1/1	

Board/Board Committee Chairman
 Member

The Board has delegated the authority to achieve the corporate objectives and day-to-day management of the businesses of the Group to the Chief Executive Officer (“CEO”). The CEO is to ensure the effective implementation of the Group’s business plan, strategies and policies established by the Board as well as to manage the daily conduct of the business and affairs to ensure its smooth operation and prudent management of the Company’s resources. The Board regularly monitors the performance of the Group to gain assurance that progress is being made towards the corporate objectives.

The Board Charter was designed to provide guidance and clarity for the Board and the Management with regards to the roles and responsibilities of the Board, the Chairman, the CEO and the Board Committees. It is a reference and induction literature in providing the Board members and the Management insight into the functions of the Board. The Board Charter is reviewed periodically and updated in accordance with the needs of the Company to ensure its effectiveness and consistency with the Board’s objectives and corporate vision. The Board Charter is available on the Company’s website at www.tienwah.com. The Chairman of the Board is not a member in any of the Board Committees.

The Board is regularly updated and advised by the Company Secretaries who are qualified, experienced and competent on new statutory and regulatory requirements, and the resultant implication to the Company and Directors in relation to their duties and responsibilities. The Company Secretaries assisted the Board and Board Committees in adhering to the relevant corporate governance legislative promulgations and internal policies and procedures and apprise the Board on the latest statutory and regulatory requirements relating to corporate governance.

The Management ensures that all Directors have full and timely access to all information with regard to Board papers distributed five (5) business days prior to the meeting. The Directors have unrestricted access to all information pertaining to the Group’s business and affairs to enable them to carry out their duties effectively and diligently.

The Board has also established Code of Conduct, Code of Ethics and Whistle Blower Policy to foster an ethical culture throughout the Company and allow legitimate ethical concerns to be raised in confidence without the risk of reprisal. The Code of Conduct, Code of Ethics and Whistle Blower Policy are reviewed periodically by the Board. For the financial year under review, there were no whistleblowing cases reported.

The Company had adopted the Anti-Bribery and Anti-Corruption Policy and Procedure (“ABAC Policy”) to ensure that it has adequate procedures in place to prevent persons associated with the Group from undertaking corrupt conduct. The Group will review the ABAC policy and programme periodically to assess the performance, efficiency and effectiveness of the Group’s anti-bribery and anti-corruption processes and risk management system.

Copies of the Code of Conduct, Code of Ethics, Whistle Blower Policy, ABAC Policy and Directors’ Fit and Proper Policy are available on the Company’s website at www.tienwah.com.

The Group acknowledges the importance of sustainability relating to environmental, social and governance (“ESG”) including their risks and opportunities to/for the Group. Aside from the above policies, the Company has also in place a Sustainability Policy which directs the Group in managing changes related to ESG issues enabling the Group to achieve long term returns with a lower risk profile.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Cont'd)

The Management has developed a five (5)-year ESG roadmap and sustainability targets for formal adoption which was approved by the Board. Detailed information pertaining to the sustainability of the Group can be found in the Sustainability Report in the Annual Report 2023.

The Company has established a Sustainability Working Group (SWG) headed by the CEO to plan and implement sustainability initiatives, with the Board supported by the ARC to monitor their progress. The Board oversees the planning, performance and long-term strategy of the Company to ensure it remains resilient and delivers durable and sustainable value.

The Board and Management are constantly kept abreast of sustainability issues which are relevant to the Group's business and operation, through periodic updates by Bursa Securities, Securities Commission Malaysia and the training programmes attended by them respectively.

BOARD COMPOSITION

The strength of the Board lies in the composition of its members. The current members of the Board have a wide range of expertise, extensive experience and come from diverse backgrounds. The Board consists of seven (7) members, of whom four (4) are Independent Non-Executive Directors. The Board's composition complies with the Bursa Malaysia Listing Requirements which requires that at least two (2) Directors or one-third (1/3) of the Board of the Company, whichever is the higher, to be Independent Directors as well as the Practice 5.2 of the MCCG which requires at least half the Board to consist of Independent Directors. This composition is structured to ensure that no individual or group of directors dominates the Board's decision-making process.

The Board is committed to maintain a composition which supports the Company's objective and independent deliberation, review and decision-making within the Board and adequate for the scope and nature of the Group's business and operations.

The Board is satisfied that the current Board composition, which has been established after taking into consideration the mix of skills, caliber, competence, character and experience required to effectively steer the Group's directions, combined with expertise possessed by the Management, complement the effective functioning of the Board. The collective skills set and experience of the Board are illustrated below:-



The NC uses the criteria and procedures set out in the Directors' Assessment Policy in assessing the performance of the Board and Board Committees. The NC was satisfied that the Board's and Board Committees' compositions had fulfilled the criteria required, possess a right blend of knowledge, experience and mix of skills. In accordance with the Company's Constitution, one-third (1/3) of the Directors are subject to retirement by rotation annually and all Directors shall retire from office at least once every three (3) years.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(Cont'd)

The Directors to retire each year are the Directors who have been longest in office since their last appointment or re-election. The Directors appointed during the financial year are subject to retirement at the next AGM held following their appointments in accordance with the Company's Constitution. All retiring Directors are eligible for re-election. The re-election of each Director is voted on separate resolution during the AGM of the Company. Based on the schedule of rotation, the following Directors are subject to retirement by rotation pursuant to the Company's Constitution at the forthcoming AGM:

1. Mr Tung Kum Hon
2. Mr John David Cambridge
3. YM Tengku Djan Ley Bin Tengku Mahaleel

All the aforesaid Directors have expressed their intention to seek for re-election at the forthcoming AGM and were assessed by the NC in accordance with the Directors' Fit and Proper Policy of the Company.

The Board comprises four (4) Independent Non-Executive Directors, one (1) Non-Independent Non-Executive Director and two (2) Executive Directors. The higher proportion of Non-Executive Directors present on the Board helps to mitigate any possible conflict of interest between the policy-making process and the day-to-day management of the Company.



57%
Independent
Directors

The NC reviewed and assessed the independence of Independent Directors on an annual basis. The Board Charter has clearly stated that the tenure of an Independent Director is limited to nine (9) years and he/she may continue to serve on Board subject to re-designation as Non-Independent Director. If the Board intends to retain an Independent Director beyond nine (9) years, it should be subjected to annual assessment by the NC, regarding the independence and contributions; and annual shareholders' approval through two-tier voting process in a general meeting, where the Board provides valid justification on the recommendation in the explanatory notes to the resolution in the notice of a general meeting. Notwithstanding the above, the tenure of Independent Director should not exceed a cumulative term of twelve (12) years. In the FYE 2023, none of the Independent Directors had served more than nine (9) years on the Board.



29%
Executive
Directors



14%
Non-Independent
Non-Executive
Director

The composition of the respective Board Committees meets the independence criteria outlined in the Bursa Malaysia Listing Requirements and the MCGG and there is an appropriate cross-membership to further promote effectiveness.

Appointment of members to the Board are made via a formal, rigorous and transparent process, premised on meritocracy and taking into consideration the qualification, professionalism, integrity, skills, experience and diversity needed on the Board in the context of the Company's strategic direction.

The Board had adopted a Directors Fit and Proper Policy which set out the approach, guidelines and procedures to ensure a formal, rigorous and transparent process is being adhered for the appointment, re-appointment and/or re-election of the Directors of the Company.

The Board maintains a strong record on Board diversity with a wide range of backgrounds and nationalities represented among the Board members. A brief description of the background of each Director is presented under the Profile of Directors of this Annual Report.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Cont'd)

As for Senior Management, the Company strives for equal employment opportunity of which the positions are to be filled with the most suitable candidates on the basis of qualifications, relevant experience, performance potentials and any other attributes required of the job.

The composition of the Board and Senior Management's diversity, as at 31 December 2023, are illustrated as below:

The Board

Ethnicity		Age		Gender	
Malaysian Malay	1	40-49 years	1	Male	6
Malaysian Chinese	1	50-59 years	1	Female	1
Others	5	>60 years	5		

Senior Management

Ethnicity		Age		Gender	
Malaysian Chinese	1	40-49 years	1	Male	2
Others	1	50-59 years	1		

The Board assesses its effectiveness and that of its Committees as well as the Individual Directors in a formal process that is undertaken annually by the NC. The results of the assessment were instrumental in assessing the Board's development needs and in making governance changes.

During the financial year, the NC has undertaken the following key activities in discharging its duties:-

- Assessed the overall Board and the Board Committees' performance and effectiveness as a whole;
- Reviewed and assessed the character, experience, integrity and competence of the Board and the CEO to ensure they have the time to discharge their respective roles;
- Reviewed and assessed the mix of skills and experience, diversity of the Board, contribution of each Director and effectiveness of the Board and Board Committees;
- Reviewed and assessed the independence of Independent Directors and their tenure of service;
- Reviewed and assessed the term of office and performance of the ARC and each of its members.
- Discussed the outcome of the Directors' self-assessment under the Directors' Fit and Proper Policy before making recommendations to the Board of the re-election of Directors at the forthcoming AGM;
- Reviewed the succession planning for the Chairman and Executive Director;
- Assessed Directors' training needs to ensure all Directors receive appropriate continuous training programmes;
- Assessed the size and composition of the Board of Directors; and
- Reviewed and discussed the performance of the Board and Senior Management in addressing the Company's material sustainability risks and opportunities.

Professional Development of Directors

The NC ensures that new appointees of Board members are of individuals with integrity, high personal and professional ethics, sound business judgement and the ability and willingness to commit sufficient time to the Board.

The NC also ensures that all newly appointed Directors undergo an induction programme that is facilitated to provide them with an understanding of the operations of TWPH. All Directors of the Company have attended and successfully completed the Mandatory Accreditation Programme (MAP) part 1 pursuant to the requirement by Bursa Malaysia Listing Requirements. The NC is responsible for assessing the training needs of each Board members in order for them to enhance their skills and knowledge.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(Cont'd)

The trainings or conference/seminars attended by the Directors for the financial year under review are as follows:-

Training Programme/Conference Seminar	
Yen Wen Hwa (Ngan Tzee Manh) Chairman	Boardroom Corporate Services Sdn. Bhd. ESG Training on: 1. Decoding ESG for Corporations 2. Global Trends 3. ESG Factors for Better Business Performance 4. ESG Reporting Framework 5. Measuring and Reporting Sustainability Indicators 6. Regulatory Requirements and Best Practices
Lee Chee Whye	Boardroom Corporate Services Sdn. Bhd. ESG Training on: 1. Decoding ESG for Corporations 2. Global Trends 3. ESG Factors for Better Business Performance 4. ESG Reporting Framework 5. Measuring and Reporting Sustainability Indicators 6. Regulatory Requirements and Best Practices
Angela Heng Chor Kiang	Boardroom Corporate Services Sdn. Bhd. ESG Training on: 1. Decoding ESG for Corporations 2. Global Trends 3. ESG Factors for Better Business Performance 4. ESG Reporting Framework 5. Measuring and Reporting Sustainability Indicators 6. Regulatory Requirements and Best Practices
Tung Kum Hon	Boardroom Corporate Services Sdn. Bhd. ESG Training on: 1. Decoding ESG for Corporations 2. Global Trends 3. ESG Factors for Better Business Performance 4. ESG Reporting Framework 5. Measuring and Reporting Sustainability Indicators 6. Regulatory Requirements and Best Practices
Dr Ong Eng Leng (Ong Eng Lin)	Boardroom Corporate Services Sdn. Bhd. ESG Training on: 1. Decoding ESG for Corporations 2. Global Trends 3. ESG Factors for Better Business Performance 4. ESG Reporting Framework 5. Measuring and Reporting Sustainability Indicators 6. Regulatory Requirements and Best Practices
John David Cambridge	Boardroom Corporate Services Sdn. Bhd. ESG Training on: 1. Decoding ESG for Corporations 2. Global Trends 3. ESG Factors for Better Business Performance 4. ESG Reporting Framework 5. Measuring and Reporting Sustainability Indicators 6. Regulatory Requirements and Best Practices

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(Cont'd)

Training Programme/Conference Seminar

YM Tengku Djan Ley Bin Tengku Mahaleel	Boardroom Corporate Services Sdn. Bhd. ESG Training on: 1. Decoding ESG for Corporations 2. Global Trends 3. ESG Factors for Better Business Performance 4. ESG Reporting Framework 5. Measuring and Reporting Sustainability Indicators 6. Regulatory Requirements and Best Practices
--	---

REMUNERATION

The Board through the RC has established a Directors' Remuneration Policy in order to ensure the Company provides remuneration packages which will attract, retain and motivate Directors, CEO and Senior Management of the quality required to oversee the management of the TWPH Group. The RC takes into consideration the information gathered based on remuneration packages within the industry and in comparable companies in determining the remuneration packages.

The RC reviews all matters concerning the remuneration of Non-Executive Directors to ensure that the remuneration commensurate with the contributions and responsibilities of the Directors. The RC is authorised by the Board to seek appropriate professional advice within and outside the Company as and when it considers necessary. The affected Director(s) would abstain from participation in decisions regarding their individual remuneration in the RC's deliberations and recommendations.

The detailed remuneration of the Board and top five (5) Senior Management are disclosed in the Corporate Governance Report of the Company.

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

ARC AND INTERNAL CONTROL FRAMEWORK

The ARC is chaired by an Independent Non-Executive Director who is distinct from the role of the Chairman of Board. All members of the ARC are financial literate, whilst the Chairman of ARC is a member of Malaysia Institute of Certified Public Accountants and Malaysian Institute of Accountants. The ARC has full access to the internal and external auditors who in turn, have access at all times to the Chairman of the ARC. The role of the ARC members and the record of the number of meetings held and attended during the financial year under review is set out in the ARC Report of this Annual Report.

The ARC reviews the adequacy and the effectiveness of the Group Risk Management. Key risks are elevated to the ARC, who reports to the Board for its assessment. For the risk identified, the operating units will propose action plans to remedy or mitigate any significant weaknesses.

During the financial year under review, the ARC carried out its functions and duties accordance with its Terms of Reference. The work carried out by the ARC encompassed the following:-

- Financial Reporting;
- External Audit;
- Internal Audit;
- Ethical and Integrity Areas;
- Review Related Party Transactions, Conflict of Interest Situations;
- Risk Management Framework and Internal Control; and
- Corporate Governance.

The ARC has established formal and transparent arrangements to maintain an appropriate relationship with the Company's external auditor. During the financial year under review, the ARC has received written assurance from external auditor confirming that it is and has been, independent throughout the conduct of the audit engagement in accordance with the terms of all relevant professional and regulatory requirements.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(Cont'd)

The Company has an established in-house internal audit department that provides the ARC and the Board with assurance regarding the adequacy and integrity of the system of internal control. The internal audit function is also supported by Moore Stephens Associates PLT. The internal audit function adopts a risk-based approach and prepares its audit strategy and plan-based on the risk profiles of the operating units of the TWPH Group. The Head of Internal Audit has a direct reporting line to the ARC and the internal audit department has unencumbered access to records, properties and personnel of the Group.

During the financial year under review, one (1) meeting was held between the External Auditors and the ARC, while two (2) meetings were held between the Internal Auditors and ARC, without the presence of the Executive Board Members and Management.

The Board is satisfied with the adequacy and effectiveness of the Group's Risk Management and internal control system. The Board received assurance from the CEO and Group Finance Director that the risk management and internal control system, in all material aspect, operated adequately and effectively and has been in place for the financial year under review and there were no material control failures or adverse consequence that have directly resulted in any material loss to the Group.

Information on the group risk management and internal control framework is made available in the Statement on Risk Management and Internal Control together with the ARC Report of this Annual Report.

PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

COMMUNICATION WITH STAKEHOLDERS

The Board recognises the importance of communicating with its shareholders through Annual Reports, AGM and the Company's website. The Company website, www.tienwah.com, provides information such as a dedicated section on corporate information, financial information, announcements made by the Company and press releases. The website is continuously updated to ensure that the information contained within is current.

CONDUCT OF AGM

The AGM provides a good platform for the Board to share highlights of its performance to its shareholders who are given the opportunity to comment or raise questions to the Directors and Chairmen of the Board Committees.

The Company had conducted its Twenty-Seventh ("28th") AGM physically and all the Directors of the Company, except for one Director who attended the AGM virtually, were present physically at the AGM. During the AGM, the CEO and Group Finance Director presented to the shareholders a brief review of the Group's financial results and operation for the financial year and overview of the current year performance. Shareholders took the opportunity to raise questions on the agenda items of the AGM as well as the current and future developments of the Group. The CEO responded to all questions raised and provided clarifications as required by the shareholders.

The AGM notice of the Company in year 2023 was issued more than twenty-eight (28) days to the shareholders prior to the AGM. This goes above and beyond Section 316(2) of the Companies Act 2016 and Paragraph 7.15 of the Bursa Malaysia Listing Requirements which call for a 21-day notice period for public companies or listed issuers respectively.

All resolutions tabled during the 28th AGM are voted by poll and an independent scrutineer for the poll voting process was appointed to validate all the votes. The scrutineer announced the voting results and results of the voting were displayed on the screen before the closure of the AGM. Subsequently, the poll results were announced via Bursa LINK on the same day.

The minutes of the 28th AGM are available on the corporate website, www.tienwah.com not later than thirty (30) business days after the completion of the 28th AGM.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(Cont'd)

LOOKING FORWARD



The Board is mindful of the need to continually strengthen its governance practices and processes in identified key focus areas and future priorities as part of its forward-looking strategies. Moving forward, these Practices will be constantly reviewed and strengthened where needed. Key focus areas and future priorities that have been identified include succession planning and boardroom diversity.

ADDITIONAL COMPLIANCE INFORMATION

The information set out below is disclosed in compliance with the Bursa Malaysia Listing Requirements:-

(i) *Material Contracts*

TWPH Group has not entered into any material contracts (not being contracts entered into in the ordinary course of business) involving the interest of Directors and major shareholders during the financial year ended 31 December 2023.

(ii) *Utilisation of proceeds*

There were no proceeds raised for any corporate proposals during the financial year ended 31 December 2023.

This Statement together with the CG Report were approved by the Board on 3 April 2024.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

Pursuant to Bursa Malaysia Listing Requirements, the Board is pleased to present the following Statement on Risk Management and Internal Control (the “Statement”) for the financial year ended 31 December 2023.

BOARD'S RESPONSIBILITY

The Board acknowledges it is overall responsible for maintaining a sound internal control system for the Group to safeguard the shareholders' investment and the Group's assets, and to discharge their stewardship responsibilities in identifying risks and ensuring the implementation of internal control system to manage these risks in accordance with the principles and best practices of corporate governance established by the Malaysian Code of Corporate Governance (“MCCG”).

The Board establishes a sound framework to monitor the effectiveness and integrity of the system of risk management and internal control, which amongst others include the following:-

- Established the ARC with the risk governance and oversight function whereby the members comprise only of Independent Directors and the Chairman is not the Chairman of the Board;
- Established an appropriate control environment and framework and provides reasonable assurance that key risks are managed within the group's defined risk appetite and tolerance;
- Establishes an independent Internal Audit Function reporting directly to the ARC to audit the Group's internal controls and report on its compliance and proposed improvements;
- Establishes an ongoing process for identifying, evaluating and managing the significant risks faced by the Group and this process includes enhancing the risk management and internal control system as and when there are changes to the business environment or regulatory guidelines;
- Establishes policies and procedures to assess the suitability, objectivity, effectiveness and independence of the external and internal auditors;
- Members of the ARC undertakes continuous professional training;
- Maintains sound risk management and internal control system to safeguard shareholders' investment and the group's assets as well as other stakeholders' interests;
- Implements the board's policies and procedures on the system of risk management and internal controls with the assistance of management in respect of:-
 - Implementing the process for identifying, evaluating, monitoring, and reporting of risks and internal control;
 - Understanding the principle risks of the Group's business and recognise that business decisions involve taking the appropriate risks;
 - Designing, implementing and monitoring the risk management framework in line with Group's business objectives and risk appetite;
 - Identifying changes to risks and taking appropriate actions to mitigate and control these risks; and
 - Providing assurance to the Board that the risk management and internal control system of the Group is operating adequately and effectively, in all material aspects.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

(Cont'd)

ENTERPRISE RISK MANAGEMENT

The Group's risk management is firmly embedded in the Group's management system and operates under an effective Enterprise Risk Management ("ERM") framework to manage the diverse risks faced by the Group in accordance with the Company's strategic vision and overall risk appetite.

The ARC, comprising of wholly Independent Directors, reviews the updated Risk Register and/or report on new high and moderate risks and assess the status of the risk mitigation action plans as reported by the Internal Risk Management Committee ("IRMC"). The ARC reviews and monitors the effectiveness of the Risk Management Framework of the Group on a quarterly basis.

ERM CORE ELEMENTS

ERM requires a holistic approach which is integrated, future focused and process orientated to manage all key business risks and opportunities to maximise shareholder value after taking into consideration of all affected stakeholders. The core element of ERM involves:-

- Identification of business risks;
- Measurement of the identified business risks;
- Control and management of risks in line with the Group's policies and strategies; and
- Constant monitoring and communicating of risks associated with any activity, function or process in a way that will enable the Group to minimise losses and optimise opportunities.

RISK MANAGEMENT ACCOUNTABILITY



Under the Group's ERM framework, the Group has relevant policies and guidelines on risk reporting and disclosure which cover the following principal risks:-

i. **Strategic risks**

The strategic risks are primarily caused by external events, which may not be predictable or monitored through operational procedures but may have a significant impact on the Group's strategic decisions and activities. The accountability of managing strategic risks rests with the Board and the CEO. The custody of this critical function is carried out by the ARC, which also monitors the key operational risks affecting the Group and reports to the Board on a regular basis.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

(Cont'd)

ii. Operational risks

The operational risks are inherent within the on-going activities within each operating unit and are managed by the Senior Management, General Managers, Heads of Department and staff. The CEO, as Chairman of the RMC oversees and monitors the Group and operating units' risks from strategic operating risks to daily operational risks.

The management of the Group's daily operational risk (such as health and safety, key customer reliance, operation, quality issues, competitive pricing and cost management) are guided by standard operating procedures or practices. The operational risks that cut across the organisation (such as regulatory compliance, cyber security, finance, sustainability, environment, transfer pricing and corporate reputation) are considered by the person responsible and raised to the RMC, if the risks are considered high.

ERM PROCESS

The Group's ERM process basically encompasses five phases continually, namely:-



The identified business risks are then evaluated based on the risk matrix below:-

RISK MATRIX

Almost Certain	M	MH	MH	H	H	H
Very Likely	L	M	MH	H	H	H
Likely	L	M	M	MH	H	H
Moderate	L	L	M	M	MH	H
Unlikely	L	L	L	M	M	MH
Rare	L	L	L	L	M	MH
	Insignificant	Minor	Moderate	Moderate High	Major	Catastrophic

Magnitude Impact

KEY

L = Low	M = Moderate	MH = Moderate High	H = High
---------	--------------	--------------------	----------

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

(Cont'd)

The outcome from the on-going identification and mapping of the business risk is the Risk Register which records the risks identified, action plans and net risk rating. The risks are identified and deliberated at the respective operating units. For the risks identified, the operating units will also propose actions plans to mitigate any significant failings or weaknesses. The updated Risk Registers are then reviewed by the Group's Head Office risk team and the CEO. It is then moderated across the Group and reassessed to ensure that the risk assessment in terms of impact and likelihood are reasonable and appropriate mitigating actions are taken. Key risks are elevated to the ARC, who reports to the Board.

The ERM process has not been applied to Lum Chang Tien Wah Property Sdn Bhd and Toyo (Viet)-Dofico Print Packaging Co. Ltd, the jointly-controlled companies of the Group.

INTERNAL CONTROL

The Group's corporate culture is inculcated through continuous improvement, conduct of business in a healthy and safe environment, law compliance, cultivating a culture of achievements and new businesses. This is done in order to achieve the Group's vision, support the business objectives, risk management and internal control system.

The Group's Code of Conduct and Ethics provides guidance on moral and ethical behaviour that is expected from all employees to comply with laws, policies, standards and procedures.

There is a clearly defined organisation structure which covers delegation of authority and responsibility of the management and reporting mechanism within the Group.

There are proper guidelines established within the Group for recruitment and termination, formal training programme and annual performance appraisals for staff to enhance the level of staff competency in carrying out their duties and responsibilities.

There is a process of hierarchical reporting which provides a documented and auditable trail of accountability, which includes the limits of authority, Group Policies, Executive Handbook, and Health, Safety and Environment Handbook.

There are annual business plans and budgets prepared by the major business units and approved by the Board. The performance of the business unit is assessed against the approved budgets on a quarterly basis. Explanations are provided for significant variances and remedial actions, if required. An updated annual forecast will be prepared and presented to the Board in order to give the Board a more realistic measure of where our business is heading and whether the annual budget will be achieved.

The performance of the Group is monitored by the Senior Management through the management reports on a monthly basis and regular discussions.

There are processes to ensure the effectiveness of the Group's daily operations in accordance with the corporate objectives, strategies and business directions.

The Internal Auditors regularly conduct internal audit on the internal controls of the various operating units prioritising the risks based on the risk assessment. Any weaknesses raised are satisfactorily resolved with the introduction of additional controls or review procedures and is regularly monitored to ensure that the aforesaid has been satisfactorily implemented.

COMMUNICATION PROCESS

Management receives monthly management and Financial reports which are reviewed on a regular basis.

The Group uses an Enterprise Resource Planning software that captures, compiles, analyse and reports appropriate data, which enables management to make business decision in an accurate and timely manner.

Whistle Blower Policy was established to provide clear communication and reporting line of concerns for employees at all levels in a transparent and confidential manner. There were no Whistle Blowing report received by the Management or the ARC during the year under review and up to the date of this report.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

(Cont'd)

MONITORING

There were review of monthly financial and manufacturing operational performance of business units including key performance indicators, productivity, efficiency and effectiveness. This includes evaluation of factors such as key business, operational and issues impacting on their performance.

There were review of the reports from the Management on a quarterly basis covering, but not restricted to strategy, key performance, resources and risk indicators.

There were identification and review of the risk elements that impact the financial performances of the Group and a mechanism to manage risks of business operations.

INTERNAL AUDIT FUNCTION

The Internal Audit Function directly reports to ARC and is guided by the Internal Audit Charter that was approved by the Board of Directors and that adopts a risk-based approach. The Internal Audit Function was undertaken by both the in-house Internal Audit Department and guided and supported by Moore Stephens Associates PLT (co-sourced internal audit) ("Internal Audit Team" or "IAT") who assists ARC in discharging its duties to ensure that there are:-

- Independent reviews of key business processes to identify and evaluate significant operational, financial and compliance risks;
- Follow up audit review on the action plans taken by the management on the recommendations being proposed by IAT; and
- Highlighting of internal control weaknesses that will result in any material misstatement or loss that would require additional adjustment or disclosure to the group's annual report. The management takes prompt measures to continuously improve the internal control environment.

All the IAT personnel are free from any relationships or conflict of interest, which could impair their objectivity and independence. The Internal Audit is conducted in accordance with internationally recognised internal audit framework.

REVIEW FOR THE FINANCIAL YEAR

A review on the adequacy and effectiveness of the risk management and internal control system has been undertaken for the financial year under review. The ARC is responsible to review and monitor the effectiveness of the Group's system of internal controls in respect of the followings:-

- Evaluates the adequacy of key processes, systems and internal controls in relation to the principal risks, and establishes strategic responses, action plan programs and tasks to manage and/or eliminate performance gaps;
- Reviews the internal audit functions with particular emphasis on the scope and frequency of audits and the adequacy of resources; and
- Reviews key internal control issues identified by the IAT, the Management and the External Auditors and action plans taken by the management to mitigate risks in daily business operations on a quarterly basis.

The ARC review and monitor the effectiveness of the Group Risk Management and reports to the Board its assessment.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

(Cont'd)

REVIEW OF THE STATEMENT BY THE EXTERNAL AUDITORS

The External Auditors have reviewed this Statement on Risk Management and Internal Control pursuant to the scope set out in the Audit and Assurance Practice Guide (“AAPG”) 3, Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report issued by the Malaysian Institute of Accountants (“MIA”) for inclusion in the Annual Report of the Group for the year ended 31 December 2023, and reported to the Board that nothing has come to their attention that cause them to believe that the statement intended to be included in the Annual Report of the Group, in all material respects:-

- (a) has not been prepared in accordance with the disclosure required by paragraphs 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers; or
- (b) is factually inaccurate.

AAPG 3 does not require the External Auditors to consider whether the Directors’ Statement on Risk Management and Internal Control covers all risks and controls, or to form an opinion on the adequacy and effectiveness of the Group’s risk management and internal control system including the assessment and opinion by the Directors and management thereon. The auditors are also not required to consider whether the process described to deal with material internal control aspects of any significant problems disclosed in the Annual Report will, in fact, remedy the problems.

CONCLUSION

The Board is satisfied with the adequacy and effectiveness of the Group’s risk management and internal control systems. The Board received assurance from the CEO and Group Finance Director that the risk management and internal control system, in all material aspects operated adequately and effectively and has been in place for the year under review and up to the date of the Annual Report. For the financial year under review, there were no material control failures or adverse consequences that have directly resulted in any material loss to the Group.

This Statement was approved by the Board of Directors on 3 April 2024.

AUDIT AND RISK COMMITTEE REPORT

The Board is pleased to present the Audit and Risk Committee (“ARC”) Report for the financial year ended 31 December 2023 in accordance with Paragraph 15.15 of the Bursa Malaysia Listing Requirements.

COMPOSITION AND MEETING ATTENDANCE

The ARC of the Company was established to provide assistance to the Board in matters relating to the Group’s internal and external audit functions, related party transactions, conflict of interest situations, risk management and internal control, financial reporting and corporate governance.

The members of the ARC and the attendance of each member of the ARC at meetings held during the financial year ended 31 December 2023 were as follows:-

Composition ARC	Number of Meeting held		
	Held	Attended	%
Mr Tung Kum Hon - <i>Chairman, Independent Non-Executive Director</i>	4	4	100
Mr John David Cambridge - <i>Member, Independent Non-Executive Director</i>	4	4	100
Dr Ong Eng Leng (Ong Eng Lin) - <i>Member, Independent Non-Executive Director</i>	4	4	100
YM Tengku Djan Ley Bin Tengku Mahaleel - <i>Member, Independent Non-Executive Director</i>	4	4	100

The Chairman of the ARC, Mr Tung Kum Hon, is an Independent Non-Executive Director and is a member of the Malaysia Institute of Certified Public Accountants and the Malaysian Institute of Accountants. All members of the ARC are financially literate. They can understand matters under the purview of the ARC including the financial reporting process to effectively discharge their duties and responsibilities as members of the ARC. No alternate director is a member of the ARC.

Further information of the members of the ARC is set out in the Profile of Directors of this Annual Report and the Terms of Reference of the ARC is available on the Company’s website at www.tienwah.com.

The composition of the ARC is in compliance with Paragraphs 15.09 and 15.10 of the Bursa Malaysia Listing Requirements.

The CEO and Group Finance Director (“GFD”) were invited to the ARC meetings to facilitate direct communication and to provide clarifications on unaudited quarterly financial statements, audit issues, risk management and the operations of the Group. The Head of Internal Audit was present at the ARC meetings to table the internal audit reports and plans. From time to time, other directors, senior management and employees may also be invited by the ARC to attend the ARC meetings to brief the ARC on specific matters. The ARC also held one (1) private session with the External Auditors and two (2) private sessions with the Internal Auditors without Executive Board Members and Management’s presence.

To enable the ARC to fulfill their roles effectively, all its members had attended continuous training program during the year. Details of the training program are disclosed in the Corporate Governance Overview Statement in this Annual Report.

SUMMARY OF WORKS DURING THE YEAR

During the financial year under review, the ARC has carried out its functions and duties in accordance with its Terms of Reference. The works carried out by the ARC encompassed the following:-

1. Financial Reporting

- (a) Reviewed the quarterly unaudited and annual audited financial statements of the Company and Group with the CEO and GFD before recommending them to the Board of Directors for approval. The reviews and deliberations focused on significant changes to accounting policies and practices or judgement by Management, adjustments arising from the audits, compliance with applicable approved accounting standards and other legal requirements affecting the Company and the Group.
- (b) Reviewed and recommended dividend pay-out for the financial year to the Board and considered the solvency test presented.

2. External Audit

- (a) Reviewed and approved the External Auditors' audit plan, nature and scope of the audit plan, audit report, evaluation of internal controls and coordination of the External Auditors with Management.
- (b) Reviewed with the External Auditors, the Group's annual financial statements focusing on findings arising from audits particularly the comments and responses in management letter as well as assistance given by the employees of the Group, before recommending to the Board of Directors for approval, including the Key Audit Matters as disclosed in the External Auditors Audit Opinion.
- (c) Reviewed with the External Auditors, the Company's Statement on Risk Management and Internal Control before recommending the same for inclusion into the 2023 Annual Report.
- (d) Held one (1) meeting with the External Auditors without the presence of the Executive Board Members and Management to reinforce the independence of the external audit function of the Company and Group and to discuss any matters deemed sensitive without the presence of the Executive Director and Management.
- (e) Reviewed the overall performance of the External Auditors, including assessment of their independence, technical competency and reasonableness of their audit fees and non-audit fees. Upon satisfactory assessment, recommended the re-appointment of External Auditors and the audit fee payable for the Board's approval.
- (f) Received from the External Auditors their written assurance confirming their professional independence to the audit engagement.

3. Internal Audit

- (a) Reviewed the internal audit reports prepared by the Head of Internal Audit, which highlighted the audit issues, root causes, potential risks and implications, recommendations and Management's response. Discussed with Management the actions taken to improve the system of internal control based on improvement opportunities identified in the internal audit reports and follow up on audit recommendations.
- (b) Reviewed and report to the ARC on the internal audit plans as to their consistency with the Enterprise Risk Management Framework, in particular to the high risks areas identified together with the results of assessments.
- (c) Reviewed and approved the proposed audit work to be conducted in accordance with the approved 3-Year Internal Audit Plan.
- (d) Reviewed the follow-up reports on status of the implementation of action plans by the Management in addressing the areas for improvements as reported from the previous audit reviews.

AUDIT AND RISK COMMITTEE REPORT

(Cont'd)

- (e) Reviewed the overall performance of the Internal Auditors, including assessment of their independence, technical competency and sufficiency of its manpower and budget to carry out its work.
- (f) Held two (2) meetings with the Internal Auditors without the presence of the Executive Board Members and Management.

4. Related Party Transactions and Conflict of Interest Situations

- (a) Reviewed the Circular to Shareholders relating to Shareholders' Mandate for recurrent related party transactions of a revenue or trading nature prior to recommending it for Board's approval.
- (b) Reviewed any related party transactions, conflict of interest and potential conflict of interest situations that may arise within the TWPH Group, including any transaction, procedure or course of conduct that raises questions of management integrity. Ensure that all related party transactions were undertaken on an arm's length basis and on normal commercial terms, consistent with the Company and Group's usual business practices and policies, which are not more favourable than those generally available to the third parties/public and are not to the detriment of the minority shareholders.

5. Risk Management and Internal Control

- (a) Reviewed Company's Statement on Risk Management and Internal Control before recommending the same for inclusion into the 2023 Annual Report.
- (b) Reviewed the Group Risk Officer's Report on the risk register of the Group.

6. Ethical and Integrity areas

The ARC did not receive any reports under the Group's Whistle Blower Policy which, the ARC would take very seriously in its implementation and protection of its confidentiality as set out in the aforesaid policy.

7. Corporate Governance

Reviewed disclosure statements on the Corporate Governance Overview Statement, Corporate Governance Report, ARC Report and Directors' Responsibility Statement in respect of the Audited Financial Statements for the financial year ended 31 December 2023 and ensured that these reports were prepared in accordance with the applicable requirements for inclusion in the Annual Report 2023 prior to the recommendation to the Board for adoption.

INTERNAL AUDIT FUNCTION

The internal audit function during the year was undertaken by both the in-house Internal Audit Department and Moore Stephens Associates PLT (co-sourced internal audit services) ("Internal Audit Department") who are independent of the activities or operations of the Group. This co-sourcing arrangement is where the internal audit is conducted jointly by the Internal Audit Department of the Company (in-house) and a third party internal audit service provider who acts independently with impartiality, proficiency and due professional care and reports directly to the ARC. There are various advantages including access to professionals' skills, knowledge, and expertise; a new point of view to improve the internal audit function; provide staff training and being able to cover unexpected staffing needs.

The principal role of the internal audit is to undertake independent regular and systematic reviews of the systems of internal control so as to provide reasonable assurance that such systems are in place and continue to operate satisfactorily and effectively as functionally intended. It is the responsibility of the Internal Auditors to provide the ARC with independent and objective reports on the state of risk management, internal controls and governance of the various operating units within the TWPH Group and the extent of compliance of the units with the TWPH Group's established policies and procedures as well as relevant statutory requirements.

AUDIT AND RISK COMMITTEE REPORT

(Cont'd)

The works performed by the Internal Audit Department during the financial year were as follows:-

- Reviewed and audited the pertinent issues of the TWPH Group, which could have a significant impact on the results of the TWPH group:-
 - Internal Control Review of Record to Report.
 - Tien Wah Press Holdings Berhad – Section 17A of the Malaysian Anti-Corruption Commission Act 2009 on Adequacy and Record to Report Review.
 - Alliance Print Technologies Co. Ltd (Vietnam) – Sales to Receipt Process and Procurement to Payment Review.
- Reviewed the findings and proposed management action plans arising from internal audits.
- Conducted follow up review of outstanding Internal Audit issues to independently assess the implementation of action plans in addressing the observations highlighted in earlier internal audit reports.
- Further details of the works of the Internal Audit Department are set out in the Statement on Risk Management and Internal Control of the Annual Report. The total costs incurred by in-house and co-sourced internal auditing discharging its function and responsibilities in 2023 amounted to approximately RM 141,849 including expenses.
- During the financial year under review, there were no material internal control failures that would have resulted in any significant loss to the Group.

STATEMENT BY THE ARC

There were no share options offered to eligible employees or the non-executive directors during the financial year ended 31 December 2023.

This ARC Report was made in accordance with the approval of the Board of Directors on 3 April 2024.

DIRECTORS' RESPONSIBILITY STATEMENT

The Board is responsible for ensuring that the financial statements of the TWPH Group give a true and fair view of the state of affairs of the TWPH Group and of the Company as at the end of the accounting period and of their profit or loss and cash flow for the period then ended. In preparing the financial statements, the Directors have ensured that accounting standards approved by the Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia have been complied with and reasonable and prudent judgments and estimates have been made.

In preparing the financial statements, the Directors have selected and consistently applied suitable accounting policies and made reasonable and prudent judgments and estimates. The Directors also have a general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the TWPH Group and to prevent and detect fraud and other irregularities. The Directors are also responsible for such internal controls as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Board is satisfied that it has met its obligation to present a balanced and understandable assessment of the Company's position and prospects in the Directors' Report and the Financial Statements of this Annual Report.



ABOUT THIS SUSTAINABILITY REPORT

Tien Wah Press Holdings Berhad (TWPH) is focused on enhancing its forte to stay relevant in this competitive business environment. Backed by over five decades of experience, we believe that financial stability and sustainability go hand in hand, especially in the last decade, with the increase of demands and expectations from customers and higher level of interest from international competitors in the regional tobacco packaging market.

This report covers TWPH and our major operating entities in Alliance Print Technologies Co. Ltd. (“APT”) and PT. Bintang Pesona Jagat (“BPJ”), collectively referred to as the “Group”. This Statement will be expanded to cover other operating unit at various stages of implementation. This Statement covers our reporting period from 1 January 2023 to 31 December 2023, unless otherwise stated.

This Sustainability Report (the “Report”) serves as a channel to communicate our initiatives in managing sustainability matters that are material to our operations. This report has been prepared in accordance to the Main Market listing requirements of the Bursa Malaysia Securities Berhad Sustainability Reporting Guide 2022 (3rd edition).

SUSTAINABILITY REPORT

(Cont'd)

ASSURANCE

We recognise the value of independent verification to ensure the accuracy and integrity of this report. For our common sustainability disclosure, we have sought internal assurance from Moore Stephens Associates PLT (co-sourced internal audit services), who are independent of the activities or operations of the Group. This exercise was conducted in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised), *Assurance Engagements other than Audits or Reviews of Historical Financial Information*, over selected sustainability disclosure.

OUR SUSTAINABILITY APPROACH

Tobacco packaging serves as a critical link between the tobacco product manufacturers and the consumers. The brand imagery of the packaging is the key to the customers' brand identity within this competitive market and high-quality prints are critical to mitigating counterfeit products. Tobacco companies have been evolving their business strategies and the use of new technologies for product innovation, including packaging to remain competitive. As the Group's customers are mainly tobacco companies, its performance is thus closely correlated with the performance of the tobacco customers and the tobacco industry in general.

The recent trends towards imposing plain packaging on tobacco products and the inception of "Reduced Risk Products" into the markets have undoubtedly upended the business environment and created higher complexities for companies within the tobacco industry.

In pursuit of our vision to be the "Winning Company", integrating sustainability into our core ethos and vision is not only beneficial for the environment and local communities but also increasingly essential for long-term success in today's business landscape.

Our ambition is to provide our customers and consumers with products and services that meet their expectations whilst minimising the impact of our operations on the environment and local communities around us. We need to ensure that sustainability practices are embedded into every aspect of our operations, from sourcing raw materials to production processes, distribution, and disposal.

Our sustainability initiatives are governed by the Group Sustainability Policy which demonstrates our commitment in the areas of economic, environmental and social. Key objectives of the Policy are summarised below: -

- dedicated to maintain a healthy and safe working environment for our employees and place emphasis on developing and empowering them;
- support and encourage community development in the Group;
- committed to identify, manage and minimise the environmental impact of our business operations, whilst complying with the environmental regulatory and legal requirements; and
- recognise the importance of governance sustainability and incorporate it into all functions and processes of our business. This includes continuous improvement and monitoring of the impacts that we have created.



SUSTAINABILITY GOVERNANCE - UNDERPINNING STRATEGIC SUSTAINABILITY VISION

Our sustainability initiatives are aligned with the Group's vision and mission. Our Board of Directors (the Board), is the highest governance body in our organisation, responsible for overseeing the conduct of our Group's business operations, financial and sustainability performance. The Board is supported by the Audit and Risk Committee, which is responsible to monitor the progress of implementation of sustainability initiatives, based on the directions set by the Board. TWP has plans to expand ESG related responsibilities by integrating into the roles of each Board Committee e.g., Nomination Committee (NC) ensures ESG competency and gender representation is considered for Board appointment; while Remuneration Committee (RC) determines ESG linked KPIs.

A Sustainability Working Group ("SWG"), headed by the Chief Executive Officer ("CEO"), was established at the Management-level to plan and implement the sustainability initiatives. SWG comprises of representatives from relevant departments and is supported by sustainability champions across various functions within the Group. SWG aims to integrate sustainability considerations into day-to-day operations in line with the Group's strategy and targets.

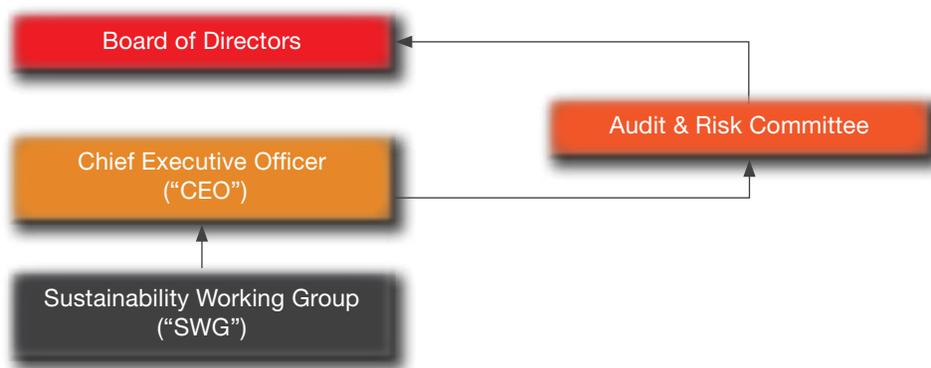


Diagram 1: TWP Sustainability Governance Structure

SUSTAINABILITY REPORT

(Cont'd)

STAKEHOLDER ENGAGEMENT - SKETCHING OUT STAKEHOLDER EXPECTATIONS

We see sustainability not as a set of “add-ons” to our business but rather as intrinsic to what we do. We acknowledge that the sustainability of our business depends on staying attuned to our stakeholders’ expectations in the context of managing the impact of our business operations across the economic, environment and social (“EES”) dimensions.

Emphasis is placed on regular interactions and communications with a wide range of stakeholder groups, formally and informally. The information gathered from our stakeholder groups enable us to sketch out a more accurate picture of our impact to them, improving the way we address their expectations.

The key stakeholder groups with high level of influence and dependence on the Group identified are shareholders/investors, Board of Directors, major customers, government/regulatory bodies and employees. This is illustrated in the **Diagram 2** below.

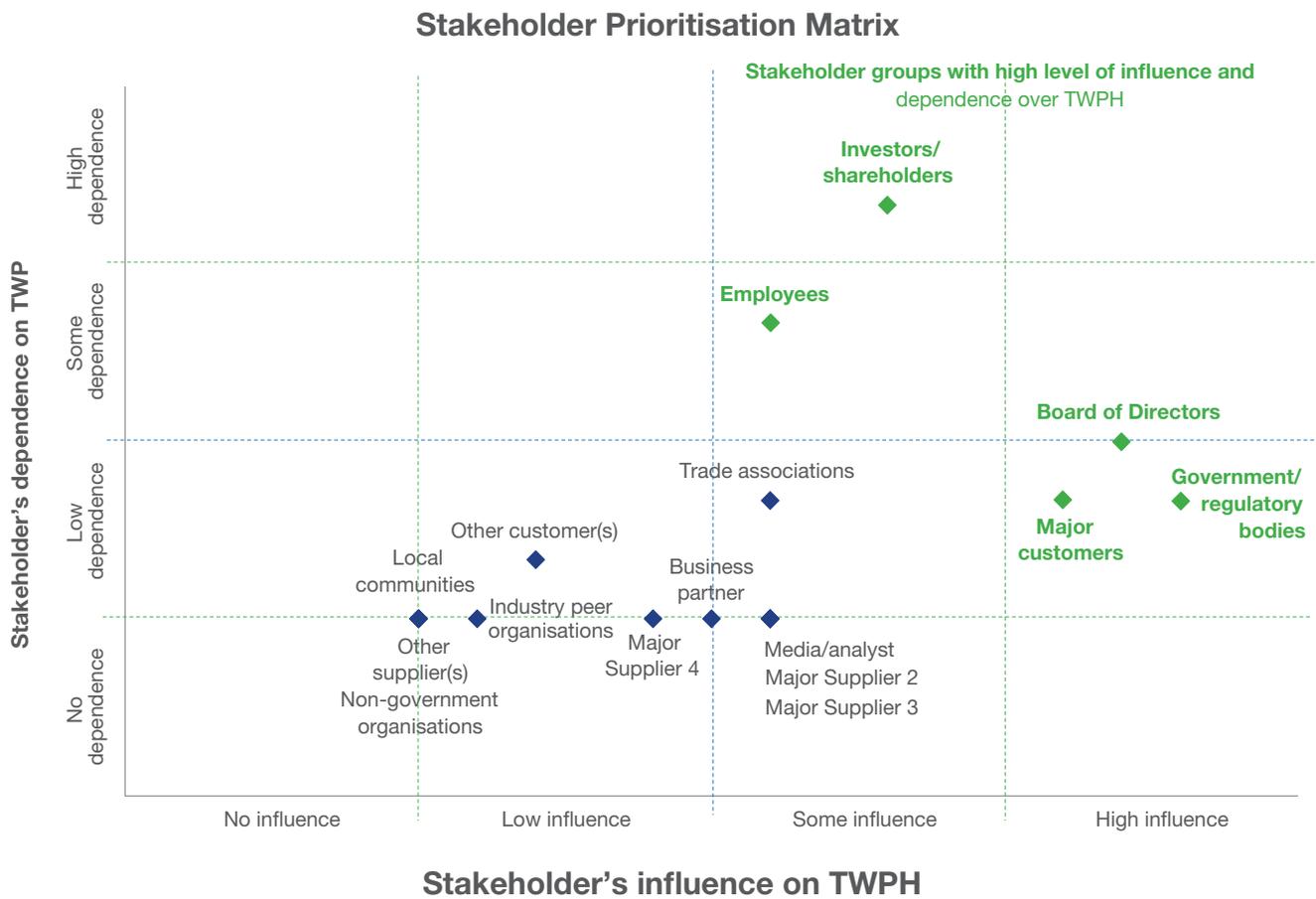


Diagram 2: TWP Stakeholder Prioritisation Matrix

As part of our strategy in achieving sustainable growth, various engagement channels are established to obtain feedback on EES-related concerns from stakeholders. **Table 1** set out on the following page shows a summary of our stakeholders' feedback and our corresponding initiatives to address their expectations.

Table 1: Summary of stakeholders' feedback and TWPB's corresponding initiatives to address their concern and expectations

Stakeholder Groups	Engagement Channels	Key Feedback	Our Initiatives (refer to respective section of the Statement)
Board of Directors	<ul style="list-style-type: none"> Quarterly board meetings On-going multiple engagement channels (e.g. email, meetings) 	<ul style="list-style-type: none"> Sustainability in supply chain management Environmental management 	<ul style="list-style-type: none"> Sustainability-Infused Operations Achievement-Oriented Employer Eco-Centric Corporate Citizen
Customers	<ul style="list-style-type: none"> Annual Customer Satisfaction Survey On-going multiple engagement channels (e.g. emails, meetings) 	<ul style="list-style-type: none"> Customer satisfaction Occupational health & Safety 	<ul style="list-style-type: none"> Sustainability-Infused Operations Achievement-Oriented Employer
Employees	<ul style="list-style-type: none"> Annual employee performance appraisals Monthly management meeting On-going multiple internal engagement channels (e.g. emails, training, meeting) 	<ul style="list-style-type: none"> Sustainability in supply chain management Talent management & retention Employee welfare Community development Business sustainability Environmental management & compliance 	<ul style="list-style-type: none"> Sustainability-Infused Operations Achievement-Oriented Employer Eco-Centric Corporate Citizen
Shareholders/ Investors	<ul style="list-style-type: none"> Annual General Meeting Analyst briefing 	<ul style="list-style-type: none"> Customer satisfaction Talent management & development Employee welfare 	<ul style="list-style-type: none"> Sustainability-Infused Operations Achievement-Oriented Employer
Suppliers	<ul style="list-style-type: none"> Supplier assessment evaluation & audit On-going multiple engagement channels (e.g. meetings) 	<ul style="list-style-type: none"> Sustainability in supply chain management 	<ul style="list-style-type: none"> Sustainability-Infused Operations

MATERIALITY ASSESSMENT - HARMONISING STAKEHOLDERS' EXPECTATION & BUSINESS STRATEGIES

We adopted a structured approach to identify and prioritise sustainability matters that are important to both business and stakeholders. The outcome of materiality assessment, forms the basis for developing the content of our sustainability disclosures.

In identifying sustainability matters, we have considered our operating environment and emerging global risks associated with the printing industry. This is based on internal and external sources, including publicly available references such as Annual Reports/Sustainability Reports published by selected printing companies and international voluntary reporting standards and guidelines [e.g., Global Reporting Initiative Standards ("GRI")].

In addition to the existing engagement approaches, we have conducted surveys and one-to-one interviews with key stakeholders, i.e., shareholders, directors, employees, customers and suppliers to gauge their perception on the level of importance of each sustainability matter.

SUSTAINABILITY REPORT

(Cont'd)

Following this, we prioritised the sustainability matters by considering its significance to both stakeholders and business operations. During this process, we have also considered the degree of impact and likelihood of occurrence of these risk events associated with these matters. The outcome of the prioritisation exercise, i.e., Materiality Matrix is presented in **Diagram 3** below.

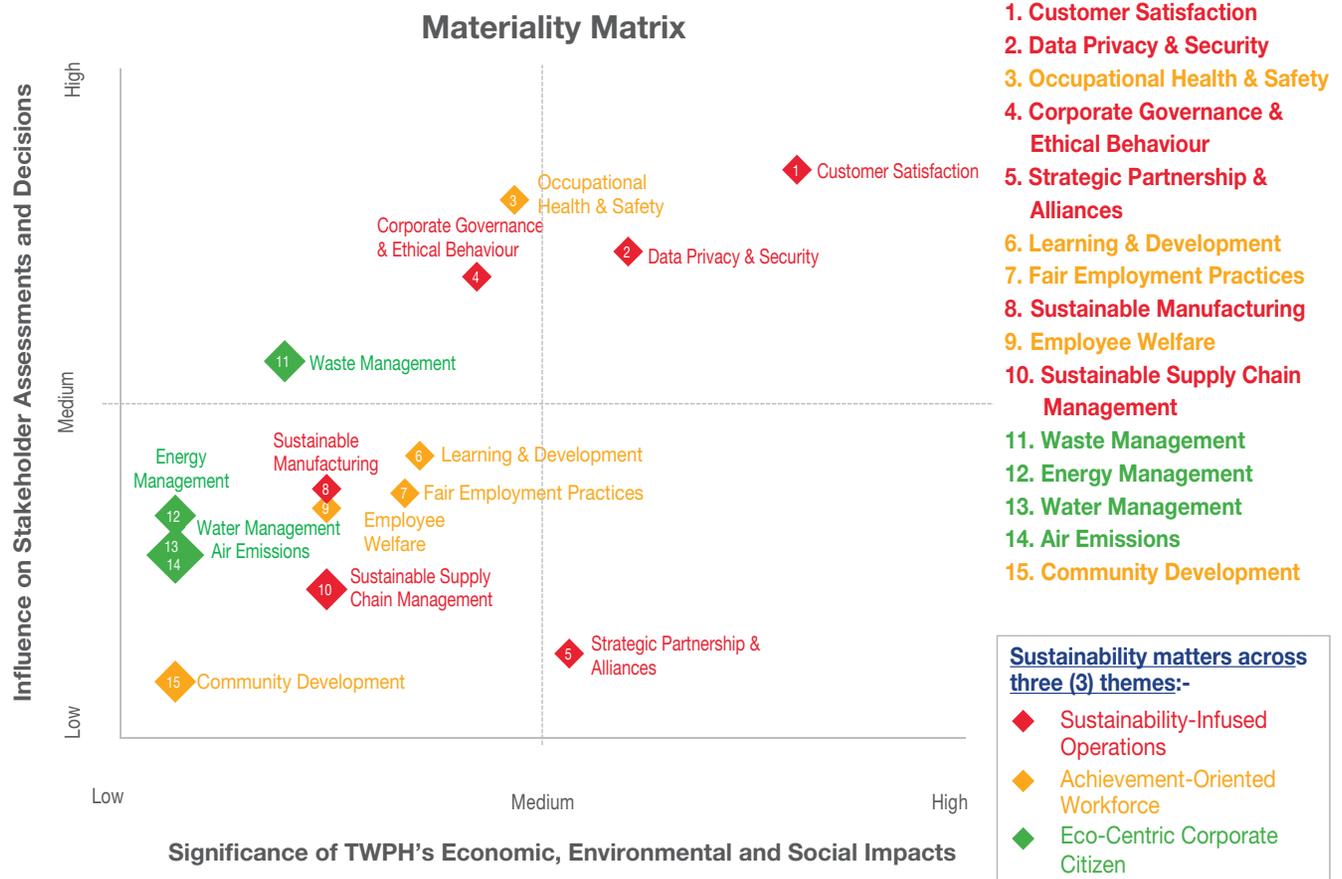
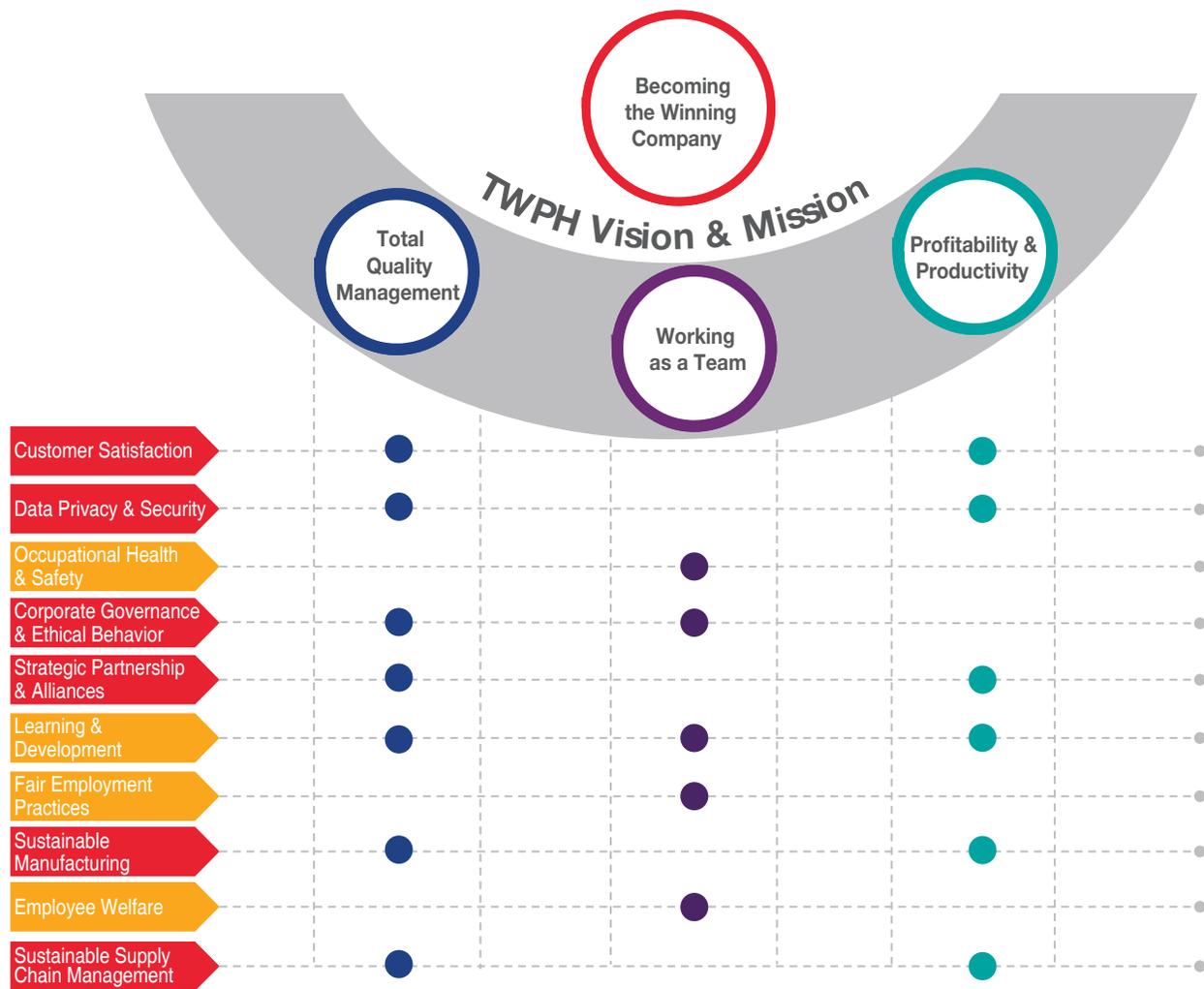


Diagram 3 TWPB Materiality Matrix

Customer satisfaction, data privacy and security, occupational health and safety, corporate governance and ethical behavior and strategic partnership and alliances are our top five key sustainability matters. Diagram 4 below, shows the intrinsic connection between our top ten material sustainability matters and TWPH’s Vision and Mission, which is ultimately aimed at becoming the “Winning Company” in the industry.



Top 10 material matters across three (3) themes:
 ◆ Sustainability-Infused Operations ◆ Achievement-Oriented Workforce

Diagram 4: Harmonising stakeholders' expectation and business strategies

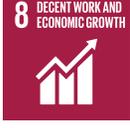
The details of our initiatives in managing these material sustainability matters, across the following three themes are discussed in the subsequent section of the Statement: -

- Being an eco-centric corporate citizen**
 Uphold our responsibility by placing great emphasis on eco-centric initiatives to manage the environmental impacts arising from our business operations whilst ensuring operational excellence.
- Fostering a culture of achievements into our workforce**
 Advocate a healthy and safe working environment for our diversified workforce as well as promoting wellbeing of community at large.
- Ensuring a sustainability-infused operation**
 Focus on continuous improvement in developing sustainability-driven operational excellence by integrating innovations, whilst strengthening our strategic partnerships with stakeholders.

SUSTAINABILITY REPORT

(Cont'd)

SUSTAINABILITY TARGETS

Topic	Targets	Progress Tracking	UNSDGs
Environment			
Climate Change	50% reduction in GHG emissions intensity by 2030, inclusive scope 1, 2 (compare to FY2019 baseline)	■	  
	Carbon neutral by FYE2040	■	
	Net zero emission by FYE2050	■	
	30% of total energy from renewable sources by FY2030	■	
Waste	25% reduction in total volume of waste generated by FY2030 (compare to FY2022 baseline)	■	
Water	35% reduction in total amount of water withdrawn by FY2030 (compare to 2019 baseline)	●	
Biodiversity & Afforestation	Net zero deforestation of managed forests in our supply chain and net positive impact on forests in our supply chain by FY2030.	■	
Social			
Human Rights	Zero child labour in our operations	●	   
Health & Safety	Zero accidents Group-wide each year	●	
People & Culture	30 % of women in management roles by FYE2030	●	
Governance			
Business & Ethics	Full adherence to Company Code of conduct	●	   
		<p>● Met target</p> <p>■ In the progress / on track</p>	

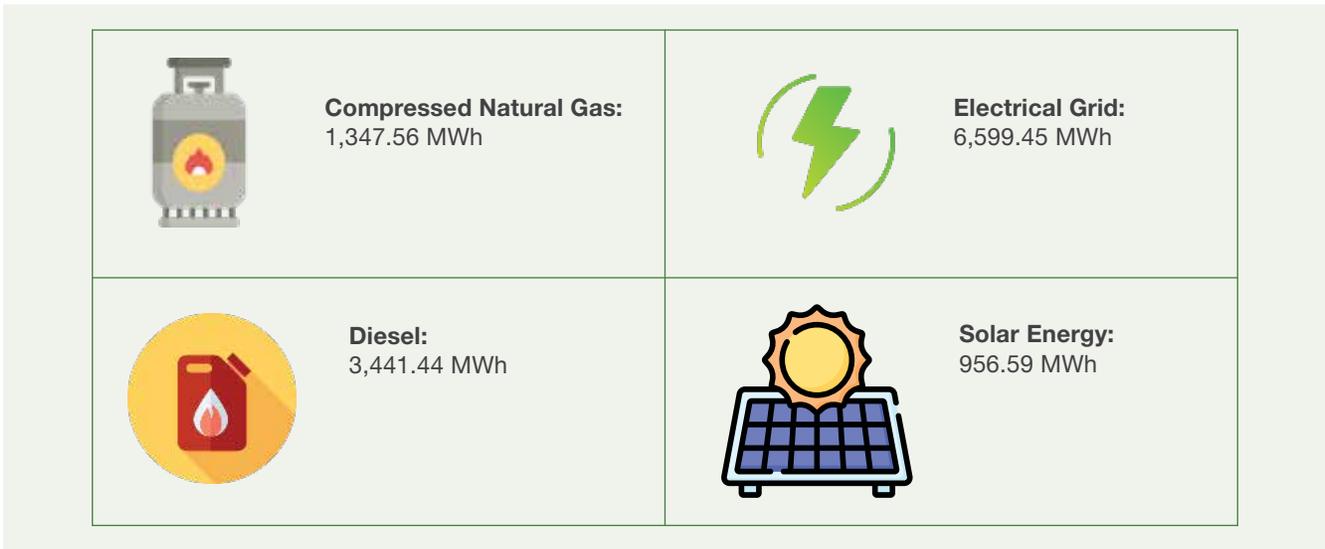
ECO CENTRIC CORPORATE CITIZEN

The Group is committed to minimising our environmental impact. Both, APT and BPJ are certified by ISO 9001:2015 While BPJ is also aligned to ISO 14001:2015 in quality and environmental management system. We ensure all our plants and operations comply with legal and regulatory requirements. We have dedicated individuals at each location responsible for ensuring our activities are compliant with permit conditions, local laws, and regulations on environmental issues such as air emissions, waste, pollution, etc.

CLIMATE CHANGE

Climate change is widely recognised as one of the greatest challenges of our time. It poses significant threats to ecosystems, economies, and societies worldwide. The Group have the responsibility to minimise the environmental impact and contribute to sustainable development. We are dedicated to reducing greenhouse gas (GHG) emissions by aligning with global and national pledges to achieve net zero GHG emissions by FY 2050, as part of our ongoing journey towards environmental sustainability across our operations. We will continue reviewing our climate risks and opportunities to understand the current landscape and identify opportunities for improvement.

FY 2023 Energy Consumption by source, 12,345.03 MWh



EMISSION AT A GLANCE

For Scope 1 and 2 emissions, our primary strategy is to reduce our energy consumption and increase the share of renewable energy in our factories and within our logistics activities.

Total GHG emission was amounted to 6,250.61 tCO₂e, equivalent to the intensity of 23.12 tCO₂e / RM million revenue. In FY2023, our scope 2 total energy consumption stood at 7,556.03 MWh.

To combat climate change by reducing the consumption of fossil- based energy, we have installed solar photovoltaic panels in Vietnam and 13 % of the total scope 2 energy consumption was sourced from renewable energy sources.



These emissions data have not yet been **third-party verified** or **assured**.

SUSTAINABILITY REPORT

(Cont'd)

To further enhance our efforts, we are exploring the possibilities to expand solar panel installation in appropriate structure throughout the Group.

Embracing sustainability and reducing carbon emissions can contribute to long-term business success and a more sustainable future for all.

We are currently conducting our Scope 3 baselining and enhancing our data collection process and GHG inventory.

Our ongoing strategy to reduce carbon emission,

<ul style="list-style-type: none"> • Monitor energy usage to identify areas for improvement. 	<ul style="list-style-type: none"> • Encourage employee engagement and behaviour change to promote energy conservation practices in the workplace.
<ul style="list-style-type: none"> • Promote resource efficiency, waste reduction, and recycling to minimise emissions associated with production, consumption, and disposal of goods and materials. 	<ul style="list-style-type: none"> • Invest in renewable energy certificates (RECs) or carbon offsets to support renewable energy projects and reduce carbon emissions.
<ul style="list-style-type: none"> • Utilise cleaner electricity from renewable sources or low-carbon grid power. 	<ul style="list-style-type: none"> • Encourage the use of low-carbon transportation.



Our company evaluates the effectiveness of climate management approach and water management approach by participating in CDP response.

In FY 2023, which is our second-year participation in CDP, the Group received an upgraded score of B - and B for the 2023 Climate Change and Water Security CDP questionnaire. We will leverage and implement the new learning from CDP to further refine our environmental management approach.

Additionally, EcoVadis is a global sustainability platform which rates our performance as a responsible business in areas covering environment, labour practices, ethics, and sustainable procurement. For the first-year running in FY 2023, we have received a bronze sustainability rating from EcoVadis.

WATER

Our manufacturing processes are not particularly water intensive, water is mainly use for humidification and washing across various stages of the production process. Our effort in effective water management roadmap included monthly monitoring of water withdrawal, optimise water usage and preventive maintenance activities are consistently carried out to prevent leakage across water pipeline system.

In our effort to reduce and avoid water pollution, we tracked the water discharge in our operations sites, all effluents are treated before discharge into waterways. There were no reported cases of non-compliance with environmental laws and regulations in where we operated.

In FY 2023, the Group water withdrawal intensity reduced by 53% from FY 2019 baseline 48,670 m³/RM mil revenue to 20,078 m³/RM mil revenue.



DEFORESTATION

The Group are committed to achieving net zero deforestation and is actively monitoring the paper board sources in our supply chain. Ensuring responsible sourcing practices for paper and other forest-derived products is crucial for mitigating the negative impacts of deforestation and forest degradation.

For our paper and pulp-based supply chain, we work with suppliers who can demonstrate the material is sourced sustainably. Performance of our suppliers are monitored through audits and annual on-site assessments based on a set of criteria, such measures are crucial for ensuring the quality of products, competitiveness in pricing, and reliability of the supply chain.

Our Vietnam operations, APT was accredited by PEFC since FY2013 for the use of sustainable materials for cigarette and general packaging. Maintaining PEFC accreditation requires ongoing compliance with certification standards and continuous improvement in sourcing and handling practices. Concurrently, APT holds an FSC certificate too, the company has been certified for responsibly source of paper and other forest products from sustainably managed forests.



In FY 2023, all paper and forest-derived products are sourced sustainably and the consumption on PEFC-certified papers is 53% of total consumption volume.

WASTE MANAGEMENT

At TWP group, we recognise the paramount importance of responsible waste management in our operations. We understand that maximising the efficiency of our raw materials and resources not only benefits our bottom line but also contributes significantly to reducing our environmental footprint. As such, we are committed to implementing robust waste management practices that prioritise sustainability and environmental stewardship.

	<p>Paper / Board</p> <p>Recycled boards are used in the make-ready stage to minimise overall production wastage</p>		<p>Pallet</p> <p>the reusable pallets which are in good condition will be reused</p>
	<p>Recycle Solvent</p> <p>used for cleaning purposes</p>		<p>Used Ink</p> <p>the pumped-out recycled ink is continuously used for test- run and production run</p>

Furthermore, we are dedicated to properly disposing of both solid and hazardous waste in accordance with all applicable regulations and industry best practices. The Group’s hazardous waste management process is administered by the handling and storage of schedule waste policy. All hazardous waste is segregated, properly packaged, labelled, store separately at the designated areas and disposed safely through licensed contractors. We prioritise the safe handling, treatment, and disposal of waste to prevent environmental contamination and minimise any adverse impacts on human health and the environment.



SUSTAINABILITY REPORT

(Cont'd)

ACHIEVEMENT – ORIENTED WORKFORCE

HUMAN CAPITAL

TWPH Group ended the year with a total of 504 employees, in which female employees made up 40% of our workforce.

NEW EMPLOYEE HIRING AND TURNOVER

In FY 2023, we welcomed 204 new employees to our team. Our voluntary turnover rate stood at 43.5%, which is higher than our hiring rate 40.1%. Our turnover is mainly non-executive from Vietnam Operations.

Improving employee engagement and reducing turnover are critical goals for the Group aiming to enhance productivity, foster a positive work environment, and retain top talent. We will continue to implement employee engagement measures such as regular feedback sessions, training, coaching, career growth and employee activities.

LABOUR PRACTICES

The Group, employs a diverse workforce consisting of both full-time permanent employees and individuals on contract arrangements. As of FY 2023, our workforce composition reflects a proportion of 17.7% contract employees. We value the contributions of all our employees, regardless of their employment status, and strive to create an inclusive and supportive work environment for everyone.

TRAINING AND DEVELOPMENT

We prioritise employee development and continuous learning as essential components of our culture. As of FY 2023, employee has participated in various training programs and initiatives and the total hours of training are 3,099. These training programs cover a wide range of topics, including technical skill development, compliance training and professional certification.

Our goal is to equip employees with the knowledge, skills, and competencies they need to succeed in their roles and contribute effectively to our organisation's success. We track attendance and participation in training programs regularly to ensure that we are effectively meeting the learning needs of our workforce. We also welcome feedback from employees to continuously improve the quality and relevance of our training offerings.

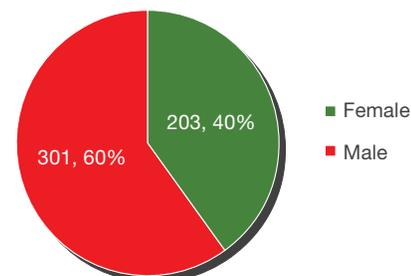
DIVERSITY

We recognise a diverse and inclusive workplace drives organisational excellence. A diverse workforce brings together individuals with different perspectives and ideas, fostering innovation, creativity and resilience. We firmly believe in the invaluable contributions that women make to our organisation and the driving our success. To that end, we provide ongoing training for hiring managers on recognising and mitigating biases in job descriptions, candidate evaluation, and interview processes.

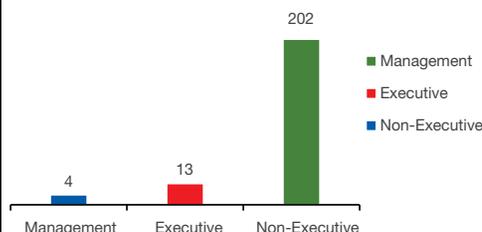
The Group, we are committed to empowering and encouraging women in the workforce, and we have a target of reaching at least 30% women in the management role groupwide by FY 2030. Through our collective efforts, we have not only met but exceeded our diversity targets in FY 2023.

To embrace a diversity and equity workplace is an ongoing journey, as we celebrate this accomplishment, we also recommit ourselves to continue promoting diversity and inclusion in everything we do.

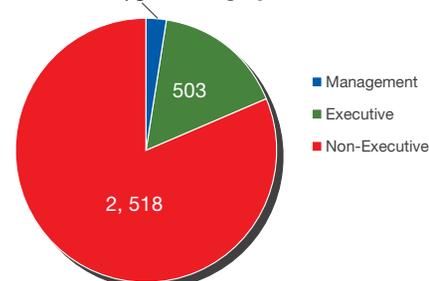
FY 2023 Total employees by gender



FY 2023 Employee turnover by employee category



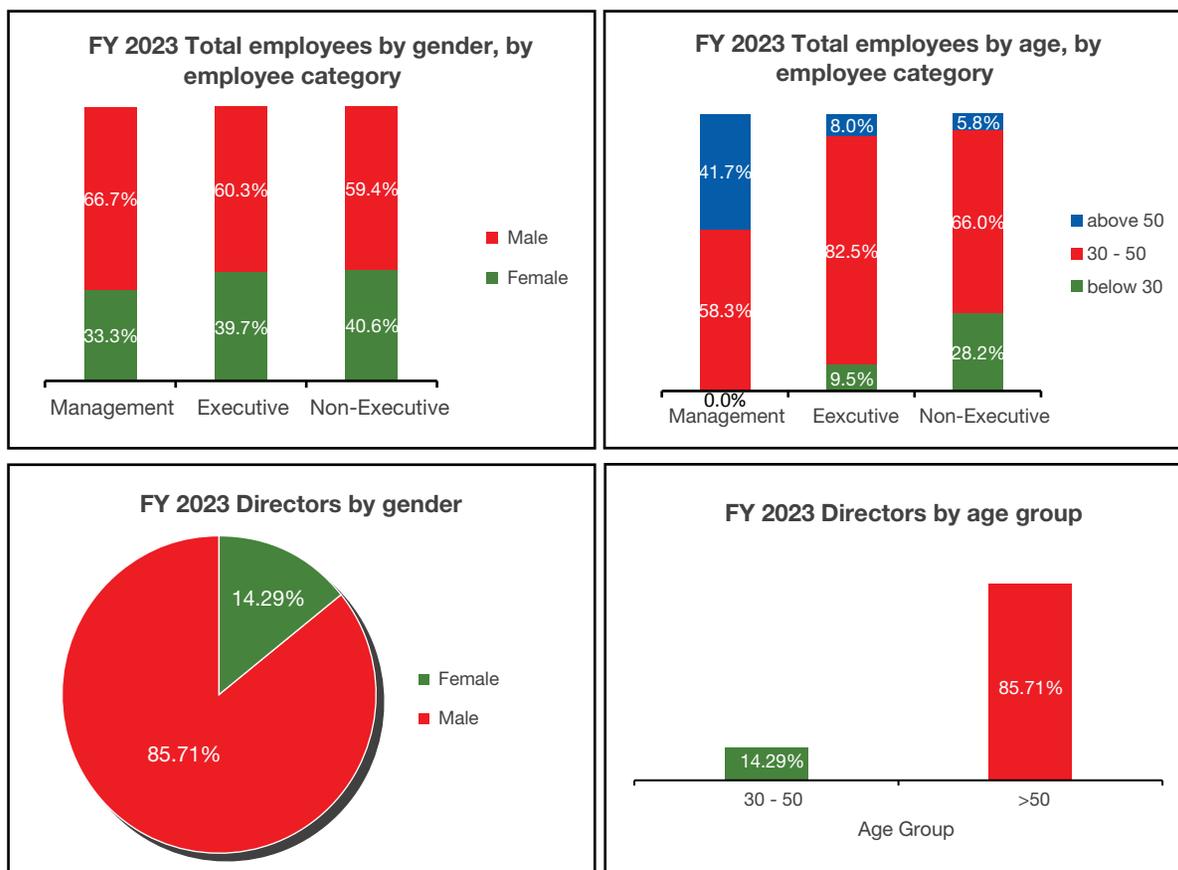
FY 2023 total hours of training by employee category



MAINTAINING A DIVERSE BOARD

The Group is committed to have at least 1 female director on the Board and takes cognisant of the recommendation of the MCCG to have at least 30% women director. The Company shall endeavour to increase female representation on the Board if there are appropriate candidates available when Board vacancies arise.

The Group workforce diversity highlights



UPHOLDING HUMAN RIGHTS

TWPH is dedicated to promoting, protecting, and advancing human rights within the workplace and beyond. We are committed to ensuring that our operations do not result in negative human rights impacts by promoting human rights protection, practicing equal opportunities and fair employment.

The Group comply strictly with all applicable labour laws and regulations, and integrated all other provision of the amended minimum wages in the jurisdiction of the countries in which we operate. In FY 2023, we completed reviewing all our HR policies to align with Employment (Amendment) Act 2022.

There were no reported complaints regarding human rights violations in FY 2023.

ZERO CHILD LABOUR

A comprehensive human rights policy is in place that explicitly prohibits child labour in all aspects of the company's operations. The Group implement robust due diligence processes to identify and address any potential risks of child labour within our operations.

In FY 2023, there were zero incidents of human rights violations.

SUSTAINABILITY REPORT

(Cont'd)

HEALTH & SAFETY

The safety of our employees is a top priority for us, and we instill and integrate strong operational discipline into our employees' day-to-day operational practices.

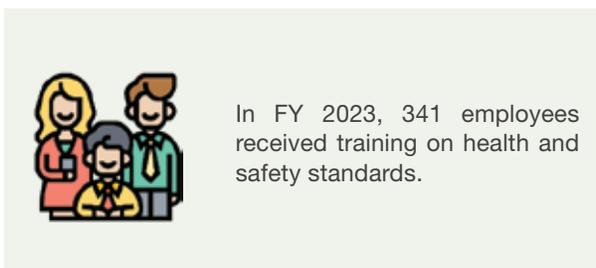
Our operations site, both APT and BPJ respectively has established the Health, Safety and Environment ("HSE") Committee, which is focus on identifying hazards, monitor health and safety performance, assessing risks to employee's health at work and introducing appropriate controls and support.

We have implemented a series of safety-related measures to eliminate potential health and safety related risks. Our key measures are outline below: -

√ Health Screening	√ Medical Insurance
√ Mandate the use of appropriate Personal Protective Equipment (PPE)	√ Regular inspections and maintenance of machinery & equipment
√ Implement proper protocols for handling, storage, and disposal of hazardous materials	√ Annual fire drill and evacuation drill exercise

In FY 2023, there have been no reported incidents on lost time injuries in our factories and we have zero work-related fatality. We are proud of the progress made to date and remain committed to achieve zero accidents group wide.

Subsequently, in our effort to drive safety awareness, we conduct series of health and safety-related trainings at TWP headquarter and operations sites. The topics included first aid at workplace, fire drill exercise, technical training of lifting and transporting equipment and occupational safety and hygiene.



COMMUNITY INVESTMENT

We believe, we could contribute to the well-being and development of the communities we operate in. To support the community welfare, the Group has donated necessities such as kitchen items, foods, and household essentials, to two underprivileged community in Selangor and Kuala Lumpur, namely the Lighthouse Children Welfare Home Association and Praise Emmanuel Children's Home and Overcomer Care Centre. In furtherance to enhance the well-being and satisfaction of employees, the Company has provided a childcare incentive for employees with children attending kindergarten (3 years old to 6 years old) in Vietnam.

We also organised a fundraising campaign to assist one of our Vietnam colleagues and her family during their illness and the company has decided to match all employee donations made towards this cause. Together we are demonstrating the strength of our team and the compassion within our company.



SUSTAINABILITY-INFUSED OPERATIONS

A CULTURE OF COMPLIANCE

In pursuit of maximising stakeholders value, the Board and Senior Management are committed to conduct business in an ethical manner, detailed in the Code of Ethics and Code of Conduct. These codes serve as a framework for decision-making and behavior, helping to ensure that all employees and stakeholder adhere to shared values and principles. Employees and the public are able to access the Codes on our corporate website.

We believe leadership plays a vital part in role-modelling and shaping a strong ethical culture of the Group. As part of our corporate culture, all employees are prohibited from accepting gifts or any form of inducements from suppliers or third parties. This helps mitigate the risk of conflicts of interest, bribery, or other unethical behavior that could compromise the integrity of business relationships. In the event that an employee receives a gift in any form, they are required to promptly declare it to the Human Resources (HR) Department using the provided "Business Gift Declaration Form." This requirement promotes transparency and accountability, ensuring that any potential conflicts of interest are identified and addressed in a timely manner.

ANTI-BRIBERY AND ANTI-CORRUPTION

Anti-Bribery Anti-Corruption (ABAC) Policy is in place and we have zero tolerance against all forms of bribery and corruption at all time. Avoiding corruption requires a comprehensive approach that involves preventive measures, detection mechanisms, and effective enforcement of anti-corruption policies. In order to uphold business integrity, conducting an ABAC training is a crucial step in reinforcing the TWPH's commitment to ethical conduct and compliance with anti-bribery laws and regulations. ABAC training equips employees with the knowledge and skills to identify, assess, and mitigate corruption risks effectively. We will continue the effort to ensure all employee undergo the training, to empower employees to resist and prevent unethical behavior in the workplace.



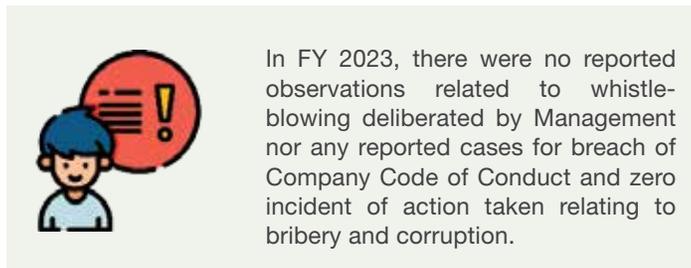
Furthermore, 100% of our operations has been assessed for corruption-related risks in FY 2023. We have established monitoring mechanisms to track the progress of risk mitigation efforts and executing action plans to implement risk mitigation measures effectively. This involves strengthening internal controls, enhancing compliance procedures, updating policies and procedures, conducting employee training, and improving oversight mechanisms. The Group regularly assess the effectiveness of implemented measures in reducing corruption risks to foster a collective effort in combating corruption and promoting ethical business practices.

SUSTAINABILITY REPORT

(Cont'd)

WHISTLEBLOWING MECHANISM

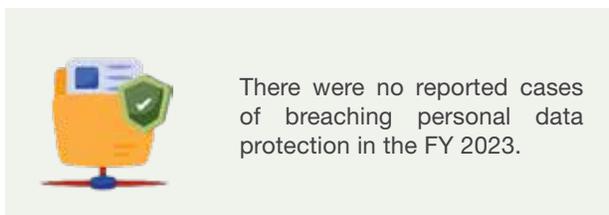
Our whistle-blowing mechanism is governed by the Group Whistle Blower Policy which allows our employees and stakeholders to speak up if they observe or suspect any wrongdoing or unethical behavior, in confidence. The Company periodically review and update the Whistle Blower Policy to ensure its effectiveness and alignment with best practices and regulatory requirements. We published the policy on the Company website for easy reference.



DATA PROTECTION AND PRIVACY

TWPH Group has established policies and procedures aligned with the Personal Data Protection Act and other applicable local regulations to guide data management processes. This demonstrates a commitment to safeguarding the privacy and security of personal data, which is crucial in today's digital landscape where data breaches and privacy violations are prevalent.

Additionally, regular training sessions and awareness campaigns has been conducted. Ongoing education and training for employee about best practices for handling personal data and understanding their role and responsibility in protecting, detecting and responding to security threats to help create a culture of data security within the organisation.



LOCAL SPENDING

At TWPH Group, we are committed to integrating sustainability principles into every aspect of supply chain. We believe, by sourcing goods and services locally can contribute to the economic development of the community. This also led to job creation, greater quality control and environmental sustainability.

With current local spending at 45% in FY 2023, there is ample room for growth. The majority expenses are attributed to overseas sourcing due to the unavailability of certain materials locally and customer's specification. We would continue drive an increase and optimise the supply chain to identify opportunities for improving efficiency and support local spending initiatives.

We would work together with stakeholders to identify opportunities for sourcing components or materials locally where feasible, leveraging the expertise and resources of both parties to create mutually beneficial solutions.

Performance Data Table

The subsequent performance data table, downloaded from the ESG Reporting Platform, outlines all essential indicators pertaining to the relevant Material Matters. The following data has undergone internal assurance, from Moore Stephens Associates PLT (cosourced internal audit services), who are independent of the activities or operations of the Group.

Indicator	Measurement Unit	2023
Bursa (Energy management)		
Bursa C4(a) Total energy consumption	Megawatt	12,345.03
Bursa (Water)		
Bursa C9(a) Total volume of water used	Megalitres	20,078.000000
Bursa (Labour practices and standards)		
Bursa C6(a) Total hours of training by employee category		
Management	Hours	78
Executive	Hours	503
Non-executive/Technical Staff	Hours	2,518
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	17.70
Bursa C6(c) Total number of employee turnover by employee category		
Management	Number	4
Executive	Number	13
Non-executive/Technical Staff	Number	202
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0
Bursa (Diversity)		
Bursa C3(a) Percentage of employees by gender and age group, for each employee category		
Age Group by Employee Category		
Management Under 30	Percentage	0.00
Management Between 30-50	Percentage	58.30
Management Above 50	Percentage	41.70
Executive Under 30	Percentage	9.50
Executive Between 30-50	Percentage	82.50
Executive Above 50	Percentage	8.00 *
Non-executive/Technical Staff Under 30	Percentage	28.20
Non-executive/Technical Staff Between 30-50	Percentage	66.00
Non-executive/Technical Staff Above 50	Percentage	5.80
Gender Group by Employee Category		
Management Male	Percentage	66.70
Management Female	Percentage	33.30
Executive Male	Percentage	60.30
Executive Female	Percentage	39.70
Non-executive/Technical Staff Male	Percentage	59.40
Non-executive/Technical Staff Female	Percentage	40.60

SUSTAINABILITY REPORT

(Cont'd)

Indicator	Measurement Unit	2023
Bursa (Diversity) (Cont'd)		
Bursa C3(b) Percentage of directors by gender and age group		
Male	Percentage	85.71
Female	Percentage	14.29
Under 30	Percentage	0.00
Between 30-50	Percentage	14.29
Above 50	Percentage	85.71
Bursa (Health and safety)		
Bursa C5(a) Number of work-related fatalities	Number	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0.00
Bursa C5(c) Number of employees trained on health and safety standards	Number	341
Bursa (Community/Society)		
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	1,520.05
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	2
Bursa (Anti-corruption)		
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category		
Management	Percentage	33.00
Executive	Percentage	3.00
Non-executive/Technical Staff	Percentage	0.00
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
Bursa (Data privacy and security)		
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0
Bursa (Supply chain management)		
Bursa C7(a) Proportion of spending on local suppliers	Percentage	45.00

Internal assurance	External assurance	No assurance	(*)Restated
--------------------	--------------------	--------------	-------------

Independent Limited Assurance Report



Moore Stephens Associates PLT
[201304000972 (LLP0000963-LCA)]

Chartered Accountants (AF002096)
Unit 3.3A, 3rd Floor, Surian Tower
No. 1 Jalan PJU 7/5, Mutiara Damansara
47810 Petaling Jaya, Selangor, Malaysia

T +603 7728 1800 (General) : 7724 1033 (Assurance)
F +603 7728 9800 (General) : 7733 1033 (Assurance)

www.moore.com.my

Independent Limited Assurance Report to Tien Wah Press Holdings Berhad (“the Company”) and its subsidiaries (“the Group”) on the Selected Sustainability Information for the year ended 31 December 2023 as published in the Annual Report 2023

We, Moore Stephens Associates PLT (“Moore”), were engaged by the Group to provide limited assurance on the Selected Sustainability Information, the (“Subject Matter”), listed below, for the year ended 31 December 2023 which is expected to be published in the Annual Report 2023 (“the Report”), in the form of an independent limited assurance conclusion as to whether the Subject Matter is in all material respects in accordance with Management’s calculation methodologies and the information and assertions contained within it and for establishing and maintaining appropriate performance management and internal control systems from which the reported performance information is derived, the (“Applicable Criteria”).

Our Limited Assurance Conclusion

Based on the limited assurance procedures performed and evidence obtained, nothing has come to our attention that would lead us to believe that the Subject Matter included in the Report of the Group for the year ended 31 December 2023, in all material respects, is not prepared in accordance with the Applicable Criteria.

Subject Matter and Locations

This limited assurance engagement covers the Group’s operations in Malaysia, Vietnam and Indonesia and the Selected Sustainability Information comprises the following data for the year ended 31 December 2023:-

1. Percentage of employees who have received training on anti-corruption by employee category.
2. Percentage of operations assessed for corruption-related risks.
3. Confirmed incidents of corruption and action taken.
4. Percentage of employees by gender and age group, for each employee category.
5. Percentage of directors by gender and age group.
6. Total energy consumption.
7. Number of work-related fatalities.
8. Lost time incident rate.
9. Number of employees trained on health and safety standards.
10. Total hours of training by employee category.
11. Percentage of employees that are contractors or temporary staff.
12. Total number of employee turnover by employee category.
13. Number of substantiated complaints concerning human rights violations.
14. Proportion of spending on local suppliers.
15. Number of substantiated complaints concerning breaches of customer privacy and losses of customer data.
16. Total volume of water used.

SUSTAINABILITY REPORT

(Cont'd)



Board of Directors and Management's Responsibilities

The Board and Management of the Company are responsible for the preparation and presentation of the Subject Matter information in the Sustainability Statement in accordance with the Applicable Criteria. These responsibilities include the following:-

- Selection and application of appropriate methods to prepare the Subject Matter information reporting in the Sustainability Statement.
- Design, implementation and maintenance of adequate internal controls relevant for the preparation of the Subject Matter information that is free from material misstatement and prevention and detection of fraud and errors.
- Ensure that staff involved in the preparation and presentation of the description of the Subject Matter information and the Sustainability Statement are properly trained, information systems are properly updated and that any changes in reporting encompass all significant business units.
- Disclose to us their knowledge of:-
 - Known, actual or possible non-compliance with laws or regulations that have or may have a material effect on the Subject Matter information and the Sustainability Statement; and
 - Allegations of or suspected fraud or dishonesty committed against the Company and/or the Active Subsidiaries.
- Disclose to us facts that may affect the Subject Matter information and the Sustainability Statement, of which they may become aware during the period from the date of the assurance report to the date the Subject Matter and the Report are issued.
- Make available to us the draft Subject Matter information and the Sustainability Statement and any other information timely to facilitate the completion of the engagement within the required time frame.
- Use of assumptions and estimates for disclosures made by the Company which are reasonable in the circumstances.

Our Responsibilities

Our responsibility is to carry out a limited assurance engagement and express a limited assurance conclusion on the Subject Matter information based on the procedures performed and the evidence obtained. We conduct the limited assurance engagement in accordance with International Standard on Assurance Engagement ("ISAE") 3000 (Revised), *Assurance Engagements other than Audits or Reviews of Historical Financial Information*. This standard requires that we plan and perform our engagement to obtain limited assurance that, nothing has come to our attention that causes us to believe that the Subject Matter, in all material respects, is not prepared in accordance with the Applicable Criteria and free from material misstatement.

Independence and Quality Management

We comply with the independence and other ethical requirements of the By-Laws (On Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our Firm applies International Standard on Quality Management 1 ("ISQM 1"), *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements*, which requires us to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.



Assurance Procedures

A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks. The procedures to perform are based on our professional judgement and include inquiries, observation of processes performed, inspection of documents, analytical procedures, evaluating the appropriateness of quantification methods and reporting policies, and agreeing or reconciling with underlying records.

Our work, which do not involve independent examination of any of the underlying information, includes the following procedures:-

- Obtain understanding of the Company's control environment, processes and systems relevant to the preparation of the Subject Matter. Our procedures exclude evaluating the suitability of the design and effectiveness of control activities.
- Conduct interviews with relevant staff at the corporate and business unit level responsible for providing the Subject Matter in the Sustainability Statement.
- Conduct limited assurance procedures over the selected Subject Matter and disclosures, including:-
 - Conduct analytical procedures to support the reasonableness of the data.
 - Check to ensure the calculation Criteria have been applied as per the methodologies for the selected Subject Matter.
 - Identify and test assumptions supporting calculations.
 - On a sample basis, test the underlying source information to ensure accuracy of the data. This includes reports or testing results from independent experts engaged by the Company, if any.
 - Perform re-computation of performance metrics with input data provided.
 - Check to ensure that measurements made at the end of the reporting period are accurately, completely and timely updated in the records and the Sustainability Statement.

Limited Assurance

Procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures are designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement and consequently the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Inherent Limitations

Inherent limitations of assurance engagements include the use of judgement and selective testing of data, hence, the possibility that fraud, error or non-compliance may occur and not being detected when performing the engagement. Accordingly, there is some risk that a material misstatement may remain undetected. Further, our limited assurance engagement is not designed to detect fraud or error that is immaterial.

SUSTAINABILITY REPORT

(Cont'd)



Inherent Limitations (cont'd)

There are additional inherent risks associated with assurance engagements performed for non-financial information given the characteristics of the subject matter and associated with the compilation of source data using definitions and methods for determining, calculating, and estimating such information that are developed internally by management. The absence of a significant body of established practice on which to draw, allows for the selection of different but acceptable measurement techniques which can result in materially different measurements and can impact comparability. The precision of different measurement techniques may also vary. Qualitative interpretations of relevance, materiality and the accuracy of data are subject to individual assumptions and judgements. Particularly, where the information relies on factors derived by independent third parties, our assurance work has not included examination of the derivation of those factors and other third-party information.

Restriction of Use and Liability

The work to be undertaken is to enable us to express a limited assurance conclusion on the matters stated above in our report provided to the management and directors of the Company in accordance with the terms of our engagement, and for no other purpose.

Our report is intended solely for the management and Directors of the Company and should not be used by any other parties, without our prior consent. To the fullest extent permitted by the law, we do not accept or assume liability to any party other than the directors of Company, for our work, for this Report, or for the conclusion we have reached. Any party other than the Company who obtains access to our report or a copy thereof and chooses to rely on our report (or any part thereof) will do so at its own risk.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'Moore Stephens', written over a light blue horizontal line.

MOORE STEPHENS ASSOCIATES PLT

LLP0000963-LCA & AF 002096

Chartered Accountants

05 April 2024

FINANCIAL STATEMENTS

74	Directors' report
80	Statement by Directors
80	Statutory declaration
81	Independent auditors' report
85	Statements of financial position
87	Statements of profit or loss and other comprehensive income
89	Statements of changes in equity
92	Statements of cash flows
95	Notes to the financial statements

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 31 December 2023.

PRINCIPAL ACTIVITIES

The principal activities of the Company are that of investment holding and provision of management services to its subsidiaries.

The key principal activities of the subsidiaries are the printing, packing, packaging and trade of tobacco or cigarette packaging boxes and investment holding. The name, place of incorporation, activities of the subsidiaries and the percentage of issued share capital held by the Company in each subsidiary are set out in Note 7 to the financial statements.

RESULTS

	Group RM'000	Company RM'000
Profit for the year attributable to:		
Owners of the Company	8,582	21,158
Non-controlling interests	1,206	-
	<hr/> 9,788	<hr/> 21,158

There was no material transfer to or from reserves and 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.

ISSUE OF SHARES AND DEBENTURES

There was no change in the issued and paid-up capital of the Company during the financial year.

DIVIDENDS

The amount of dividends paid by the Company since 31 December 2022 was as follows:

In respect of the financial year ended 31 December 2022:

RM

Final single-tier dividends of 2.8 sen per ordinary share, declared on 19 April 2023 and paid on 31 July 2023	4,052,790
--	-----------

In respect of the financial year ended 31 December 2023:

RM

Interim single-tier dividends of 2.8 sen per ordinary share, declared on 10 August 2023 and paid on 31 October 2023	4,052,790
--	-----------

At the forthcoming Annual General Meeting, a final single-tier dividend in respect of the financial year ended 31 December 2023, of 2.8 sen per share on 144,742,500 ordinary shares, amounting to a total dividend payable of RM4,052,790 will be proposed for shareholders' approval. The financial statements for the current financial year do not reflect these proposed dividends. Such dividends, if approved by the shareholders, will be accounted for in equity as an appropriation of retained earnings in the financial year ending 31 December 2024.

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:

Yen Wen Hwa @ Ngan Tzee Manh
 Angela Heng Chor Kiang
 Lee Chee Whye
 Tung Kum Hon
 John David Cambridge
 Dr. Ong Eng Leng @ Ong Eng Lin
 YM Tengku Djan Ley Bin Tengku Mahaleel

The names of the Directors of the Company's subsidiaries since the beginning of the financial year to the date of this report are:

i) Tien Wah Press (Malaya) Sdn. Bhd. ("TWPM")

Lee Chee Whye
 Yo Yen Ying (Appointed on 1 February 2024)
 Leong Wai Ming (Resigned on 2 February 2024)

ii) Tien Wah Properties Sdn. Bhd. ("TWProp")

Yen Wen Hwa @ Ngan Tzee Manh
 Lee Chee Whye

iii) Alliance Print Technologies FZE ("APTFZE")

Angela Heng Chor Kiang
 Yeo Swee Thiam (Resigned on 31 January 2024)

iv) New Toyo Investments Pte. Ltd. ("NTIV")

Lee Chee Whye
 Ong Yew Dee (Appointed on 2 February 2024)
 Leong Wai Ming (Resigned on 2 February 2024)

v) Alliance Print Technologies Co., Ltd ("APT")

Lee Chee Whye
 Pham Thanh Tuyen (Resigned on 31 December 2023)
 Ong Lik Howe (Resigned on 2 February 2024)
 Leong Wai Ming

vi) Max Ease International Limited ("MEIL")

Angela Heng Chor Kiang
 Lee Chee Whye

vii) Anzpac Services (Australia) Pty. Ltd. ("Anzpac")

Yen Wen Hwa @ Ngan Tzee Manh
 Angela Heng Chor Kiang
 Lee Chee Whye
 Andrew Chia (Appointed on 13 March 2023)

DIRECTORS' REPORT cont'd

DIRECTORS (continued)

viii) PT Bintang Pesona Jagat ("BPJ")

Lee Chee Whye
Mokhammad Taufik
Ong Lik Howe
Iwan Prasetyo
Adrian Theva Raj

(Appointed on 23 August 2023)
(Appointed on 8 January 2024)
(Resigned on 1 September 2023)
(Resigned on 14 December 2023)

ix) Max View Holdings Limited ("MVHL")

Angela Heng Chor Kiang
Lee Chee Whye

x) Max Ease International (SG) Pte.Ltd ("MEIL SG")

Angela Heng Chor Kiang
Lee Chee Whye

DIRECTORS' BENEFITS

Neither at the end of the financial year, nor at any time during the 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 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 remuneration received or due and receivable by the Directors or the fixed salary of a full-time employee of the Company 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 the Director is a member, or with a company in which the Director has a substantial financial interest.

The Directors' benefits are as follows:

	Group 2023 RM'000	Company 2023 RM'000
Directors of the Company		
Fees	713	713
Remuneration	1,597	1,597
Other short-term employee benefits (including estimated monetary value of benefits-in-kind)	206	206
	<hr/> 2,516	<hr/> 2,516
Directors of the Group entities		
Fees	-	-
Remuneration	2,518	-
Other short-term employee benefits (including estimated monetary value of benefits-in-kind)	590	-
	<hr/> 3,108	<hr/> -
Total Directors' benefits	<hr/> 5,624	<hr/> 2,516

INDEMNITIES TO DIRECTORS OR OFFICERS

The Directors and officers of the Group are covered by Directors and Officers Liability Insurance in respect of liabilities arising from acts committed in their respective capacity as, inter alia, Directors and officers of the Group. The insurance premium paid by the Company during the year amounted to RM24,150 (2022: RM24,150) which provides insurance cover of RM20,000,000.

ULTIMATE HOLDING COMPANY

The ultimate holding company is New Toyo International Holdings Ltd., a company incorporated in Singapore and listed on the Singapore Exchange Securities Trading Limited.

DIRECTORS' INTERESTS

According to the register of Directors' shareholdings, the interests of Directors in office at the end of the financial year in shares and options over shares in the Company and its related corporations during the financial year were as follows:

	1.1.2023	Number of fully paid ordinary shares		31.12.2023
		Acquired	Sold	
Company				
Deemed interest				
Yen Wen Hwa @ Ngan Tzee Manh	79,084,200	-	-	79,084,200
Ultimate holding company				
Direct interest				
Angela Heng Chor Kiang	500,000	-	-	500,000
Yen Wen Hwa @ Ngan Tzee Manh	139,959,164	-	-	139,959,164
Deemed interest				
Yen Wen Hwa @ Ngan Tzee Manh	87,910,517	-	-	87,910,517

By virtue of his interest in the shares of the Company, Yen Wen Hwa @ Ngan Tzee Manh is also deemed interested in the shares of the subsidiaries during the financial year to the extent that the Company has an interest.

None of the other Directors in office at the end of the financial year had any interest in shares in the Company or its related corporations during the financial year.

OTHER STATUTORY INFORMATION

- (a) Before the 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 expected credit losses and satisfied themselves that there were no known bad debts and that adequate provision had been made for expected credit losses; and
 - (ii) to ensure that any current assets which were unlikely to realise their values 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.

DIRECTORS' REPORT cont'd**OTHER STATUTORY INFORMATION** (continued)

- (b) At the date of this report, the Directors are not aware of any circumstances which would render:
- (i) it necessary to write off any bad debts or the amount of the provision for expected credit losses inadequate to any substantial extent; and
 - (ii) the values attributed to the current assets in these 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.
- (d) At the date of this report, the Directors are not aware of any circumstances not otherwise dealt with in this report or 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 contingent liability of the Group or of the Company which has arisen since the end of the financial year; and
 - (ii) 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.
- (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.

SIGNIFICANT EVENTS

Details of significant events are disclosed in Note 34 to the financial statements.

SUBSEQUENT EVENTS

Details of the subsequent events are disclosed in Note 35 to the financial statements.

AUDITORS

Auditors' remuneration is as follows:

	Group RM'000	Company RM'000
Ernst & Young PLT	265	249
Member firms of Ernst & Young Global Limited	401	-
Other auditors	59	-
	725	249

To the extent permitted by law, the Group and the Company have agreed to indemnify their 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 paid to indemnify Ernst & Young PLT during the financial year.

Signed on behalf of the Board in accordance with a resolution of the Directors dated 3 April 2024.

Yen Wen Hwa @ Ngan Tzee Manh

Lee Chee Whye

Petaling Jaya, Malaysia

STATEMENT BY DIRECTORS

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

We, Yen Wen Hwa @ Ngan Tzee Manh and Lee Chee Whye, being two of the Directors of Tien Wah Press Holdings Berhad, do hereby state that, in the opinion of the Directors, the accompanying financial statements set out on pages 85 to 149 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia, so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2023 and of their financial performance and cash flows for the year then ended.

Signed on behalf of the Board in accordance with a resolution of the Directors dated 3 April 2024.

Yen Wen Hwa @ Ngan Tzee Manh

Lee Chee Whye

Petaling Jaya, Malaysia

STATUTORY DECLARATION

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

I, Soo Zin Chuen, being the officer primarily responsible for the financial management of Tien Wah Press Holdings Berhad, do solemnly and sincerely declare that the accompanying financial statements set out on pages 85 to 149 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 Soo Zin Chuen at
Petaling Jaya in Selangor Darul Ehsan
on 3 April 2024.

Soo Zin Chuen
MIA 36789

Before me,

Commissioner for oaths

INDEPENDENT AUDITORS' REPORT

to the members of Tien Wah Press Holdings Berhad
(Incorporated in Malaysia)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Tien Wah Press Holdings Berhad which comprise the statements of financial position as at 31 December 2023 of the Group and the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and the Company for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 85 to 149.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 December 2023, and of their financial performance and 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 the 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.

Impairment assessment for (i) goodwill, (ii) property, plant and equipment and right-of-use assets; and (iii) interests in subsidiaries

(i) Goodwill

(Refer to significant accounting judgements and estimates for impairment assessment of intangible assets, property, plant and equipment and right-of-use assets in Note 2.15.2(i) and impairment testing of goodwill in Note 6.2.1 to the financial statements)

As at 31 December 2023, the Group recorded goodwill of RM73.592 million, which represents 22.4% of the Group's total non-current assets and 15.6% of the Group's total assets. The goodwill relates to the Group's printing operations in Asia Pacific. The Group estimated the recoverable amount of the Asia Pacific CGU to which the goodwill is allocated based on value in use ("VIU") calculations using cash flows projections.

We consider this impairment test to be an area of audit focus due to the significance of the amount, the complexity of the assessment process and the significant management judgement and assumptions involved. Specifically, we focus on the evaluation of the assumptions on expected revenue growth, discount rates and terminal growth rates.

INDEPENDENT AUDITORS' REPORT *cont'd*

to the members of Tien Wah Press Holdings Berhad
(Incorporated in Malaysia)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (continued)

Key Audit Matters (continued)

Impairment assessment for (i) goodwill, (ii) property, plant and equipment and right-of-use assets; and (iii) interests in subsidiaries (continued)

(ii) Property, plant and equipment and right-of-use assets

(Refer to material accounting policy information in Note 2.8 for property, plant and equipment and Note 2.13 for right-of-use assets, significant accounting judgements and estimates for impairment assessment of intangible assets, property, plant and equipment and right-of-use assets in Note 2.15.2(i) and impairment testing for property, plant and equipment and right-of-use assets in Note 3.2)

As at 31 December 2023, the carrying amount of property, plant and equipment ("PPE") and right-of-use assets ("ROU") of the Group stood at RM201.440 million and RM15.763 million respectively, which represents 66.1% of the Group's total non-current assets and 46.0% of the Group's total assets.

In the current year, the Group has noted an improvement in the Middle East CGU and has performed an impairment assessment on the PPE and ROU for the Middle East CGU by estimating the recoverable amounts based on VIU calculations, taking into consideration their current performance.

Due to the significance of the amount and the complexity and significant accounting judgements and estimates involved, we consider this impairment testing to be an area of audit focus.

(iii) Interests in subsidiaries

(Refer to material accounting policy information in Note 2.4 for subsidiaries, significant accounting judgements and estimates for interests in subsidiaries in Note 2.15.2(ii) and disclosure of interests in subsidiaries in Note 7 to the financial statements)

As at 31 December 2023, the carrying amount of interests in subsidiaries of the Company stood at RM170.749 million, which represents 95.1% of the Company's total non-current assets and 81.5% of the Company's total assets.

The negative shareholders' fund reported by certain subsidiaries indicated that the carrying amount of the interest in subsidiaries may be impaired. Accordingly, the Company carried out impairment testing on the interests in subsidiaries by estimating the recoverable amount using VIU calculations.

Similarly, we focused on impairment testing of interests in subsidiaries as the impairment testing relies on VIU calculations using a five-year cash flow projection and terminal value at end of year five.

In addressing the areas of focus on impairment of goodwill, property, plant and equipment and right-of-use assets, and interests in subsidiaries, we performed, amongst others, the following procedures:

- i) Obtained an understanding of the relevant internal controls in estimating the recoverable amount of the CGUs or groups of CGUs;
- ii) Evaluated the assumptions on revenue growth rates by comparing them to historical data and expected future economic outlook;
- iii) Together with EY valuation specialist, evaluated the methodology applied and management's key assumptions used which comprise discount rates, forecast annual growth rates and terminal growth rates by making comparisons to historical trends, internal and external market data; and
- iv) Performed sensitivity analysis, focusing on plausible changes in the key assumptions and analysed the impact to the carrying amount; and

We have also evaluated the adequacy of the Group's and of the Company's disclosures of each key assumption on which the Group and the Company have based their cash flow projections. Key assumptions are those to which the recoverable amount is most sensitive, as disclosed in Notes 3.2, 6.2.1 and 7.1 to the financial statements.

INDEPENDENT AUDITORS' REPORT cont'd to the members of Tien Wah Press Holdings Berhad (Incorporated in Malaysia)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (continued)

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 Directors' Report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon, which we obtained prior to the date of this auditors' report, and the information included in the annual report, which is 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, 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 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.

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 of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.

INDEPENDENT AUDITORS' REPORT cont'd

to the members of Tien Wah Press Holdings Berhad
(Incorporated in Malaysia)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (continued)

Auditors' responsibilities for the audit of the financial statements (continued)

- 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 auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group 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.

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENT

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, are disclosed in Note 7 to the financial statements.

OTHER MATTERS

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

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

Muhammad Affan Bin Daud
No. 03063/02/2026 J
Chartered Accountant

Kuala Lumpur, Malaysia
3 April 2024

STATEMENTS OF FINANCIAL POSITION

As at 31 December 2023

	Note	Group		Company	
		2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Assets					
Non-current assets					
Property, plant and equipment	3	201,440	173,440	89	89
Right-of-use assets	4.1	15,763	9,864	138	322
Investment property	5	333	342	-	-
Intangible assets	6	75,443	74,357	-	-
Interests in subsidiaries	7	-	-	170,749	153,022
Investments in joint ventures	8	31,865	32,930	4,744	4,744
Deferred tax assets	9	1,863	1,915	-	-
Tax recoverable		-	668	-	-
Trade and other receivables	10	1,827	359	3,921	790
		328,534	293,875	179,641	158,967
Current assets					
Inventories	11	52,787	52,017	-	-
Trade and other receivables	10	58,953	56,374	25,529	40,493
Contract assets	12	13,297	8,505	-	-
Tax recoverable		1	230	-	-
Cash and bank balances	13	18,324	22,890	4,439	2,035
		143,362	140,016	29,968	42,528
Total assets		471,896	433,891	209,609	201,495
Equity and liabilities					
Equity attributable to owners of the Company					
Share capital	14	156,187	156,187	156,187	156,187
Reserves	15	122,105	112,095	22,549	9,497
		278,292	268,282	178,736	165,684
Non-controlling interests	7	45,667	42,268	-	-
Total equity		323,959	310,550	178,736	165,684

STATEMENTS OF FINANCIAL POSITION *cont'd*

As at 31 December 2023

	Note	Group		Company	
		2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Non-current liabilities					
Lease liabilities	4.2	15,734	9,608	-	142
Trade and other payables	19	59,645	51,237	-	-
Employee benefits	16	2,147	2,037	-	-
Provision for liabilities	18	295	284	-	-
Deferred tax liabilities	9	3,120	3,082	-	-
		80,941	66,248	-	142
Current liabilities					
Loans and borrowings	17	-	2,101	-	-
Lease liabilities	4.2	2,695	3,090	143	182
Trade and other payables	19	63,628	50,657	30,724	35,400
Employee benefits	16	-	9	-	-
Tax payable		673	1,236	6	87
		66,996	57,093	30,873	35,669
Total liabilities		147,937	123,341	30,873	35,811
Total equity and liabilities		471,896	433,891	209,609	201,495

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

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2023

	Note	Group		Company	
		2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Revenue	20	270,384	243,960	9,312	8,804
Cost of sales		(230,084)	(217,994)	-	-
Gross profit		40,300	25,966	9,312	8,804
Other income		5,840	6,933	12,661	14,490
Selling and distribution expenses		(4,056)	(6,299)	-	-
Administrative expenses		(24,415)	(23,872)	(6,042)	(6,667)
Reversal of impairment/(impairment) of:					
- property, plant and equipment		1,652	(9,849)	-	-
- right-of-use asset		-	(1,516)	-	-
- interest in a subsidiary		-	-	1,400	(9,282)
Expected credit loss on other receivable		(777)	(165)	(777)	(165)
Other expenses		(1,157)	(1,698)	(9)	-
Results from operating activities		17,387	(10,500)	16,545	7,180
Finance income	21	145	40	5,417	3,571
Finance costs	21	(3,553)	(2,888)	(726)	(657)
Net finance (costs)/income		(3,408)	(2,848)	4,691	2,914
Share of loss of equity accounted joint ventures, net of tax	8	(1,261)	(682)	-	-
Profit/(loss) before taxation	22	12,718	(14,030)	21,236	10,094
Taxation	25	(2,930)	(1,944)	(78)	(88)
Profit/(loss) for the year		9,788	(15,974)	21,158	10,006
Other comprehensive income, net of tax					
Items that will not be reclassified subsequently to profit or loss					
Remeasurements of employee benefits obligation	23	330	66	-	-
Items that are or may be reclassified subsequently to profit or loss					
Foreign currency translation differences for foreign operations	23	11,397	10,608	-	-
Other comprehensive income for the year, net of tax		11,727	10,674	-	-
Total comprehensive income/(loss) for the year		21,515	(5,300)	21,158	10,006

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME *cont'd*

For the year ended 31 December 2023

	Note	Group		Company	
		2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Profit/(loss) attributable to:					
Owners of the Company		8,582	(15,210)	21,158	10,006
Non-controlling interests		1,206	(764)	-	-
Profit/(loss) for the year		9,788	(15,974)	21,158	10,006
Total comprehensive income/ (loss) attributable to:					
Owners of the Company		18,116	(5,228)	21,158	10,006
Non-controlling interests		3,399	(72)	-	-
Total comprehensive income/ (loss) for the year		21,515	(5,300)	21,158	10,006
Basic/diluted earnings/(loss) per ordinary share (sen)	26	5.93	(10.51)		

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

STATEMENTS OF CHANGES IN EQUITY

For the year ended 31 December 2023

Group	Attributable to equity holders of the Company						Total equity RM'000
	Share capital RM'000	Translation reserve RM'000	Other reserve RM'000	Retained earnings RM'000	Total RM'000	Non- controlling interests RM'000	
As at 1 January 2022	156,187	26,282	383	98,764	281,616	42,340	323,956
Remeasurements of employee benefits obligation	-	-	34	-	34	32	66
Foreign currency translation differences for foreign operations	-	9,948	-	-	9,948	660	10,608
Total other comprehensive income for the year	-	9,948	34	-	9,982	692	10,674
Loss for the year	-	-	-	(15,210)	(15,210)	(764)	(15,974)
Total comprehensive income/(loss) for the year	-	9,948	34	(15,210)	(5,228)	(72)	(5,300)
Dividends to owners of the Company	-	-	-	(8,106)	(8,106)	-	(8,106)
Total transactions with the owners of the Company	-	-	-	(8,106)	(8,106)	-	(8,106)
As at 31 December 2022	156,187	36,230	417	75,448	268,282	42,268	310,550

Note

27

STATEMENTS OF CHANGES IN EQUITY cont'd

For the year ended 31 December 2023

	Attributable to equity holders of the Company					Total equity RM'000
	Share capital RM'000	Translation reserve RM'000	Other reserve RM'000	Retained earnings RM'000	Non-controlling interests RM'000	
Group (continued)						
As at 1 January 2023	156,187	36,230	417	75,448	42,268	310,550
Remeasurements of employee benefits obligation	-	-	168	-	162	330
Foreign currency translation differences for foreign operations	-	9,366	-	-	2,031	11,397
Total other comprehensive income for the year	-	9,366	168	-	2,193	11,727
Profit for the year	-	-	-	8,582	1,206	9,788
Total comprehensive income for the year	-	9,366	168	8,582	3,399	21,515
Dividends to owners of the Company	-	-	-	(8,106)	-	(8,106)
Total transactions with the owners of the Company	-	-	-	(8,106)	-	(8,106)
As at 31 December 2023	156,187	45,596	585	75,924	45,667	323,959

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

STATEMENTS OF CHANGES IN EQUITY cont'd

For the year ended 31 December 2023

	Note	Non-distributable Share capital RM'000	Distributable Retained earnings RM'000	Total equity RM'000
Company				
As at 1 January 2022		156,187	7,597	163,784
Income and total comprehensive income for the year		-	10,006	10,006
Dividends to owners of the Company	27	-	(8,106)	(8,106)
As at 31 December 2022		156,187	9,497	165,684
As at 1 January 2023		156,187	9,497	165,684
Income and total comprehensive income for the year		-	21,158	21,158
Dividends to owners of the Company	27	-	(8,106)	(8,106)
As at 31 December 2023		156,187	22,549	178,736

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

STATEMENTS OF CASH FLOWS

For the year ended 31 December 2023

	Note	Group		Company	
		2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Cash flows from operating activities					
Profit/(loss) before taxation		12,718	(14,030)	21,236	10,094
Adjustments for:					
Amortisation of intangible assets	6	1,381	2,918	-	-
Depreciation of:					
- property, plant and equipment	3	30,266	32,699	41	160
- right-of-use assets	4	3,967	4,841	184	176
- investment property	5	9	9	-	-
Dividend income from a subsidiary		-	-	(9,312)	(8,804)
Gain on disposal of property, plant and equipment	22	(228)	(1)	-	-
Inventories written off	11	31	59	-	-
Allowance for inventories obsolescence	11	202	236	-	-
Write down/(reversal) of inventories to net realisable value	11	72	(349)	-	-
Finance costs	21	3,553	2,888	726	657
Finance income	21	(145)	(40)	(5,417)	(3,571)
Provision for:					
- annual leaves	22	468	381	-	-
- long-service leave	22	416	27	-	-
(Reversal of impairment)/impairment of:					
- property, plant and equipment	22	(1,652)	9,849	-	-
- right-of-use assets	22	-	1,516	-	-
- interest in a subsidiary	22	-	-	(1,400)	9,282
Expected credit loss on other receivable	22	777	165	777	165
Share of loss of equity-accounted joint ventures, net of tax		1,261	682	-	-
Unrealised loss/(gain) on foreign exchange differences		1,742	1,109	(4,197)	(6,371)
Operating profit before changes in working capital					
		54,838	42,959	2,638	1,788
Changes in working capital:					
Inventories		1,547	1,340	-	-
Trade and other receivables		(1,161)	16,518	3,293	4,487
Trade and other payables		14,223	(22,175)	(74)	111
Change in contract assets		(4,792)	3,077	-	-
Cash generated from operations					
		64,655	41,719	5,857	6,386
Dividend received from subsidiary		-	-	9,312	8,804
Interest received		145	40	5,417	3,571
Employee benefits paid		(471)	(99)	-	-
Income tax (paid)/refunded		(2,536)	162	(165)	(1)
Net cash generated from operating activities					
		61,793	41,822	20,421	18,760

STATEMENTS OF CASH FLOWS cont'd

For the year ended 31 December 2023

		Group		Company	
	Note	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Cash flows from investing activities					
Acquisition of property, plant and equipment	3	(50,403)	(20,614)	(41)	(23)
Withdraw of deposits with maturity period of more than 3 months		-	124	-	-
Proceeds from disposal of:					
- property, plant and equipment		1,545	1	-	-
Net cash used in investing activities		(48,858)	(20,489)	(41)	(23)
Cash flows from financing activities					
Dividends paid to:					
- owners of the Company	27	(8,106)	(8,106)	(8,106)	(8,106)
Interest paid on:					
- loan from subsidiaries		-	-	(716)	(651)
- loan from ultimate holding company		(2,130)	(1,163)	-	-
- bank borrowings		(213)	(769)	-	-
- lease liabilities		(1,203)	(949)	(10)	(6)
Repayment of loans and borrowings		(6,412)	(23,963)	-	-
Proceeds from drawdown of loans and borrowings		4,223	4,159	-	-
Repayment of lease liabilities		(4,271)	(4,784)	(181)	(231)
Repayment to subsidiaries		-	-	(8,963)	(11,907)
Advance from ultimate holding company and related parties		4,647	20,783	-	-
Net cash used in financing activities		(13,465)	(14,792)	(17,976)	(20,901)
Net (decrease)/increase in cash and cash equivalents		(530)	6,541	2,404	(2,164)
Effect of exchange rate fluctuations on cash held		(4,036)	(3,621)	-	-
Cash and cash equivalents at beginning of year		22,890	19,970	2,035	4,199
Cash and cash equivalents at end of year		18,324	22,890	4,439	2,035

STATEMENTS OF CASH FLOWS cont'd

For the year ended 31 December 2023

Notes to statements of cash flows (continued)

(i) Changes in liabilities arising from financing activities

Group	At 1 January RM'000	Cash flows			Movements			Non-cash changes			At 31 December RM'000
		Principal movement RM'000	Repayment of loan and borrowings RM'000	Drawdown of loan and borrowings RM'000	Interest paid RM'000	Interest cost RM'000	Addition of new lease RM'000	Foreign exchange movement RM'000			
2023											
Loans and borrowings (Note 17)	2,101	-	(6,412)	4,223	(213)	213	-	88	-	-	-
Lease liabilities (Note 4.2)	12,698	(4,271)	-	-	(1,203)	1,203	9,397	605	-	-	18,429
Amount due to ultimate holding company (Note 19)	57,793	4,647	-	-	(2,130)	2,130	-	3	-	-	62,443
2022											
Loans and borrowings (Note 17)	21,268	-	(23,963)	4,159	(769)	769	-	637	-	-	2,101
Lease liabilities (Note 4.2)	15,998	(4,784)	-	-	(949)	949	1,249	235	-	-	12,698
Amount due to ultimate holding company (Note 19)	37,004	20,783	-	-	(1,163)	1,163	-	6	-	-	57,793
Company											
2023											
Lease liabilities (Note 4.2)	324	(181)	-	-	(10)	10	-	-	-	-	143
Amount due to subsidiaries (Note 19)	34,529	(5,377)	-	-	(716)	716	-	782	-	-	29,934
2022											
Lease liabilities (Note 4.2)	187	(231)	-	-	(6)	6	368	-	-	-	324
Amount due to subsidiaries (Note 19)	16,700	17,298	-	-	(651)	651	-	531	-	-	34,529

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

NOTES TO THE FINANCIAL STATEMENTS

- 31 December 2023

1. Corporate information

Tien Wah Press Holdings Berhad ("TWPH") is a public limited liability company, incorporated and domiciled in Malaysia and is listed on the Main Market of the Bursa Malaysia Securities Berhad. The addresses of its registered office and principal place of business are as follows:

Registered office

12th Floor, Menara Symphony,
No. 5, Jalan Prof. Khoo Kay Kim,
Seksyen 13, 46200 Petaling Jaya,
Selangor Darul Ehsan, Malaysia

Principal place of business

Lot 03-8, 8th Floor, Menara Symphony,
No. 5, Jalan Prof. Khoo Kay Kim,
Seksyen 13, 46200 Petaling Jaya,
Selangor Darul Ehsan, Malaysia

The consolidated financial statements of the Company as at and for the financial year ended 31 December 2023 comprise the Company and its subsidiaries (together referred to as the "Group" and individually referred to as "Group entities"), and the Group's interest in joint ventures.

The Company is principally engaged in investment holding and provision of management services to its subsidiaries, whilst the principal activities of the other Group entities are stated in Note 7 to the financial statements.

The ultimate holding company during the financial year is New Toyo International Holdings Ltd., a company incorporated in Singapore and listed on the Singapore Exchange Securities Trading Limited.

These financial statements were authorised for issue by the Board of Directors on 3 April 2024.

2. Material accounting policy information

2.1 Basis of preparation

The financial statements of the Group and 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 under the historical cost convention unless otherwise indicated in this material accounting policy information.

The financial statements are expressed in Ringgit Malaysia ("RM") and all values are rounded to the nearest thousand ("RM'000") except when otherwise indicated.

NOTES TO THE FINANCIAL STATEMENTS cont'd

- 31 DECEMBER 2023

2. Material accounting policy information (continued)

2.2 Changes in accounting policies

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

On 1 January 2023, the Group and Company adopted the following new and amended MFRSs mandatory for annual financial periods beginning on or after the periods stated below:

Description	Effective for annual financial periods beginning on or after
MFRS 17: Insurance Contracts	1 January 2023
Amendments to MFRS 17: Insurance Contracts	1 January 2023
Amendments to MFRS 17: Initial Application of MFRS 17 and MFRS 9 - Comparative Information	1 January 2023
Amendments to MFRS 101: Classification of Liabilities as Current or Non-current	1 January 2023
Amendments to MFRS 101: Disclosure of Accounting Policies	1 January 2023
Amendments to MFRS 108: Definition of Accounting Estimates	1 January 2023
Amendments to MFRS 112: Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
Amendments to MFRS 112: International Tax Reform - Pillar Two Model Rules	1 January 2023

The adoption of the new and amendments to MFRSs did not have any impact on the financial performance or position of the Group and of the Company except as discussed below.

The amendments to MFRS 101 provide guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments have had an impact on the Group's and the Company's disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the Group's and the Company's financial statements.

2.3 Standards issued but not yet effective

The standards 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.

Description	Effective for annual financial periods beginning on or after
Amendments to MFRS 16: Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to MFRS 101: Non-current Liabilities with Covenants	1 January 2024
Amendments to MFRS 107 and MFRS 7: Disclosures of Supplier Finance Arrangements	1 January 2024
Amendments to MFRS 121: Lack of exchangeability	1 January 2025
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

The Directors expect that the adoption of the above amendments to MFRSs will not have material impact on the financial statements of the Group and of the Company in the period of initial application.

NOTES TO THE FINANCIAL STATEMENTS cont'd

- 31 DECEMBER 2023

2. Material accounting policy information (continued)

2.4 Subsidiaries

In the Company's separate financial statements, investments in subsidiaries are accounted for at cost less impairment losses. On disposal of such investments, the difference between net disposal proceeds and their carrying amounts is included in profit or loss.

2.5 Investments in joint ventures

The Group's investment in its joint venture is accounted for using the equity method.

In the Company's separate financial statements, investments in joint ventures are accounted for at cost less impairment losses. On disposal of such investments, the difference between net disposal proceeds and their carrying amounts is included in profit or loss.

2.6 Intangible assets

Contract value

Contract value is amortised over the contracted supply period which is typically 3 years.

2.7 Foreign currency

(a) Functional and presentation currency

The 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 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.

2.8 Property, plant and equipment and depreciation

Freehold land has unlimited useful life and therefore is not depreciated.

Depreciation is computed on a straight-line basis over the estimate useful lives of the assets as follows:

Leasehold land		47 years
Buildings and building renovation	Between	4 - 20 years
Plant and machinery	Between	1 - 20 years
Motor vehicles	Between	3 - 7 years
Furniture, fittings and office equipment	Between	3 - 10 years

Capital work-in-progress are not depreciated as these assets are not yet available for their commercial use.

NOTES TO THE FINANCIAL STATEMENTS cont'd

- 31 DECEMBER 2023

2. Material accounting policy information (continued)

2.9 Investment property

Investment property carried at cost

Investment property is measured at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is recognised in profit or loss on a straight-line basis over their estimated useful lives. The investment property will be depreciated over its estimated useful lives of 52 years (2022: 52 years).

2.10 Impairment of financial assets

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has 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.

2.11 Inventories

Costs incurred in bringing the inventories to their present location and condition are accounted for as follows:

- Finished goods and work-in-progress: costs of direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. These costs are assigned on the weighted average basis.
- Raw materials and consumables: purchase costs on the weighted average basis.

2.12 Employee benefits

Defined benefit plans

The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed by the management using the projected unit credit method, a method which is consistent with the computation by the qualified actuary employed in prior years. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in other comprehensive income. The Group determines the net interest expense or income on the net defined liability or asset for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then net defined benefit liability or asset, taking into account any changes in the net defined benefit liability or asset during the period as a result of contributions and benefit payments.

Net interest expense and other expenses relating to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

NOTES TO THE FINANCIAL STATEMENTS cont'd

- 31 DECEMBER 2023

2. Material accounting policy information (continued)

2.13 Leases

As lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets.

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Land and buildings	Between	2 - 20 years
Plant and equipment	Between	2 - 5 years
Office equipment		3 years
Motor vehicles		2 years

2.14 Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services is transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for the goods or services.

The control of the promised goods or services may be transferred over time or at a point in time. The control over the goods or services is transferred over time and revenue is recognised over time if:

- the customer simultaneously receives and consumes the benefits provided by the Group's and the Company's performance as the Group and Company perform;
- the Group's and the Company's performance do not create an asset with an alternative use and the Group and the Company have an enforceable right to payment for performance completed to date.

Revenue for performance obligation that is not satisfied over time is recognised at the point in time at which the customer obtains control of the promised goods or services.

2.15 Significant accounting judgements and estimates

2.15.1 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 have a significant effect on the amounts recognised in the financial statements.

2.15.2 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:

Impairment assessment of:

(i) Goodwill, property, plant and equipment and right-of-use assets

The Group and the Company assess whether there are any indicators of impairment for all non-financial assets at each reporting date. All non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable, except for goodwill which is tested on annual basis.

NOTES TO THE FINANCIAL STATEMENTS **cont'd**

- 31 DECEMBER 2023

2. Material accounting policy information (continued)

2.15 Significant accounting judgements and estimates (continued)

2.15.2 Key sources of estimation uncertainty (continued)

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: (continued)

Impairment assessment of: (continued)

(i) Goodwill, property, plant and equipment and right-of-use assets (continued)

The Group carried out the impairment test based on the value in use ("VIU") of the cash-generating units ("CGU") to which the goodwill, property, plant and equipment and right-of-use assets were allocated to. Estimating the VIU requires the Group to make an estimate of the expected future cash flows from the CGU and also to choose a suitable discount rate in order to calculate the present value of the cash flows.

The estimation of the recoverable amounts involves significant judgement and estimations. While the Group believes that the assumptions are appropriate and reasonable, changes in the assumptions may materially affect the assessment of the recoverable amounts. Further details of the impairment assessment performed are disclosed in Note 6.2.1 and Note 3.2.

The net carrying amounts of the Group's intangible assets, property, plant and equipment and right-of-use assets at the reporting date are disclosed in Note 6, Note 3 and Note 4 respectively.

(ii) Interests in subsidiaries

The Company assesses whether there are any indicators of impairment for its interests in subsidiaries at each reporting date. In assessing whether there is any indication that its interests in subsidiaries may be impaired, the Company considers the external and internal sources of information.

For the purpose of assessing impairment of interests in subsidiaries, the Company carried out impairment test based on the VIU of the CGUs of the subsidiary. Estimating the VIU requires the Company to make an estimate of the expected future cash flows from the CGU, growth rate and also to choose a suitable discount rate in order to calculate the present value of those cash flows.

The estimation of the recoverable amounts involves significant judgement and estimations. While the Company believes that the assumptions are appropriate and reasonable, changes in the assumptions may materially affect the assessment of the recoverable amounts.

Further details of the impairment assessment performed is disclosed in Note 7. The net carrying amount of the Company's interests in subsidiaries at the reporting date is disclosed in Note 7.

(iii) Useful life of property, plant and equipment

The cost of property, plant and equipment is depreciated on a straight-line basis over the assets' estimated economic useful lives. Changes in the expected level of usage and technological developments could impact the economic useful lives, therefore future depreciation charges could be revised. For plant and equipment related to manufacturing of packaging and printing industry, management estimates the useful lives of these based on common life expectancies applied in the printing industry. The carrying amount of the Group's property, plant and equipment at the reporting date is disclosed in Note 3 of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS cont'd

- 31 DECEMBER 2023

3. PROPERTY, PLANT AND EQUIPMENT

Group	Leasehold land* RM'000	Buildings & building renovation RM'000	Plant and machinery** RM'000	Motor vehicles RM'000	Furniture, fittings and office equipment RM'000	Capital work-in- progress RM'000	Total RM'000
Cost							
At 1 January 2022	4,421	36,604	499,937	1,514	13,573	5,469	561,518
Additions	-	-	6,921	2	297	13,394	20,614
Disposals	-	-	-	-	(116)	-	(116)
Write off	-	-	(472)	-	-	-	(472)
Adjustments	-	-	(23)	(28)	(329)	-	(380)
Reclassifications	-	1,528	11,654	-	-	(13,182)	-
Effect of movements in exchange rates	328	1,397	16,655	26	173	620	19,199
At 31 December 2022	4,749	39,529	534,672	1,514	13,598	6,301	600,363
Additions	-	8,361	21,600	-	474	19,968	50,403
Disposals	-	-	(773)	-	(2,283)	(247)	(3,303)
Write off	-	-	(425)	-	(165)	-	(590)
Reclassifications	-	840	565	-	(75)	(1,330)	-
Effect of movements in exchange rates	245	1,790	20,804	37	536	484	23,896
At 31 December 2023	4,994	50,520	576,443	1,551	12,085	25,176	670,769
Accumulated depreciation and impairment loss							
At 1 January 2022	1,656	14,633	343,621	1,268	9,557	2,628	373,363
Charge for the year (Note 22)	120	1,858	29,405	129	1,187	-	32,699
Impairment loss for the year (Note 22)	-	-	9,845	4	-	-	9,849
Disposals	-	-	-	-	(116)	-	(116)
Write off	-	-	(472)	-	-	-	(472)
Adjustments	-	-	-	(28)	(352)	-	(380)
Reclassifications	-	-	2,780	-	-	(2,780)	-
Effect of movements in exchange rates	110	750	10,767	20	181	152	11,980
At 31 December 2022	1,886	17,241	395,946	1,393	10,457	-	426,923
Charge for the year (Note 22)	125	1,987	27,010	67	1,077	-	30,266
Reversal of impairment loss for the year (Note 22)	-	(392)	(1,260)	-	-	-	(1,652)
Disposals	-	-	(11)	-	(1,975)	-	(1,986)
Write off	-	-	(425)	-	(165)	-	(590)
Effect of movements in exchange rates	90	805	15,056	35	382	-	16,368
At 31 December 2023	2,101	19,641	436,316	1,495	9,776	-	469,329

NOTES TO THE FINANCIAL STATEMENTS cont'd

- 31 DECEMBER 2023

3. PROPERTY, PLANT AND EQUIPMENT (continued)

Group	Leasehold land* RM'000	Buildings & building renovation RM'000	Plant and machinery** RM'000	Motor vehicles RM'000	Furniture, fittings and office equipment RM'000	Capital work-in-progress RM'000	Total RM'000
Analysed as:							
At 31 December 2022							
Accumulated depreciation	1,886	13,282	382,499	1,389	10,457	-	409,513
Accumulated impairment loss	-	3,959	13,447	4	-	-	17,410
	1,886	17,241	395,946	1,393	10,457	-	426,923
At 31 December 2023							
Accumulated depreciation	2,101	16,228	425,263	1,495	9,776	-	454,863
Accumulated impairment loss	-	3,413	11,053	-	-	-	14,466
	2,101	19,641	436,316	1,495	9,776	-	469,329
Carrying amounts							
At 31 December 2022							
	2,863	22,288	138,726	121	3,141	6,301	173,440
At 31 December 2023							
	2,893	30,879	140,127	56	2,309	25,176	201,440

* Leasehold land is right-of-use asset.

** Included under plant and machinery are machine equipment with carrying amount of RM0.6 million (2022: RM0.4 million) which are not depreciated as they are not available for use as at financial year end.

Company	Furniture, fittings and office equipment RM'000	Motor vehicles RM'000	Total RM'000
Cost			
At 1 January 2022			
	321	542	863
Additions	23	-	23
At 31 December 2022			
	344	542	886
Additions	41	-	41
At 31 December 2023			
	385	542	927

NOTES TO THE FINANCIAL STATEMENTS cont'd

- 31 DECEMBER 2023

3. PROPERTY, PLANT AND EQUIPMENT (continued)

	Furniture, fittings and office equipment RM'000	Motor vehicles RM'000	Total RM'000
Company			
Accumulated depreciation			
At 1 January 2022	238	399	637
Charge for the year	72	88	160
At 31 December 2022	310	487	797
Charge for the year	13	28	41
At 31 December 2023	323	515	838
Carrying amounts			
At 31 December 2022	34	55	89
At 31 December 2023	62	27	89

3.1 Security

Certain property, plant and equipment of a subsidiary with a total carrying amount of RM nil (2022: RM810,000) as at end of the financial year were charged to a bank as security for loans and borrowings. See Note 17 to the financial statements.

3.2 Impairment testing of property, plant and equipment ("PPE") and right-of-use assets ("ROU")

In the current financial year, the operations of the Group in the Middle East have improved. Accordingly, the Group has performed an impairment assessment taking into consideration their current performance and there was a reversal of impairment of RM1,652,000 (Impairment losses 2022: RM9,849,000) when comparing the recoverable amount of the Middle East CGU of RM31,984,000 to the net carrying amount of PPE of RM26,175,000 and ROU of RM4,157,000.

The Group has calculated the recoverable amount based on value in use which was determined by discounting the future cash flows generated from the continuing use of the Middle East CGU with the following key assumptions:

- (i) Cash flows were projected for 5 years based on the 1 year (2022: 1 year) base financial budget approved by the Board of Directors in November 2023.
- (ii) Terminal value at the end of year 5 is based on projected cash flow for year 5 discounted at the operating subsidiary's post-tax discount rate.
- (iii) Revenue growth rate is anticipated to be 2.9% in 2024, 2.0% from 2025 to 2028 and thereafter terminal growth rate of 2.0% which is based on historical inflation rate.
- (iv) Discount rate used of 13.3% is based on the Dubai's weighted average cost of capital ("WACC") rate (pre-tax discount rate), incorporating the country's risk premium, and an additional premium to factor in risk of cash flow projection inaccuracy.
- (v) Tax rate is assumed to be zero based on current tax regulation.

NOTES TO THE FINANCIAL STATEMENTS cont'd

- 31 DECEMBER 2023

3. PROPERTY, PLANT AND EQUIPMENT (continued)

3.2 Impairment testing of property, plant and equipment ("PPE") and right-of-use assets ("ROU") (continued)

The calculation of value in use is most sensitive to the following assumptions:

Revenue growth - The revenue projection is based on management's estimate of new sales to be secured based on discussion with customers. A decrease in the forecasted revenue for 2024 by 0.1% would result in a reduction in reversal of impairment of RM149,000 (2022: further impairment of RM936,000).

Discount rate - Any increase in the discount rate of 0.1% would result in a reduction in reversal of impairment of RM396,000 (2022: further impairment of RM541,000).

Terminal growth rate - A reduction of 0.1% in the terminal growth rate would result in a reduction in reversal of impairment of RM264,000 (2022: further impairment of RM383,000).

4. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

4.1 Right-of-use assets

Group	Land and buildings RM'000	Plant and equipment RM'000	Office equipment RM'000	Motor vehicles RM'000	Total RM'000
Cost					
At 1 January 2022	23,110	626	30	172	23,938
Additions	1,251	-	-	-	1,251
Write off	(32)	(340)	-	(166)	(538)
Effect of movement in exchange rates	219	(5)	-	(6)	208
At 31 December 2022	24,548	281	30	-	24,859
Additions	9,321	46	30	-	9,397
Write off	(9,625)	(62)	(30)	-	(9,717)
Effect of movement in exchange rates	882	(94)	1	-	789
At 31 December 2023	25,126	171	31	-	25,328
Accumulated depreciation					
At 1 January 2022	8,519	492	20	172	9,203
Depreciation	4,771	60	10	-	4,841
Impairment loss	1,516	-	-	-	1,516
Write off	(32)	(340)	-	(166)	(538)
Effect of movement in exchange rates	(13)	(8)	-	(6)	(27)
At 31 December 2022	14,761	204	30	-	14,995
Depreciation	3,913	47	7	-	3,967
Write off	(9,625)	(62)	(30)	-	(9,717)
Effect of movement in exchange rates	414	(95)	1	-	320
At 31 December 2023	9,463	94	8	-	9,565

NOTES TO THE FINANCIAL STATEMENTS cont'd

- 31 DECEMBER 2023

4. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (continued)

4.1 Right-of-use assets

Group	Land and buildings RM'000	Plant and equipment RM'000	Office equipment RM'000	Motor vehicles RM'000	Total RM'000
Analysed as:					
At 31 December 2022					
Accumulated depreciation	14,761	204	30	-	14,995
Accumulated impairment loss	1,516	-	-	-	1,516
	14,761	204	30	-	14,995
At 31 December 2023					
Accumulated depreciation	8,146	94	8	-	8,248
Accumulated impairment loss	1,317	-	-	-	1,317
	9,463	94	8	-	9,565
Carrying amounts					
At 31 December 2022					
	9,787	77	-	-	9,864
At 31 December 2023					
	15,663	77	23	-	15,763

The Group leases a number of land and buildings, warehouses, office equipment and factory equipment that run between 2 to 20 years (2022: 2 to 20 years) with renewal option included in the agreements. Lease payments are increased every one year to five years to reflect current market rentals.

NOTES TO THE FINANCIAL STATEMENTS cont'd

- 31 DECEMBER 2023

4. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (continued)

4.1 Right-of-use assets (continued)

Restriction imposed by lease

The lease contracts for land restrict the Group's ability to sublease the lease assets in the respective contracts.

Company	Office building RM'000
Cost	
At 1 January 2022	349
Additions	368
At 31 December 2022 and 2023	717
Accumulated depreciation	
At 1 January 2022	219
Depreciation	176
At 31 December 2022	395
Depreciation	184
At 31 December 2023	579
Carrying amounts	
At 31 December 2022	322
At 31 December 2023	138

The Company has leased an office building that run for 2 years with renewal option included in the agreement.

NOTES TO THE FINANCIAL STATEMENTS cont'd

- 31 DECEMBER 2023

4. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (continued)

4.2 Lease liabilities

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Current	2,695	3,090	143	182
Non-current	15,734	9,608	-	142
Total lease liabilities	18,429	12,698	143	324

The movement of lease liabilities during the financial year is as follows:

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
At 1 January	12,698	15,998	324	187
Additions	9,397	1,249	-	368
Accretion of interest (Note 21)	1,203	949	10	6
Payments	(5,474)	(5,733)	(191)	(237)
Effect of movement in exchange rates	605	235	-	-
At 31 December	18,429	12,698	143	324

The maturities of the lease liabilities are disclosed in Note 29.4.

The following are the amounts recognised in profit or loss:

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Depreciation expense of right-of-use assets	3,967	4,841	184	176
Interest expense on lease liabilities	1,203	949	10	6
Expense relating to short term leases	2,223	1,160	-	-
Expense relating to low-value assets	5	2	2	2
Total amount recognised in profit or loss	7,398	6,952	196	184

The Group has applied MFRS 16, Leases and has elected to apply exemption for leases of premises, motor vehicle, factory equipment and office equipment that have a lease term of 12 months or less and leases of low-value assets. The lease payments are recognised as an expense on a straight-line basis over the lease term during the current financial year.

The Group and the Company had total cash outflows for leases of RM7,702,000 and RM193,000 respectively (2022: RM6,895,000 and RM239,000 respectively).

NOTES TO THE FINANCIAL STATEMENTS cont'd

- 31 DECEMBER 2023

5. INVESTMENT PROPERTY

	Note	Group 2023 RM'000	Group 2022 RM'000
Cost			
At 1 January and 31 December		445	445
Accumulated depreciation			
At 1 January		103	94
Charge for the year		9	9
At 31 December		112	103
Carrying amount			
At 31 December		333	342

The following are recognised in profit or loss:

	Group 2023 RM'000	Group 2022 RM'000
Direct operating expenses:		
- non-income generating investment property	1	1

Fair value information

The fair value of investment property is categorised as follows:

	Group 2023 RM'000	Group 2022 RM'000
Residential quarter	549	526

Level 3 fair value

The following table shows the valuation technique used in the determination of fair value within Level 3, as well as the significant unobservable input used in the valuation model.

Description of valuation technique and input used	Significant unobservable input	Inter-relationship between significant unobservable input and fair value measurement
Sales comparison approach: Sales price of comparable properties in close proximity are adjusted for differences in key attributes such as property size. The most significant input into this valuation approach is price per square foot of comparable properties.	Price per square foot: (2023: RM333, 2022: RM319)	The estimated fair value would increase/(decrease) if the price per square foot is higher/(lower).

NOTES TO THE FINANCIAL STATEMENTS cont'd

- 31 DECEMBER 2023

6. INTANGIBLE ASSETS

Group	Note	Goodwill RM'000	Contract values RM'000	Total RM'000
Cost				
At 1 January 2022		68,181	13,343	81,524
Additions		-	1,327	1,327
Effect of movements in exchange rates		3,084	774	3,858
At 31 December 2022		71,265	15,444	86,709
Effect of movements in exchange rates		2,327	654	2,981
At 31 December 2023		73,592	16,098	89,690
Amortisation				
At 1 January 2022		-	8,914	8,914
Amortisation for the year	6.1	-	2,918	2,918
Effect of movements in exchange rates		-	520	520
At 31 December 2022		-	12,352	12,352
Amortisation for the year	6.1	-	1,381	1,381
Effect of movements in exchange rates		-	514	514
At 31 December 2023		-	14,247	14,247
Carrying amounts				
At 31 December 2022		71,265	3,092	74,357
At 31 December 2023		73,592	1,851	75,443

NOTES TO THE FINANCIAL STATEMENTS cont'd

- 31 DECEMBER 2023

6. INTANGIBLE ASSETS (continued)

6.1 Amortisation

Amortisation of contract values is recognised as “other expenses”.

6.2 Goodwill and contract values

The aggregate carrying amounts of intangible assets allocated to each unit are as follows:

	Note	2023 RM'000	Group 2022 RM'000
Goodwill	6.2.1	73,592	71,265
Contract values			
Max Ease International Limited	6.2.2	919	1,765
PT Bintang Pesona Jagat	6.2.3	932	1,327
		1,851	3,092
		75,443	74,357

6.2.1 Impairment testing of goodwill

The recoverable amount of goodwill was based on value in use calculations. The recoverable amount of the Asia Pacific CGU (i.e. Vietnam, Hong Kong and Indonesia) was higher than the carrying amount of the Asia Pacific CGU and hence no impairment loss was recognised during the year. The carrying amount of Asia Pacific CGU comprises of the goodwill, contract values, property, plant and equipment, and right of use assets.

Value in use in respect of the Asia Pacific CGU was determined by discounting the future cash flows generated from the continuing use of the Asia Pacific CGU and was based on the following key assumptions:

- (i) Cash flows were projected for 5 years based on the 1 year (2022: 1 year) base financial budget approved by the Board of Directors in November 2023.
- (ii) Terminal value at end of year 5 is based on projected cash flow for year 5 discounted at the respective operating subsidiaries' post-tax discount rates.
- (iii) Tax rates are assumed to be:
 - statutory tax rates for subsidiaries in Vietnam and Indonesia; and
 - statutory tax rates of Singapore for subsidiary in Hong Kong given permanent establishment reported in Singapore.
- (iv) An anticipated revenue growth rate at -3% in 2024, 2% in 2025, and thereafter 3% from 2026 to 2028 and thereafter terminal growth rate at 2.4% (2022: 11% in 2023, 3% in 2024, and thereafter 3% from 2025 to 2027 and thereafter terminal growth rate at 3%) were used in the cash flows. The anticipated revenue growth for 2024 is derived based on discussions on production planning with the customers of the Group and thereafter based on external market data.

NOTES TO THE FINANCIAL STATEMENTS cont'd

- 31 DECEMBER 2023

6. INTANGIBLE ASSETS (continued)

6.2 Goodwill and contract values (continued)

6.2.1 Impairment testing of goodwill (continued)

- (v) Discount rate used for each respective country is based on the country's weighted average cost of capital ("WACC") rate (post-tax discount rate), incorporating respective country's risk premium, and an additional premium to factor in risk of cash flow projection inaccuracy. The post-tax discount rates for the operating subsidiaries are:

Subsidiary domicile country	2023	2022
Vietnam	13.5% (pre-tax: 14.6%)	13.5% (pre-tax: 14%)
Hong Kong	10.5% (pre-tax: 15.4%)	10% (pre-tax: 10.5%)
Indonesia	15% (pre-tax: 17.8%)	14% (pre-tax: 14.5%)

- (vi) The Group is expected to successfully renew its rights to supply major customers' printed carton requirements upon the expiry of the agreement and to continue to supply over the projected period. Management believes that any reasonable change in the key assumptions would not cause the carrying amount of the Asia Pacific CGU to exceed the recoverable amount.

6.2.2 Contract value is in relation to the exclusive rights to supply British American Tobacco's printed carton requirements in several locations in the Asia Pacific region, with the details set out as below:

On 28 October 2016, British American Tobacco (Singapore) Pte Ltd, a company incorporated in Singapore under the laws of Singapore and a subsidiary of British American Tobacco International (Holdings) B.V. has vide a letter agreed to extend its current Supply Agreement for printed carton requirements in Singapore and Vietnam for an additional three years from 1 November 2016 and expiring on 31 October 2019 for the domestic and/or export markets, based on mutually agreed commercial terms. The Supply Agreement with Tobacco Importers and Manufacturers Sdn. Bhd. for Malaysia would also be extended for one year.

On 18 March 2020, Max Ease International Ltd, a 51% owned subsidiary of TWPH and 49% owned by New Toyo International Holdings Ltd, the ultimate holding company and BAT Group had on 17 March 2020 agreed to extend its current Supply Agreement for printed carton requirements in Malaysia, Singapore and Vietnam for an additional five (5) years from 1 January 2020 and expiring on 31 December 2024 for the domestic and/or export markets.

6.2.3 The contract value is in relation to the exclusive rights to supply British American Tobacco's printed carton requirements in Indonesia.

On 3 November 2016, Tien Wah Press Holdings's 51% owned subsidiaries, Max Ease International Limited and Max View Holdings Limited entered into a Conditional Sale and Purchase Agreement to acquire PT Bintang Pesona Jagat ("BPJ"). The proposed acquisition comes with a Manufacturing and Supply of Packaging Materials Agreement to supply printed carton requirements for British American Tobacco group of companies ("BAT Group") in Indonesia for a period of six years commencing 1 January 2017 until 31 December 2022.

On 9 February 2023, an extension of Manufacturing and Supply of Packaging Materials Agreement ("MSPMA") entered into between BPJ, a subsidiary of the Company, and BAT Group in respect of supply to BAT Group for the latter's printed carton requirements in Indonesia. BAT Group had agreed to extend its current MSPMA for an additional three (3) years commencing from 1 January 2023 and expiring on 31 December 2025.

NOTES TO THE FINANCIAL STATEMENTS cont'd

- 31 DECEMBER 2023

7. INTERESTS IN SUBSIDIARIES

	Company	
	2023 RM'000	2022 RM'000
Investments in subsidiaries		
- Unquoted shares, at Cost	102,275	102,275
Amounts due from subsidiaries	163,839	147,512
Less: Accumulated impairment loss	(95,365)	(96,765)
	170,749	153,022

The amount due from subsidiaries is unsecured and subject to interest of up to 7.10% (2022: 5.50%) per annum. The interests and principals are repayable at the discretion of the subsidiaries.

The details of the subsidiaries are as follows:

Name of companies	Country of incorporation	Principal activities	Effective ownership interest	
			2023 %	2022 %
Tien Wah Press (Malaya) Sdn. Bhd. ("TWPM") (*)	Malaysia	Dormant	100	100
Tien Wah Properties Sdn Bhd. ("TWProp") (*)	Malaysia	Investment property holding and investment holding	100	100
Alliance Print Technologies FZE ("APTFZE") (*)	United Arab Emirates	Packing and packaging material manufacturing	100	100
New Toyo Investment Pte. Ltd. ("NTIV") (*)	Singapore	Investment holding	100	100
Max Ease International Limited ("MEIL") (*)	Hong Kong	Investment holding and trading of cigarette packaging boxes	51	51
Subsidiary of MEIL: i. Anzpac Services (Australia) Pty. Ltd. ("Anzpac") (+)	Australia	Dormant	51	51
ii. Max View Holdings Limited ("MVHL") (+)	Hong Kong	Investment holding	51	51
iii. PT Bintang Pesona Jagat ("BPJ") (*)	Indonesia	Printing and supplies of printing products	51	51
iv. Max Ease International (SG) Pte. Ltd. ("MEIS") (+)	Singapore	Dormant	51	51

NOTES TO THE FINANCIAL STATEMENTS cont'd

- 31 DECEMBER 2023

7. INTERESTS IN SUBSIDIARIES (continued)

The details of the subsidiaries are as follows: (cont'd.)

Name of companies	Country of incorporation	Principal activities	Effective ownership interest	
			2023 %	2022 %
Subsidiary of NTIV: i. Alliance Print Technologies Co. Ltd. ("APT") (*)	Vietnam	Provision of printing services for tobacco packaging and paper services in general	100	100

* Audited by member firms of Ernst & Young Global Limited.

+ Not audited by member firms of Ernst & Young Global Limited.

7.1 Impairment on interest in a subsidiary

The Company reviews the carrying value of interests in the subsidiaries at each financial year-end and recognises impairment losses to provide for the potential non-recoverability of interests in subsidiaries.

Included in the carrying value of interests in subsidiaries are amounts due from subsidiaries amounting to RM163,839,000 (2022: RM147,512,000) as this amount is in substance part of the Company's investment in subsidiaries.

The management noted an indication of reversal of impairment with respect to the interest in a subsidiary. The Group has calculated the recoverable amount of the interest in the subsidiary to be RM55,799,000 (2022: RM50,829,000) based on value in use which was determined by discounting the future cash flows generated by the subsidiary and was based on the same key assumptions as disclosed in Note 3.2.

As the Company's carrying value of interest in the subsidiary before reversal of impairment adjustment of RM54,399,000 (2022: impairment RM60,111,000) was lower than the recoverable amount of the interest in this subsidiary, a reversal of impairment loss of RM1,400,000 (2022: impairment loss RM9,282,000) was made.

The impairment assessment is sensitive to changes to the key assumptions and any significant adverse movement in these assumptions could impact the results of the impairment test.

Revenue growth - The revenue projection is based on management's estimate of new sales to be secured based on discussion with customers. A decrease in the forecasted revenue for 2024 by 0.1% would result in a reduction in reversal of impairment of RM210,000 (2022: further impairment of RM938,000).

Discount rate - Any increase in the discount rate of 0.1% would result in a reduction in reversal of impairment of RM457,000 (2022: further impairment of RM543,000).

Terminal growth rate - A reduction of 0.1% in the terminal growth rate would result in a reduction in reversal of impairment of RM325,000 (2022: further impairment of RM384,000).

NOTES TO THE FINANCIAL STATEMENTS cont'd

- 31 DECEMBER 2023

7. INTERESTS IN SUBSIDIARIES (continued)

7.2 Non-controlling interests in subsidiaries

The subsidiaries that have non-controlling interests ("NCI") is as follows:

	MEIL and its subsidiaries ("MEIL Group")	
	2023 RM'000	2022 RM'000
NCI percentage of ownership interest and voting interest	49%	49%
	MEIL Group	
	2023 RM'000	2022 RM'000
Carrying amount of NCI	45,667	42,268
Profit allocated to NCI	3,399	(72)

Summarised financial information before intra-group elimination

	MEIL Group	
	2023 RM'000	2022 RM'000
As at 31 December		
Non-current assets	136,009	105,281
Current assets	99,758	90,232
Non-current liabilities	(103,521)	(80,496)
Current liabilities	(36,245)	(25,522)
Net assets	96,001	89,495
Year ended 31 December		
Revenue	175,750	187,952
Profit/(loss) for the year	2,030	(1,990)
Total comprehensive income/(loss)	6,505	(576)
Cash flows (used in)/generated from:		
- operating activities	19,558	33,161
- investing activities	(34,643)	(2,763)
- financing activities	13,958	(27,366)
Net (increase)/decrease in cash and cash equivalents	(1,127)	3,032

NOTES TO THE FINANCIAL STATEMENTS cont'd

- 31 DECEMBER 2023

7. INTERESTS IN SUBSIDIARIES (continued)

7.3 Restrictions and covenants imposed by banks

	2023	Group	2022
	RM'000		RM'000
Cash and cash equivalents	745		9,382
Other assets	105,185		96,432
	105,930		105,814

The above restrictions arise from the following:

The covenant of a bank restricts BPJ from declaring dividends without prior written consent of the bank.

8. INVESTMENTS IN JOINT VENTURES

	2023	Group	2022
	RM'000		RM'000
At cost:			
Unquoted shares	41,744		41,744
Share of post-acquisition reserves	(4,879)		(3,814)
Elimination of unrealised profit	(5,000)		(5,000)
	31,865		32,930

	2023	Company	2022
	RM'000		RM'000
Unquoted shares, at cost	6,430		6,430
Less: Accumulated impairment loss	(1,686)		(1,686)
	4,744		4,744

NOTES TO THE FINANCIAL STATEMENTS cont'd

- 31 DECEMBER 2023

8. INVESTMENTS IN JOINT VENTURES (continued)

Details of the joint venture are as follows:

Name of companies	Country of incorporation	Principal activities	Effective ownership interest	
			2023 %	2022 %
Held by the Company: Toyo (Viet)-Dofico Print Packaging Co.,Ltd. ("TVDP")	Vietnam	Manufacture aluminium paper, paper core, board paper, tipping paper, plastic film and box printing	50	50
Held by TWProp: Lum Chang Tien Wah Property Sdn. Bhd. ("LCTW")	Malaysia	Property development and property investment	50	50

Summarised financial information

Group	TVDP RM'000	2023	Total RM'000	TVDP RM'000	2022	Total RM'000
		LCTW RM'000			LCTW RM'000	
As at 31 December						
Non-current assets	-	63,553	63,553	15,893	64,905	80,798
Current assets	7,413	675	8,088	64	1,012	1,076
Non-current liabilities	-	(13)	(13)	-	(13)	(13)
Current liabilities	(14)	(221)	(235)	(9,221)	(237)	(9,458)
Cash and cash equivalents	1,155	1,114	2,269	2,972	418	3,390
Total net assets	8,554	65,108	73,662	9,708	66,085	75,793
Year ended 31 December						
Loss and other comprehensive loss for the year	(1,544)	(977)	(2,521)	(329)	(1,034)	(1,363)
Total comprehensive loss	(1,544)	(977)	(2,521)	(329)	(1,034)	(1,363)
Included in the total comprehensive income are:						
Revenue	-	1,011	1,011	-	1,011	1,011
Depreciation and amortisation	-	(1,353)	(1,353)	-	(1,363)	(1,363)
Interest income	-	6	6	2	2	4
Interest expense	-	(1)	(1)	-	(1)	(1)
Income tax expense	-	(269)	(269)	-	(322)	(322)

NOTES TO THE FINANCIAL STATEMENTS cont'd

- 31 DECEMBER 2023

8. INVESTMENTS IN JOINT VENTURES (continued)

Summarised financial information (continued)

Group	TVDP RM'000	2023 LCTW RM'000	Total RM'000	TVDP RM'000	2022 LCTW RM'000	Total RM'000
Reconciliation of net assets to carrying amount						
As at 31 December						
Group's share of net assets	4,277	32,554	36,831	4,854	33,042	37,896
Elimination of unrealised profit	-	(5,000) *	(5,000) *	-	(5,000) *	(5,000) *
Unrecognised share of other comprehensive profit	34	-	34	34	-	34
Carrying amount in the statement of financial position	4,311	27,554	31,865	4,888	28,042	32,930
Group's share of results for year ended 31 December						
Group's share of loss	(772)	(489)	(1,261)	(165)	(517)	(682)
Group's share of other comprehensive loss	336	-	336	141	-	141
Group's share of total comprehensive loss	(436)	(489)	(925)	(24)	(517)	(541)

* In the financial year ended 31 December 2023, due to Group's accounting policy and applying MFRS 128, Investment in Associates and Joint Ventures, the unrealised profit recognised by the Group of RM13.8 million (2022: RM13.8 million) attributable to the disposal of TWProp's land in the financial year ended 31 December 2016 has only eliminated up to the extent of the Group's cost of investment of RM5 million (2022: RM5 million) in LCTW.

Impairment on investment in a joint venture

On 14 July 2021, the Company had announced that TVDP had ceased its operation since 14 July 2021 and will be automatically liquidated as its Investment and Business License expired on 14 July 2021 in accordance with the Vietnam Law.

In the prior year, as the Company's cost of investment in TVDP before impairment adjustment of RM6,430,000 was higher than the recoverable amount of the investment in TVDP, an impairment loss of RM1,686,000 was recognised. During the year, there are no further impairment or reversal of impairment. The recoverable amount is determined based on fair value less costs of disposal.

NOTES TO THE FINANCIAL STATEMENTS cont'd

- 31 DECEMBER 2023

9. DEFERRED TAX ASSETS/(LIABILITIES)

Recognised deferred tax assets/(liabilities)

Deferred tax assets and liabilities are attributable to the following:

Group	Assets		Liabilities		Net	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Property, plant and equipment	1,375	1,571	(3,120)	(3,082)	(1,745)	(1,511)
Provisions	543	427	-	-	543	427
Contract assets	(55)	(83)	-	-	(55)	(83)
Net tax assets/(liabilities)	1,863	1,915	(3,120)	(3,082)	(1,257)	(1,167)

Movement in temporary differences during the year

Group	As at 1.1.2022 RM'000	Recognised in profit or loss RM'000 (Note 25)	Recognised other comprehensive income RM'000 (Note 23)	As at 1.1.2022 RM'000	Recognised in profit or loss RM'000 (Note 25)	Recognised other comprehensive income RM'000 (Note 23)	As at 31.12.2023 RM'000
	Property, plant and equipment	(1,584)	(427)	500	(1,511)	(556)	322
Provisions	718	248	(539)	427	456	(340)	543
Contract assets	(90)	12	(5)	(83)	31	(3)	(55)
	(956)	(167)	(44)	(1,167)	(69)	(21)	(1,257)

Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the tax losses carried forward because it is not probable that future taxable profit will be available for the Company and certain subsidiaries within the Group against which the Company and those subsidiaries within the Group can utilise the benefits therefrom.

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Unutilised tax losses	45,687	50,258	4,571	4,635
Unabsorbed capital allowances	2,517	2,517	-	175
Others	-	-	176	138
	48,204	52,775	4,747	4,948

NOTES TO THE FINANCIAL STATEMENTS cont'd

- 31 DECEMBER 2023

9. DEFERRED TAX ASSETS/(LIABILITIES) (continued)

Unrecognised deferred tax assets (continued)

Following the gazetting of the Finance Act 2021 on 31 December 2021, the unutilised tax losses can be carried forward for a maximum period of ten consecutive years of assessment for offset against future aggregate of statutory income from Year of Assessment 2018. The following table shows the accumulated taxable loss allowances from the previous and current period of the subsidiaries and the Company in Malaysia:

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Unutilised tax losses				
- Expire by 31 December 2028	13,344	13,369	1,058	1,122
- Expire by 31 December 2029	1,405	1,405	1,405	1,405
- Expire by 31 December 2030	2,028	2,028	2,028	2,028
- Expire by 31 December 2031	80	80	80	80
	16,857	16,882	4,571	4,635

10. TRADE AND OTHER RECEIVABLES

	Note	Group		Company	
		2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Current					
Trade					
Trade receivables	10.1	43,912	36,608	-	-
Non-trade					
Other receivables	10.2	13,157	10,326	7,509	7,207
Less: Allowance for expected credit loss		(3,211)	(2,338)	(3,211)	(2,338)
Other receivables, net		9,946	7,988	4,298	4,869
Subsidiaries	10.3	-	-	21,171	32,262
Deposits	10.4	3,158	8,599	3	3,312
Prepayments		1,937	3,179	57	50
		58,953	56,374	25,529	40,493
Non-current					
Trade					
Subsidiaries	10.3	-	-	3,921	790
Non-trade					
Prepayments		1,827	359	-	-
		1,827	359	3,921	790

NOTES TO THE FINANCIAL STATEMENTS cont'd

- 31 DECEMBER 2023

10. TRADE AND OTHER RECEIVABLES (continued)

10.1 Trade receivables - Group

Trade receivables with third parties are subject to the normal trade credit terms between 2 days to 140 days (2022: 2 days to 140 days).

10.2 Current other receivables - Group and Company

Included in other receivables of the Group and the Company is a deferred payment of RM4,277,000 (2022: RM4,858,000) granted to the Group's joint venture partner, Dong Nai Food Industrial Corporation ("DOFICO") following the sale of 50% interest in TVDP in 2015 which is to be settled within the next twelve months. Please refer to Note 32 to the financial statements for further details.

The reconciliation of movement in the impairment loss of other receivables is as follows:

	Group and Company	
	2023	2022
	RM'000	RM'000
At 1 January	2,338	2,054
Charge for the financial year	777	165
Effect of movements in exchange rate	96	119
At 31 December	3,211	2,338

10.3 Amount due from subsidiaries - Company

Amount due from subsidiaries are unsecured, subject to interest of up to 5.81% (2022: 4.65%) per annum and repayable on demand, except for an amount of RM3,921,000 (2022: RM790,000), subject to interest of 4.15% (2022: 4.15%) per annum which is expected to be repaid by the subsidiary progressively by 2026 (2022: 2024).

10.4 Deposits

Included in deposits of the Group and the Company as at 31 December 2021 is a deposit amounting to USD2.2 million (equivalent to RM9,271,922) paid for an acquisition of 100% of the issued and paid-up share capital in Benline Investment Holdings Pte. Ltd., representing 3,532,896 ordinary shares for a total purchase consideration of USD6.7 million. On 31 May 2022, the Parties agreed to extend the Completion of the Proposed Acquisition from 16 June 2022 to 29 July 2022. On 29 July 2022, the Company terminated the SPA as the conditions precedent has not been fulfilled by the Vendor under the terms and conditions of the SPA. As at 31 December 2023, the deposit has been fully refunded (2022: USD1.45 million equivalent to RM6,111,040 was refunded).

NOTES TO THE FINANCIAL STATEMENTS cont'd

- 31 DECEMBER 2023

11. INVENTORIES

	2023	Group
	RM'000	2022
		RM'000
Cost		
Raw materials and consumables	30,009	41,762
Work-in-progress	657	917
Finished goods	18,946	7,154
	49,612	49,833
Net realisable value		
Finished goods	3,175	2,184
	52,787	52,017
Carrying amount of inventories pledged as security for bank borrowings (see Note 17)	22,975	22,063
Recognised in profit or loss:		
Inventories recognised as cost of sales	143,114	137,943
Write-down to/(reversal of write-down from) net realisable value	72	(349)
Allowance for inventories obsolescence	202	236
Inventories written-off	31	59

12. CONTRACT ASSETS

	2023	Group
	RM'000	2022
		RM'000
Contract assets	13,297	8,505

Contract assets primarily relate to the Group's rights to consideration for work completed on supply contracts but not yet billed at the reporting date. Typically, the amount will be billed within 30 days and payment is expected within 60 days.

NOTES TO THE FINANCIAL STATEMENTS cont'd

- 31 DECEMBER 2023

13. CASH AND BANK BALANCES

	Note	Group		Company	
		2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Cash at bank and on hand		15,606	21,786	1,721	931
Short-term deposit placed with licensed bank	13.1	2,718	1,104	2,718	1,104
Cash and cash equivalents		18,324	22,890	4,439	2,035

13.1 Short-term deposit placed with licensed bank

The short-term money market deposits of the Group and Company represents deposits with maturity period of 7 days (2022: 7 days) and earns interests at the rate of 3.70% (2022: 3.10%) per annum.

14. SHARE CAPITAL

	2023		2022	
	Amount RM'000	Number of shares '000	Amount RM'000	Number of shares '000
Group and Company				
Ordinary shares, issued and fully paid	156,187	144,743	156,187	144,743

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 shares rank equally with regard to the Company's residual assets.

15. RESERVES

	Note	Group		Company	
		2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Non-distributable:					
Translation reserve	15.1	45,596	36,230	-	-
Other reserve	15.2	585	417	-	-
Distributable:					
Retained profits		75,924	75,448	22,549	9,497
		122,105	112,095	22,549	9,497

15.1 Translation reserve

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

15.2 Other reserve

Other reserve comprises reserve for defined employee benefit obligations in respect of a foreign subsidiary company.

NOTES TO THE FINANCIAL STATEMENTS cont'd

- 31 DECEMBER 2023

16. EMPLOYEE BENEFITS

Retirement benefits and other employee benefits

	Note	2023 RM'000	Group 2022 RM'000
Total present value of unfunded obligations, representing liability for defined benefit obligations	16.1	1,556	1,557
Provision for annual leave	16.2	591	489
Total employee benefits		2,147	2,046
Analysed as:			
- Non-Current		2,147	2,037
- Current		-	9
		2,147	2,046

16.1 Defined benefit obligation

One of the Group's subsidiaries, BPJ makes contributions to non-contributory defined benefit plans that provides pension for eligible employees upon retirement.

Calculation of liability for post-employment benefits as of 31 December 2023 is based on calculation performed by PT Padma Radya Aktuarial, an independent actuary as per its reports dated 20 February 2024 (2022: 20 February 2023). The assumptions are as follows:

	2023	Group 2022
Discount rate	6.8%	7.3%
Salary increase rate	6.0%	8.0%
Mortality table	TMI4	TMI4
Retirement age	58	58

The following table demonstrates the sensitivity to a reasonably possible change in discount rates, with all other variables held constant, of the obligation for post-employment and current service cost as of 31 December 2023 and 31 December 2022:

	Group 2023		Group 2022	
	Increase RM'000	Decrease RM'000	Increase RM'000	Decrease RM'000
Change in discount rate of 1%:				
Present value of employee benefit obligations	(136)	156	(146)	169
Change in salary increase rate of 1%:				
Present value of employee benefit obligations	159	(141)	169	(149)

NOTES TO THE FINANCIAL STATEMENTS cont'd

- 31 DECEMBER 2023

16. EMPLOYEE BENEFITS (continued)

16.1 Defined benefit obligation (continued)

The maturity profile of undiscounted define employee service entitlement as of 31 December 2023 and 31 December 2022 are as follow:

	2023 RM'000	Group 2022 RM'000
Within the next 12 months	29	97
Between 1 and 2 years	70	29
Between 2 and 5 years	635	494
Between 5 and 10 years	1,075	1,291
More than 10 years	17,732	23,655

The following table shows reconciliation from the opening balance to the closing balance for the net defined benefit liability and its components.

	2023 RM'000	Group 2022 RM'000
Balance at 1 January	1,557	1,684
Included in profit or loss		
Current service cost, representing net retirement benefits expenses	416	27
Included in other comprehensive income		
Remeasurements gain of employee benefits	(408)	(62)
Others		
Benefits paid/used by the plan	(92)	(39)
Effect of movements in exchange rate	83	(53)
	(9)	(92)
Defined benefit obligations at 31 December	1,556	1,557

NOTES TO THE FINANCIAL STATEMENTS cont'd

- 31 DECEMBER 2023

16. EMPLOYEE BENEFITS (continued)

16.2 Provision for annual leave

In accordance with the United Arab Emirates Labour Law, the Group's subsidiary, APTF, makes contribution to defined benefit plans for employees who complete one or more year of continuous services.

	2023	Group
	RM'000	2022
		RM'000
Balance at 1 January	489	149
Provision during the year	468	381
Utilisation during the year	(379)	(60)
Effect of movements in exchange rate	13	19
At 31 December	591	489

17. LOANS AND BORROWINGS

	2023	Group
	RM'000	2022
		RM'000
Current		
Term loans - secured, representing total loans and borrowings	-	2,101

The information about the Group's and the Company's exposure to interest rate and foreign currency risk is disclosed in Note 29.

Significant covenants

The revolving credits are subject to the fulfilment of the following covenants:

- (i) BPJ shall not declare dividends for the year without prior written notification from the banks;
- (ii) Gearing of BPJ shall not exceed 2.5 times (2022: 2.5 times);
- (iii) Inventories of BPJ amounting to USD5 million (2022: USD5 million) are pledged to a bank;
- (iv) Current ratio of BPJ at minimum of 1.0 times (2022: 1.0 times);
- (v) Property, plant and equipment of BPJ amounting to IDR85.477 billion were charged to the bank as security;
- (vi) The revolving credit is secured by USD5.88 billion and IDR55.076 billion Corporate Guarantee provided by New Toyo International Holdings Ltd;
- (vii) The revolving credit is secured by USD6.12 million and IDR57.324 billion Corporate Guarantee provided by the Company; and
- (viii) Pledged over Transaction Account in the amount of USD5 million.

NOTES TO THE FINANCIAL STATEMENTS cont'd

- 31 DECEMBER 2023

18. PROVISION FOR LIABILITIES

	2023	2022
	RM'000	RM'000
Balance at 1 January	284	270
Provision made	-	1
Unwinding of discount	7	7
Effect of movements in exchange rate	4	6
At 31 December	295	284
Analysed as:		
- Non-current	295	284

The provision for premises reinstatement and restoration cost was estimated based on the estimated costs for reinstatement and restoration to be incurred upon the expiry of the lease terms between 2 and 47 years and discounted using the risk-free rate applicable in the respective locations.

19. TRADE AND OTHER PAYABLES

		Group		Company	
	Note	2023	2022	2023	2022
		RM'000	RM'000	RM'000	RM'000
Current					
Trade					
Trade payables					
Third parties		36,506	30,885	-	-
Related companies		156	1,861	-	-
	19.1	36,662	32,746	-	-
Non-trade					
Other payables		17,840	4,950	9	119
Accruals		6,328	6,405	781	752
Subsidiaries	19.2	-	-	29,934	34,529
Ultimate holding company	19.3	2,798	6,556	-	-
		26,966	17,911	30,724	35,400
		63,628	50,657	30,724	35,400
Non-current					
Non-trade					
Ultimate holding company	19.3	59,645	51,237	-	-

NOTES TO THE FINANCIAL STATEMENTS cont'd

- 31 DECEMBER 2023

19. TRADE AND OTHER PAYABLES (continued)

19.1 Trade payables

Trade payables are subject to the normal trade and credit terms.

19.2 Amounts due to subsidiaries

Amounts due to subsidiaries are unsecured, subject to interest rate ranging up to 4.00% (2022: 4.65%) per annum and repayable on demand, except for an amount of RM8,396,623 (2022: RM8,325,652) which are interest free.

19.3 Amounts due to ultimate holding company

The amounts due to ultimate holding company are unsecured and interest-free other than as follows:

	2023 %	RM'000	2022 %	RM'000
	(per annum)		(per annum)	
Current	-	-	5.06	5,295
Non-current	3.56	59,645	3.24	51,237

20. REVENUE

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Revenue from contracts with customers	270,384	243,960	-	-
Dividend income	-	-	9,312	8,804
	270,384	243,960	9,312	8,804

20.1 Timing and recognition

For contracts that meet the no alternative use and the Group has rights to payment for work performed, revenue is recognised upon completion of the manufacturing process even though it is prior to delivery of the completed finished goods.

20.2 Nature of goods and services

Nature of goods or services	Timing recognition or method used to recognised revenue	Warranty
Made to order printing products	Revenue is recognised upon completion of the manufacturing process. These contracts would meet the no alternative use criteria and the Group has rights to payment for work performed.	Assurance warranties are given to customers.

NOTES TO THE FINANCIAL STATEMENTS cont'd

- 31 DECEMBER 2023

21. FINANCE INCOME/(COSTS)

	Group		Company	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Current				
Interest income of financial assets calculated using the effective interest method that are at amortised costs:				
- subsidiaries	-	-	5,283	3,543
- others	145	40	134	28
	145	40	5,417	3,571
Interest expense of financial liabilities that are not at fair value through profit or loss:				
- subsidiaries	-	-	(716)	(651)
- trust receipts	-	(4)	-	-
- term loans	(105)	(626)	-	-
- revolving credits	(108)	(139)	-	-
- ultimate holding company	(2,130)	(1,163)	-	-
- lease liabilities	(1,203)	(949)	(10)	(6)
- unwinding of discount on provision for liabilities	(7)	(7)	-	-
	(3,553)	(2,888)	(726)	(657)
Net finance (costs)/income	(3,408)	(2,848)	(592)	(629)

22. PROFIT/(LOSS) BEFORE TAXATION

The following items have been charged/(credited) in arriving at (loss)/profit before tax:

	Group		Company	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Amortisation of intangible assets (Note 6)	1,381	2,918	-	-
Auditors' remuneration:				
- audit fees				
Ernst & Young PLT	265	295	249	277
Member firms of Ernst & Young Global Limited	401	439	-	-
Other auditors	59	50	-	-
- non-audit fees				
Ernst & Young PLT	18	20	18	20
Depreciation of:				
- property, plant and equipment (Note 3)	30,266	32,699	41	160
- right-of-use assets (Note 4)	3,967	4,841	184	176
- investment property (Note 5)	9	9	-	-
Inventories written-off (Note 11)	31	59	-	-
Allowance for inventories obsolescence (Note 11)	202	236	-	-
Write down/(reversal) of inventories to net realisable value (Note 11)	72	(349)	-	-
Personnel expenses (including other key management personnel):				
- contributions to statutory pension funds	280	297	280	297
- wages, salaries and others	29,511	28,498	3,525	3,714

NOTES TO THE FINANCIAL STATEMENTS cont'd

- 31 DECEMBER 2023

22. PROFIT/(LOSS) BEFORE TAXATION (continued)

The following items have been charged/(credited) in arriving at (loss)/profit before tax (continued):

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Expenses related to employee benefits:				
- provision for long term service leave	416	27	-	-
- provision for annual leave	468	381	-	-
Total employee benefits	884	408	-	-
(Reversal of impairment)/impairment of:				
- property, plant and equipment	(1,652)	9,849	-	-
- right-of-use asset	-	1,516	-	-
- interest in a subsidiary	-	-	(1,400)	9,282
Expected credit loss on other receivable	777	165	777	165
Foreign exchange (gain)/loss:				
- realised	(2,547)	(2,537)	(2,596)	(2,313)
- unrealised	1,979	1,109	(4,197)	(6,371)
Expenses arising from leases:				
Expenses relating to short-term leases (Note 4)	2,223	1,160	-	-
Expenses relating to leases of low-value assets (Note 4)	5	2	2	2
Gain on disposal of property, plant and equipment	(228)	(1)	-	-
Gross dividend income from unquoted subsidiary (Note 20)	-	-	(9,312)	(8,804)

23. OTHER COMPREHENSIVE INCOME

Group	Before tax RM'000	Tax expense RM'000 (Note 9)	Net of tax RM'000
2023			
Items that will not be reclassified subsequently to profit or loss			
Remeasurements of employee benefits obligation	420	(90)	330
Items that are or may be reclassified subsequently to profit or loss			
Gain from foreign currency translation differences for foreign operations	11,328	69	11,397
	11,748	(21)	11,727

NOTES TO THE FINANCIAL STATEMENTS cont'd

- 31 DECEMBER 2023

23. OTHER COMPREHENSIVE INCOME (continued)

Group	Before tax RM'000	Tax expense RM'000 (Note 9)	Net of tax RM'000
2022			
Items that will not be reclassified subsequently to profit or loss			
Remeasurements of employee benefits obligation	80	(14)	66
Items that are or may be reclassified subsequently to profit or loss			
Gain from foreign currency translation differences for foreign operations	10,638	(30)	10,608
	10,718	(44)	10,674

24. KEY MANAGEMENT PERSONNEL COMPENSATION

The key management personnel compensations are as follows:

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Directors of the Company Executive:				
Remuneration	1,597	1,500	1,597	1,500
Other short-term employee benefits (including estimated monetary value of benefits-in-kind)	161	298	161	298
Non-executive:				
Fees	713	713	713	713
Other short-term employee benefits (including estimated monetary value of benefits-in-kind)	45	55	45	55
	2,516	2,566	2,516	2,566
Directors of the Group entities Executive:				
Fees	-	40	-	-
Remuneration	2,518	2,299	-	-
Other short-term employee benefits (including estimated monetary value of benefits-in-kind)	590	510	-	-
	3,108	2,849	-	-
Other key management personnel:				
Remuneration and short-term employee benefits	1,089	958	1,089	958
	6,713	6,373	3,605	3,524

Other key management personnel comprise persons other than the Directors of Group entities, having authority and responsibility for planning, directing and controlling the activities of the Group entities either directly or indirectly.

NOTES TO THE FINANCIAL STATEMENTS cont'd

- 31 DECEMBER 2023

25. TAXATION

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Current tax expense				
Malaysian				
- current year	47	93	29	88
- prior year	49	-	49	-
	96	93	78	88
Overseas				
- current year	2,585	1,258	-	-
- prior year	180	426	-	-
	2,765	1,684	-	-
	2,861	1,777	78	88
Deferred tax expense (Note 9)				
Origination and reversal of temporary differences				
- current year	50	101	-	-
- prior year	19	66	-	-
	69	167	-	-
Total income tax expense	2,930	1,944	78	88

A reconciliation of income tax expense applicable to profit before taxation at the statutory income tax rate to income tax expense at the effective income tax rate of the Group and of the Company is as follows:

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Profit/(loss) before taxation	12,718	(14,030)	21,236	10,094
Income tax using Malaysian tax rate of 24%	3,052	(3,367)	5,097	2,423
Effect of tax rate in foreign jurisdictions	(35)	4,644	-	-
Effect of different tax rate	-	(187)	-	(187)
Non-deductible expenses	4,167	2,418	79	486
Tax exempt income	(3,143)	(693)	(5,099)	(2,622)
Underprovision of income tax expense in prior years	229	426	49	-
Underprovision of deferred tax in prior years	19	66	-	-
Utilisation of previously unrecognised tax losses and capital allowance	(1,359)	(1,363)	(48)	(12)
	2,930	1,944	78	88

NOTES TO THE FINANCIAL STATEMENTS cont'd

- 31 DECEMBER 2023

26. EARNINGS/(LOSS) PER ORDINARY SHARE

Basic earnings/(loss) per ordinary share

The calculation of basic earnings/(loss) per ordinary share at 31 December 2023 was based on the profit attributable to ordinary shareholders and weighted average number of ordinary shares as follows:

	2023 RM'000	Group 2022 RM'000
Earnings/(loss) for the year attributable to ordinary shareholders	8,582	(15,210)
Weighted average number of ordinary shares ('000)		
Issued ordinary shares at 1 January/31 December	144,743	144,743
Basic earnings/(loss) per ordinary share (sen)	5.93	(10.51)

27. DIVIDENDS

	Sen per share (single-tier)	Total amount RM'000	Date of payment
2023			
Interim 2023 ordinary	2.80	4,053	31 October 2023
Final 2022 ordinary	2.80	4,053	31 July 2023
2022			
Interim 2022 ordinary	2.80	4,053	28 October 2022
Final 2021 ordinary	2.80	4,053	29 July 2022

On 29 February 2024, the Directors recommended a final single-tier dividends in respect of the financial year ended 31 December 2023 of 2.8 sen per ordinary share totalling RM4,052,790 to be approved by the shareholders of the Company at the forthcoming Annual General Meeting.

The financial statements for the current financial year do not reflect these proposed dividends. Such dividends, if approved by the shareholders, will be accounted for in equity as an appropriation of retained earnings in the financial year ending 31 December 2024.

NOTES TO THE FINANCIAL STATEMENTS cont'd

- 31 DECEMBER 2023

28. OPERATING SEGMENTS

Management has determined segments based on how information is reported to the Group's chief operating decision maker for the purposes of resource allocation and operating performance review.

The Group's reportable segment is determined based on geographic regions, serving mainly customers from two principal markets. For companies within the same segment, the printing business and trading activities are intertwined and all purchases for the trading activities are from companies within the Group.

Other non-reportable segments comprise operations related to investment holdings and investment property holding.

Performance is measured based on segment profit before tax, interest, depreciation and amortisation, as included in the internal management reports that are reviewed by the Board of Directors. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of segment relative to other entities that operate within these industries.

Segment assets

The total of segment assets is measured based on all assets (including goodwill) as included in the internal management reports that are reviewed by the Board of Directors. Segment total assets are used to measure the return of assets.

Segment liabilities

The total of segment liabilities is measured based on all liabilities as included in the internal management reports that are reviewed by the Board of Directors.

Segment capital expenditure

Segment capital expenditure is the total cost incurred during the financial year to acquire property, plant and equipment, and intangible assets other than goodwill.

	Asia Pacific RM'000	Middle East RM'000	Total RM'000
2023			
Reporting segment profit	45,794	8,826	54,620
<hr/>			
Included in the measure of segment profit are:			
Revenue from external customers	207,756	62,628	270,384
<hr/>			
Not included in the measure of reporting segment profit but provided to Board of Directors:			
Depreciation and amortisation	(32,665)	(2,475)	(35,140)
Finance costs	(5,231)	(4,687)	(9,918)
Finance income	1,743	-	1,743
<hr/>			
Segment assets	262,449	110,053	372,502
<hr/>			
Included in the measure of segment assets are:			
Additions to non-current assets other than financial instruments and deferred tax assets	25,953	24,409	50,362
<hr/>			
Segment liabilities	(204,016)	(178,544)	(382,560)
<hr/>			

NOTES TO THE FINANCIAL STATEMENTS cont'd

- 31 DECEMBER 2023

28. OPERATING SEGMENTS (continued)

	Asia Pacific RM'000	Middle East RM'000	Total RM'000
2022			
Reporting segment profit/(loss)	40,430	(11,068)	29,362
Included in the measure of segment profit are:			
Revenue from external customers	207,143	36,817	243,960
Not included in the measure of reporting segment profit but provided to Board of Directors:			
Depreciation and amortisation	(36,843)	(3,035)	(39,878)
Finance costs	(4,719)	(2,262)	(6,981)
Finance income	1,093	-	1,093
Segment assets	238,959	74,804	313,763
Included in the measure of segment assets are:			
Additions to non-current assets other than financial instruments and deferred tax assets	7,942	12,649	20,591
Segment liabilities	(176,872)	(142,184)	(319,056)

Reconciliation of reportable segment revenues, profit or loss, assets, liabilities and other material items

	2023 RM'000	Group 2022 RM'000
Profit or loss		
Total profit for reporting segments	54,620	29,362
Other non-reportable segments	25,660	16,081
Elimination of inter-segment profits	(27,270)	(15,476)
Depreciation and amortisation	(35,623)	(40,467)
Finance income	145	40
Finance costs	(3,553)	(2,888)
Share of loss of joint ventures not included in reportable segments	(1,261)	(682)
Consolidated profit before taxation	12,718	(14,030)

NOTES TO THE FINANCIAL STATEMENTS cont'd

- 31 DECEMBER 2023

28. OPERATING SEGMENTS (continued)

Reconciliation of reportable segment revenues, profit or loss, assets, liabilities and other material items (continued)

	External revenue (Note 20) RM'000	Depreciation and amortisation RM'000	Finance costs (Note 21) RM'000	Finance income (Note 21) RM'000	Segment assets RM'000	Segment liabilities RM'000	Investments in joint venture (Note 8) RM'000	Addition to non- current assets (Note 3, 4.1 and 6) RM'000
2023								
Total reportable segments	270,384	(35,140)	(9,918)	1,743	372,502	(382,560)	-	59,759
Other non-reportable segments	-	(483)	(738)	10,332	379,991	(31,410)	-	41
Elimination of inter-segment transactions or balances	-	-	7,103	(11,930)	(280,597)	266,033	31,865	-
Consolidated total	270,384	(35,623)	(3,553)	145	471,896	(147,937)	31,865	59,800
2022								
Total reportable segments	243,960	(39,878)	(6,981)	1,093	313,763	(319,056)	-	23,169
Other non-reportable segments	-	(589)	(665)	8,341	371,472	(45,259)	-	23
Elimination of inter-segment transactions or balances	-	-	4,758	(9,394)	(251,344)	240,974	32,930	-
Consolidated total	243,960	(40,467)	(2,888)	40	433,891	(123,341)	32,930	23,192

NOTES TO THE FINANCIAL STATEMENTS cont'd

- 31 DECEMBER 2023

28. OPERATING SEGMENTS (continued)

Geographical segments

The printing segment is managed on a worldwide basis, but operate manufacturing facilities and sales offices in Malaysia, Vietnam, Indonesia, Middle East and Hong Kong.

In presenting information on the basis of geographical segments, segment revenue is based on geographical location of customers. Segment assets are based on the geographical location of the assets. The amounts of non-current assets do not include financial instruments (including investments in joint venture) and deferred tax assets.

	Revenue		Non-current assets	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Geographical information				
Singapore	73,566	94,201	-	-
Indonesia	84,951	55,217	73,284	44,625
Korea	18,414	26,626	-	-
Australasia	13,024	11,590	274	495
Malaysia	354	102	925	1,127
Vietnam	9,703	10,598	98,933	115,748
Hong Kong	-	11	59,383	57,861
Middle East	64,976	36,817	60,180	38,147
Other countries	5,396	8,798	-	-
	270,384	243,960	292,979	258,003

Major customers

The following is the major customers with revenue equal or more than 10% of the Group's total revenue:

	2023 RM'000	2022 RM'000
All common control companies of:		
- British American Tobacco Group	171,873	168,110
- Philip Morris International Group	25,345	27,760

NOTES TO THE FINANCIAL STATEMENTS cont'd

- 31 DECEMBER 2023

29. FINANCIAL INSTRUMENTS

29.1 Categories of financial instruments

The table below provides an analysis of financial instruments categorised at Amortised Cost.

	Amortised Cost	
	2023 RM'000	2022 RM'000
Financial assets		
Group		
Trade and other receivables (excluding prepayments)	57,016	53,195
Cash and bank balances	18,324	22,890
	75,340	76,085
Company		
Trade and other receivables (excluding prepayments)	29,393	41,233
Cash and bank balances	4,439	2,035
	33,832	43,268
Financial liabilities		
Group		
Loans and borrowings	-	(2,101)
Trade and other payables	(123,273)	(101,894)
Lease liabilities	(18,429)	(12,698)
	(141,702)	(116,693)
Company		
Trade and other payables	(30,724)	(35,400)
Lease liabilities	(143)	(324)
	(30,867)	(35,724)

29.2 Financial risk management

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

- Credit risk
- Liquidity risk
- Market risk

NOTES TO THE FINANCIAL STATEMENTS cont'd

- 31 DECEMBER 2023

29. FINANCIAL INSTRUMENTS (continued)

29.3 Credit risk

Credit risk is the risk of financial loss if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's exposure to credit risk arises principally from the individual characteristics of each customer. The Company's exposure to credit risk arises principally from loans and advances to subsidiaries and financial guarantees given to banks for credit facilities granted to subsidiaries. There are no significant changes as compared to prior periods.

Receivables and contract assets

Risk management objectives, policies and processes for managing the risk

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit risk is minimised and monitored via strictly limiting the Group's associations to business partners with good credit rating. Credit evaluations are performed on all customers requiring credit over a certain amount.

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

The gross carrying amounts of credit impaired receivables and contract assets are written off (either partially or full) when there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to write-off. Nevertheless, receivables and contract assets that are written off could still be subject to enforcement activities.

There are no significant changes as compared to previous year.

Exposure to credit risk, credit quality and collateral

As at the end of the reporting period, the maximum exposure to credit risk from receivables is represented by the carrying amounts in the statements of financial position.

Concentration of credit risk

The exposure of credit risk for trade receivables as at the end of the reporting period by geographical location was as follows:

	2023 RM'000	Group 2022 RM'000
Singapore	10,008	12,936
Indonesia	18,541	9,663
Korea	3,288	3,867
Australasia	4,481	2,421
Malaysia	124	12
Vietnam	1,984	1,543
Middle East	4,011	4,358
Others	1,475	1,808
	<hr/> 43,912	<hr/> 36,608

At the end of the reporting period, there was no indication that the receivables will not be recoverable and there are two customers with balances amounting to 86.06% (2022: two customers amounting to 83.75%) of the Group's gross trade receivables.

NOTES TO THE FINANCIAL STATEMENTS cont'd

- 31 DECEMBER 2023

29. FINANCIAL INSTRUMENTS (continued)

29.3 Credit risk (continued)

Receivables and contract assets (continued)

Recognition and measurement of impairment loss

In managing credit risk of trade receivables, the Group manages its debtors and takes appropriate actions (including but not limited to legal actions) to recover long overdue balances and to ensure that receivables that are neither past due nor impaired are stated at their realisable values. Any receivables having significant balances past due more than 90 days, which are deemed to have higher credit risk, are monitored individually.

The Group uses an allowance matrix to measure expected credit losses (“ECLs”) of trade receivables.

Loss rates are based on actual credit loss experience over the past three years. The Group also considers differences between (a) economic conditions during the period over which the historical data has been collected, (b) current conditions and (c) the Group's view of economic conditions over expected lives of the receivables.

The significant portion of the Group's receivables are tobacco manufacturers. The Group assessed the risk of loss of these customers based on their past trend of payments and external credit ratings, where applicable. All of these customers have low risk of default.

The following table provides information about the exposure to credit risk and ECLs for trade receivable and contract assets which are grouped together as they are expected to have similar risk nature.

	2023			2022		
	Gross-carrying amount RM'000	Loss allowance RM'000	Net balance RM'000	Gross-carrying amount RM'000	Loss allowance RM'000	Net balance RM'000
Group						
Current	37,810	-	37,810	35,118	-	35,118
1 - 30 days	3,180	-	3,180	316	-	316
31 - 60 days	542	-	542	711	-	711
61 - 90 days	583	-	583	355	-	355
91 days - 150 days	1,797	-	1,797	108	-	108
	43,912	-	43,912	36,608	-	36,608
Trade receivables	43,912	-	43,912	36,608	-	36,608
Contract assets	13,297	-	13,297	8,505	-	8,505
	57,209	-	57,209	45,113	-	45,113

NOTES TO THE FINANCIAL STATEMENTS cont'd

- 31 DECEMBER 2023

29. FINANCIAL INSTRUMENTS (continued)

29.3 Credit risk (continued)

Cash and cash balances

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

These banks and financial institutions have low credit risks. Hence, a loss allowance is not necessary.

Financial guarantees

Risk management objectives, policies and processes for managing the risk

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

In the prior year, the maximum exposure amounts to RM2,101,000 representing the outstanding banking facilities of the subsidiaries as at the end of the reporting period.

Recognition and measurement of impairment loss

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

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

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

Inter-company loans and advances

Risk management objectives, policies and processes for managing the risk

The Company provides unsecured loans and advances to subsidiaries. The Company monitors the ability of the subsidiaries to repay the loans and advances on an individual basis.

Exposure to credit risk, credit quality and collateral

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

Loans and advances provided are not secured by any collateral or supported by any other credit enhancements.

Recognition and measurement of impairment loss

Generally, the Company considers loans and advances to subsidiaries have low credit risk. The Company assumes that there is a significant increase in credit risk when a subsidiary's financial position deteriorates significantly. As the Company is able to determine the timing of payments of the subsidiaries' loans and advances when they are payable, the Company considers a subsidiary's loan or advance to be credit impaired when the subsidiary is unlikely to repay its loan or advance to the Company in full.

The Company determines the probability of default for these loans and advances individually using internal information available. No expected credit loss has been recognised for the amounts due from subsidiaries as they were deemed to be low credit risk.

NOTES TO THE FINANCIAL STATEMENTS cont'd

- 31 DECEMBER 2023

29. FINANCIAL INSTRUMENTS (continued)

29.4 Liquidity risk

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

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

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

Maturity analysis

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

	Carrying amount RM'000	Contractual interest rate %	Contractual cash flows RM'000	Under 1 year RM'000	1 - 2 years RM'000	2 - 5 years RM'000	More than 5 years RM'000
Group							
2023							
Non-derivative financial liabilities							
Lease liabilities	18,429	6.96	20,388	2,961	2,422	3,930	11,075
Trade and other payables	123,273	3.61	124,491	63,628	9,590	51,273	-
	141,702		144,879	66,589	12,012	55,203	11,075
2022							
Non-derivative financial liabilities							
Term loans – secured	2,101	6.26	2,480	2,366	114	-	-
Lease liabilities	12,698	7.56	14,269	3,333	2,026	4,750	4,160
Trade and other payables	101,894	3.41	104,448	51,117	5,852	47,479	-
	116,693		121,197	56,816	7,992	52,229	4,160

NOTES TO THE FINANCIAL STATEMENTS cont'd

- 31 DECEMBER 2023

29. FINANCIAL INSTRUMENTS (continued)

29.4 Liquidity risk (continued)

Maturity analysis (continued)

The table below summarises the maturity profile of the Group's and the Company's financial liabilities as at the end of the reporting period based on undiscounted contractual payments (cont'd.):

	Carrying amount RM'000	Contractual interest rate %	Contractual cash flows RM'000	Under 1 year RM'000	1 - 2 years RM'000	2 - 5 years RM'000
Company						
2023						
Non-derivative financial liabilities						
Trade and other payables	30,724	3.21	31,714	31,714	-	-
Lease liabilities	143	4.33	146	146	-	-
	30,867		31,860	31,860	-	-
2022						
Non-derivative financial liabilities						
Trade and other payables	35,400	2.43	36,262	36,262	-	-
Lease liabilities	324	4.33	352	196	156	-
	35,724		36,614	36,458	156	-

NOTES TO THE FINANCIAL STATEMENTS cont'd

- 31 DECEMBER 2023

29. FINANCIAL INSTRUMENTS (continued)

29.5 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: foreign currency exchange risk, interest rate risk and other price risk that will affect the Group's financial position or cash flows.

(i) Foreign currency exchange risk

The Group is exposed to foreign currency exchange risk on sales, purchases, receivables and borrowings that are denominated in a currency other than the respective functional currencies of the Group entities. The currencies giving rise to this risk are primarily United States Dollar ("USD"), United Arab Emirates Dirham ("AED"), Euro Dollar ("EUR"), Indonesian Rupiah ("IDR") and Vietnamese Dong ("VND").

Risk management objectives, policies and processes for managing the risk

Certain subsidiaries use forward exchange contracts to hedge its foreign currency risk. Where necessary, the forward exchange contracts are rolled over at maturity at market rates.

Exposure to foreign currency risk

The Group's exposure to foreign currency exchange risk, based on carrying amounts as at the end of the reporting period are as follows:

	USD RM'000	AED RM'000	EUR RM'000	IDR RM'000	VND RM'000
Group					
2023					
Trade and other receivables	44,765	933	-	21,038	7,194
Cash and bank balances	15,056	1,947	-	742	302
Trade and other payables	(84,197)	(5,784)	(3,176)	(18,805)	(9,870)
Lease liabilities	-	(12,706)	-	(5,538)	(44)
Net exposure	(24,376)	(15,610)	(3,176)	(2,563)	(2,418)
2022					
Trade and other receivables	46,257	11,368	7,072	-	1,252
Cash and bank balances	17,707	783	566	-	3,565
Trade and other payables	(79,977)	(11,203)	(9,305)	(1,325)	(678)
Lease liabilities	-	(5,732)	(1,369)	-	(5,273)
Loans and borrowings	(627)	(190)	(1,284)	-	-
	(16,640)	(4,974)	(4,320)	(1,325)	(1,134)

NOTES TO THE FINANCIAL STATEMENTS cont'd

- 31 DECEMBER 2023

29. FINANCIAL INSTRUMENTS (continued)

29.5 Market risk (continued)

(i) Foreign currency exchange risk (continued)

Currency risk sensitivity analysis

The following table demonstrate the sensitivity of the Group's profit before tax to a reasonably possible change in the following foreign currencies:

	Decrease in profit before tax 2023 RM'000	Increase in loss before tax 2022 RM'000
USD/RM - strengthened 10% (2022: 10%)	(2,438)	(1,664)
IDR/RM - strengthened 10% (2022: 10%)	(256)	(498)
VND/RM - strengthened 10% (2022: 10%)	(242)	(432)
EUR/RM - strengthened 10% (2022: 10%)	(318)	(133)
AED/RM - strengthened 10% (2022: 10%)	(1,561)	(113)

The weakening of the currencies at a similar rate above will result in an equal increase in the opposite direction.

(ii) Interest rate risk

The Group's fixed rate borrowings are exposed to a risk of change in their fair values due to changes in interest rates. The Group's variable rate borrowings are exposed to a risk of change in cash flows due to changes in interest rates. Short-term receivables and payables are not significantly exposed to interest rate risk.

Exposure to interest rate risk

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

	2023 RM'000	Group 2022 RM'000	2023 RM'000	Company 2022 RM'000
Fixed rate instruments				
Financial assets	2,718	1,104	27,255	32,088
Financial liabilities	(78,074)	(69,230)	(21,680)	(34,853)
	(75,356)	(68,126)	5,575	(2,765)

NOTES TO THE FINANCIAL STATEMENTS cont'd

- 31 DECEMBER 2023

29. FINANCIAL INSTRUMENTS (continued)

29.6 Fair value of financial instruments

(i) Fair value of financial instruments that are carried at fair value

An analysis of financial instruments carried at fair value by level of fair value hierarchy:

	2023	Group	2022
	RM'000		RM'000
Significant unobservable inputs - Level 3			
Non-financial asset:			
Asset for which fair value is disclosed:			
Investment property (Note 5)	549		526

There have been no transfers between Level 1, Level 2 and Level 3 fair value measurements during the financial years ended 31 December 2023 and 31 December 2022.

Fair value is determined based on recent transaction values in the location and category of property being valued at the reporting date.

(ii) Financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value

The following are classes of financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value:

	Note
Trade and other receivables (current and non-current)	10
Cash and bank balances	13
Trade and other payables (current and non-current)	19
Loans and borrowings	17

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 except for those that are estimated by discounting expected cash flows at weighted average rates of the lenders as detailed in the respective notes.

NOTES TO THE FINANCIAL STATEMENTS cont'd

- 31 DECEMBER 2023

30. CAPITAL MANAGEMENT

The Group's objectives when managing capital is to maintain a strong capital base and safeguard the Group's ability to continue as a going concern, so as to maintain investors, creditors and market confidence and to sustain future development of the business. The Directors monitor and are determined to maintain an optimal debt-to-equity ratio that complies with debt covenants and regulatory requirements, if any.

The debt-to-equity ratios were as follows:

	Note	Group 2023 RM'000	Group 2022 RM'000
Total borrowings	17	-	2,101
Lease liabilities	4	18,429	12,698
Less: Cash and bank balances	13	(18,324)	(22,890)
Net debt/(cash)		105	(8,091)
Total equity		323,959	310,550
Debt-to-equity ratio		-	*

* Not applicable as there are sufficient cash and bank balances to cover the debt.

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

31. CAPITAL AND OTHER COMMITMENTS

	Group 2023 RM'000	Group 2022 RM'000
Capital expenditure commitments		
Property, plant and equipment		
Contracted but not provided for:		
Property, plant and equipment	3,967	11,917

NOTES TO THE FINANCIAL STATEMENTS cont'd

- 31 DECEMBER 2023

32. CONTINGENCIES

The Directors are of the opinion that provisions are not required in respect of these matters, as it is remote that a future sacrifice of economic benefits will be required or the amount is not capable of reliable measurement.

Joint venture with TVDP

The Company had in the past given a performance guarantee to TVDP and the details are as follows:

In accordance with the agreement, if TVDP suffers losses or the profits received by DOFICO from TVDP within thirty six months as of the Commencement Date is less than 20% of the Purchase Price, DOFICO at its own discretion shall:

- (a) continue the Joint Venture Agreement and extend the payment timeline for the Purchase Price until the profits received from TVDP are sufficient for DOFICO to pay the Purchase Price to the Company; or
- (b) have the right to sell to the Company the entire of its Sale Capital Contribution at the reselling price being the remaining amount after the Purchase Price minus outstanding payments for the Purchase Price that have not been paid by DOFICO to the Company at the time of actual payment of re-selling price (the "Re-selling Price"). In this case, the Company is obligated to re-purchase the Capital Contribution of DOFICO in whole; or
- (c) exercise the put option calling for the Company to purchase its Sale Capital Contribution in whole at the Re-selling Price. The Company commits to buy back the Capital Contribution of DOFICO in case DOFICO exercises its put option.

On 20 March 2018, the Company had announced that the Parties (TWPH, DOFICO and TVDP are collectively referred to as "the Parties") entered into a termination agreement ("Termination Agreement") to mutually agreed to terminate the joint venture agreement ("JVA") dated 24 May 2015 with effect from the date of the execution of the Termination Agreement and Transfer Contract whereby DOFICO shall transfer the 50% of the total charter capital of TVDP ("Capital Contribution") and all rights and interests thereof to TWPH and TWPH agreed to acquire the 50% of the total charter capital of TVDP from DOFICO at the cash consideration of USD1,629,762 (equivalent to RM6,372,369 based on exchange rate of USD1.00 to RM3.91 as at 20 March 2018) ("Termination and Acquisition of Capital Contribution").

The joint venture relationship was terminated due to the fact that DOFICO had failed to comply with the agreed minimum printed carton volumes of tobacco packaging as set out in the JVA, hence, the aforesaid challenge had affected the operations of TVDP, which had led to continuous losses for TVDP for the financial year ended 31 December 2016. In order to protect the shareholders' interest and to ensure risk management, the Parties had mutually agreed to terminate the JVA.

Pursuant to the JVA, DOFICO at its own discretion, has the right to sell to TWPH its entire Share Capital Contribution at the Re-selling Price being the remaining amount after the Initial Purchase Price less outstanding payments for the Initial Purchase Price that have not been paid by DOFICO to TWPH at the time of actual payment of Re-selling Price. In this case, TWPH is obligated to re-purchase the Capital Contribution of DOFICO in whole. Taking into account the estimated net proceeds from the termination of the JVA, the Group and the Company has recognised an impairment loss of RM777,000 (2022: RM164,900) for the amount owing from DOFICO. TVDP has commenced liquidation since the financial year ended 31 December 2022 and the termination of the JVA is expected to be completed upon finalisation of liquidation.

NOTES TO THE FINANCIAL STATEMENTS cont'd

- 31 DECEMBER 2023

33. RELATED PARTIES**Identity of related parties**

For the purposes of these financial statements, parties are considered to be related to the Group or the Company if the Group or the Company has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group or the Company and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly. The key management personnel include all the Directors of the Group, and certain members of senior management of the Group.

The related party transactions of the Group and the Company are shown below, other than key management personnel compensation (see Note 24) and other balances relating to payable and receivable contained in Note 10 and 19.

	Group		Company	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Ultimate holding company				
Management fees expense	2,901	3,185	-	-
Interest expense	2,130	1,163	-	-
Related companies				
Sales	(21,805)	(4,601)	-	-
Purchases	3,834	17,320	-	-
Rental of office and warehouse expenses	816	660	-	-
Sales of scrap paper	(1,855)	(2,087)	-	-
Subsidiaries				
Dividend income	-	-	(9,312)	(8,804)
Interest expense	-	-	716	651
Interest income	-	-	(5,283)	(3,543)
Management fees income	-	-	(5,867)	(5,784)
Rental of building	-	-	191	183
Joint venture companies				
Sales	-	(4)	-	-
Purchases	-	545	-	-
Rental expenses	(1,138)	-	-	-
Purchase plant & equipment	10,963	10,015	-	-
Payable written off	-	(263)	-	-
Directors and substantial shareholders have significant influence companies				
Purchases	4	-	4	-

NOTES TO THE FINANCIAL STATEMENTS cont'd

- 31 DECEMBER 2023

34. SIGNIFICANT EVENTS

On 9 February 2023, Directors made an announcement that an extension of Manufacturing and Supply of Packaging Materials Agreement ("MSPMA") entered into between BPJ, a subsidiary of the Company, and BAT Group in respect of supply to BAT Group for the latter's printed carton requirements in Indonesia. BAT Group had agreed to extend its current MSPMA for an additional three (3) years commencing from 1 January 2023 and expiring on 31 December 2025.

35. SUBSEQUENT EVENTS

- (a) On 15 January 2024, the Company had announced that Alliance Print Technologies Co., Ltd. ("APTV"), a wholly-owned subsidiary of New Toyo Investments Pte. Ltd., which is in turn a wholly-owned subsidiary of the Company, had entered into a Joint Venture Agreement ("JVA") with Cat Loi Joint Stock Company ("CLC") for the establishment of a joint venture company in Vietnam under the proposed name of C&A Packaging Company Limited (the "JV Company") to undertake the business of production of paper packaging, printing packaging and other business activities as agreed upon by CLC and APTV and in accordance with the provisions of Vietnam Law as detailed in the JVA ("Proposed Joint Venture").

The Proposed Joint Venture shall operate through the JV Company, which APTV will subscribe for 50% of the charter capital of the JV Company for a total cash consideration of VND6,000,000,000 (equivalent to approximately RM1,138,805), (the "Proposed Subscription"). The remaining 50% of the charter capital of the JV Company will be held by CLC.

All the terms and conditions as stipulated in the JVA have been fulfilled and the Proposed Joint Venture has been completed on 21 March 2024. The JV Company is being recognised as a jointly-controlled entity of TWPH.

- (b) On 18 January 2024, the Company had announced that Alliance Print Technologies FZE ("APTF"), a wholly-owned subsidiary of the Company, had on 18 January 2024 entered into an Assets Sale Agreement ("ASA") with Paper Base Converting Sdn. Bhd. ("PBC"), a wholly-owned subsidiary of New Toyo Lamination (M) Pte. Ltd., which is in turn a wholly-owned subsidiary of New Toyo International Holdings Ltd, a major shareholder of the Company, to purchase all the machineries and equipment as detailed in the ASA held by PBC to APTF at a total cash purchase consideration of USD730,870 (equivalent to approximately RM3,420,472) only, subject to the terms and conditions as stipulated in the ASA ("Acquisition of Assets").

The acquisition of assets is expected to be completed by the second quarter ending 30 June 2024.

ANALYSIS OF SHAREHOLDINGS

AS AT 29 MARCH 2024

Total number of Issued Shares	:	144,742,500
Class of Shares	:	Ordinary Shares
Voting Right	:	One vote per ordinary share

Size of Shareholdings	No. of Shareholders / Depositor	% of Shareholders / Depositor	No. of Share held	% of Issued Capital
1 - 99	72	3.01	1,397	0.00
100 - 1,000	253	10.56	155,471	0.11
1,001 - 10,000	1,453	60.67	6,280,991	4.34
10,001 - 100,000	539	22.51	14,743,710	10.18
100,001 - 7,237,124	76	3.17	44,476,731	30.73
7,237,125 AND ABOVE	2	0.08	79,084,200	54.64
TOTAL	2,395	100.00	144,742,500	100.00

SUBSTANTIAL SHAREHOLDERS AS PER THE REGISTER OF SUBSTANTIAL SHAREHOLDERS AS AT 29 MARCH 2024

Name of Substantial Shareholder	No. of Shares	Direct		Indirect	
		No. of Shares	% of Issued Capital	No. of Shares	% of Issued Capital
Singapore Pacific Investments Pte Ltd	43,688,700	-	30.18	-	-
Tien Wah Holdings (1990) Sdn Bhd	35,395,500	-	24.45	-	-
New Toyo Lamination (M) Pte Ltd	-	-	-	35,395,500*	24.45
New Toyo International Holdings Ltd	-	-	-	79,084,200**	54.64
Yen Wen Hwa (Ngan Tzee Manh)	-	-	-	79,084,200#	54.64
Lu Le Nhi	-	-	-	79,084,200##	54.64
Yen & Son Holdings Pte Ltd	-	-	-	79,084,200^	54.64

* Deemed interested by virtue of its shareholdings in Tien Wah Holdings (1990) Sdn Bhd pursuant to Section 8(4) of the Companies Act 2016

** Deemed interested by virtue of its shareholdings in

i) Singapore Pacific Investments Pte Ltd, its wholly-owned subsidiary; and

ii) Tien Wah Holdings (1990) Sdn Bhd via its wholly-owned subsidiary, New Toyo Lamination (M) Pte Ltd pursuant to Section 8(4) of the Companies Act 2016

Deemed interested by virtue of his shareholdings in Yen & Son Holdings Pte Ltd and New Toyo International Holdings Ltd pursuant to Section 8(4) of the Companies Act 2016

Deemed interested through shares held by her spouse, Yen Wen Hwa and her shareholdings in Yen & Son Holdings Pte Ltd and New Toyo International Holdings Ltd pursuant to Section 8(4) of the Companies Act 2016

^ Deemed interested by virtue of its shareholdings in New Toyo International Holdings Ltd pursuant to Section 8(4) of the Companies Act 2016

ANALYSIS OF SHAREHOLDINGS cont'd AS AT 29 MARCH 2024

DIRECTORS' INTERESTS AS PER REGISTER OF DIRECTORS' SHAREHOLDING AS AT 29 MARCH 2024

Name of Director	Direct Interest		Indirect Interest	
	No. of Shares	% of Issued Capital	No. of Shares	% of Issued Capital
Yen Wen Hwa (Ngan Tzee Manh)	-	-	79,084,200*	54.64
Angela Heng Chor Kiang	-	-	-	-
Lee Chee Whye	-	-	-	-
Tung Kum Hon	-	-	-	-
John David Cambridge	-	-	-	-
Dr Ong Eng Leng @ Ong Eng Lin	-	-	-	-
YM Tengku Djan Ley Bin Tengku Mahaleel	-	-	-	-

* Deemed interested by virtue of his shareholdings in Yen & Son Holdings Pte Ltd and New Toyo International Holdings Ltd pursuant to Section 8(4) of the Companies Act 2016

THIRTY LARGEST SHAREHOLDERS/DEPOSITORS AS AT 29 MARCH 2024

Name of Shareholders/Depositors	No. of Shares	% of Issued Capital
1 Singapore Pacific Investments Pte Ltd	43,688,700	30.18
2 Tien Wah Holdings (1990) Sdn Bhd	35,395,500	24.45
3 Kam Loong Mining Sdn Bhd	7,218,000	4.99
4 Foo Khen Ling	6,990,000	4.83
5 Ang Teow Cheng & Sons Sdn Bhd	3,000,000	2.07
6 Ang Seng Chin	2,600,000	1.79
7 Yap Ah Fatt	1,861,000	1.28
8 Lim Khuan Eng	1,550,000	1.07
9 Tan Kim Onm	1,474,000	1.02
10 Lee Kim Lewi	810,000	0.56
11 Lim Kian Huat	807,000	0.56
12 Liew Khee Chong	800,100	0.55
13 Yong Kim Siong	781,800	0.54
14 Teo Kwee Hock	677,500	0.47
15 Ang Siang Loong	666,600	0.46

ANALYSIS OF SHAREHOLDINGS cont'd

AS AT 29 MARCH 2024

THIRTY LARGEST SHAREHOLDERS/DEPOSITORS AS AT 29 MARCH 2024 (continued)

Name of Shareholders/Depositors	No. of Shares	% of Issued Capital
16 Citigroup Nominees (Asing) Sdn Bhd Exempt AN for OCBC Securities Private Limited (Client A/C-NR)	657,951	0.45
17 Eu Soon Keat	655,400	0.45
18 Lim Seng Qwee	653,020	0.45
19 Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Lam Sing Poh	560,000	0.39
20 Ang Civics	500,000	0.35
21 Ang Louise	500,000	0.35
22 Ang Mary	500,000	0.35
23 Ang Shuang Shuang	500,000	0.35
24 Eu Soon Keat	500,000	0.35
25 UOB Kay Hian Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Teo Siew Lai	450,000	0.31
26 Ang Yee Yen	410,000	0.28
27 CIMB Group Nominees (Asing) Sdn. Bhd. Exempt AN for DBS Bank Ltd (SFS)	373,600	0.26
28 Chan Heng Koon	372,000	0.26
29 Low Beng Hong	360,950	0.25
30 Key Development Sdn. Berhad	335,250	0.23
TOTAL	115,648,371	79.90

ANALYSIS OF SHAREHOLDINGS cont'd

AS AT 29 MARCH 2024

BREAKDOWN OF SHAREHOLDINGS

Type of ownership	No. of Shareholders	No. of Shares	% of Issued Capital
Malaysian Individual			
Bumiputra	73	213,143	0.15
Chinese	1,886	45,576,488	31.49
Indian	37	241,891	0.17
Other Races	3	21,850	0.01
Subtotal	1,999	46,053,372	31.82
Malaysian Corporate			
Bumiputra	1	100	0.00
Non-Bumiputra	31	12,422,443	8.58
Subtotal	32	12,422,543	8.58
Foreign Individual			
China	2	95,000	0.07
India	1	500	0.00
Permanent Resident of Malaysia	6	18,800	0.01
Singapore	18	1,199,150	0.83
United States of America	1	3,000	0.00
Subtotal	28	1,316,450	0.91
Foreign / Foreign Controlled Corporate			
Singapore	1	43,688,700	30.18
Malaysia	2	35,410,800	24.47
Subtotal	3	79,099,500	54.65
Nominee Company			
Malaysian Bumiputra Beneficiaries	113	2,517,140	1.74
Malaysian Non-Bumiputra Beneficiaries	146	2,013,743	1.39
Foreign Beneficiaries	12	1,319,752	0.91
Subtotal	271	5,850,635	4.04
Grand Total	2,333	144,742,500	100.00

LIST OF PROPERTIES

Owned by Tien Wah Press Holdings Group

The properties held by the TWPB Group as at 31 December 2023 are as follows:

Location	Tenure	Land area / Built-up area (square feet)	Remaining Lease Period / Expiry Date	Description/ Existing Use	Net Book Value as at 31 December 2023 RM'000	Age of Building	Date of Acquisition
Plot No.S30605 P.O. Box 263919 Jafza South, Jebel Ali, Dubai, United Arab Emirates	Leasehold	68,932 / 45,611	12 Years / 5-8-2036	Office / Factory bearing address Plot No. S60305 Jafza South, Jebel Ali, Dubai, United Arab Emirates	8,201	8 years	6-8-2016
Plot No.S40313 P.O. Box 263919 Jebel Ali, Dubai, United Arab Emirates	Leasehold	76,359 / 39,328	19 Years / 4-4-2043	Office / Factory bearing address Plot No. S40313 Jebel Ali, Dubai, United Arab Emirates	8,416	1 year	5-4-2023
Lot 24, Section 14, Municipality of Petaling Jaya, Selangor Darul Ehsan	Leasehold	1,658 / 2,064	50 Years / 22-7-2074	Residential quarters bearing address No. 79 Jalan 14/20 Petaling Jaya, Selangor Darul Ehsan, Malaysia	362	48 years	1-9-2004
PT8, Section 14, Municipality of Petaling Jaya, Selangor Darul Ehsan	Leasehold	1,650 / 2,276	39 Years / 10-1-2063	Residential quarters bearing address No. 8 Jalan 14/28 Petaling Jaya, Selangor Darul Ehsan, Malaysia	333	52 years	24-5-2006
Lot 307, 308, 309 Vietnam – Singapore Industrial Park	Leasehold	409,029 / 233,234	30 Years / 8-8-2054	Office / Factory bearing address 38 Huu Nghi Street, Vietnam – Singapore Industrial Park, Vietnam	11,990	18 years	10-1-2005

ADMINISTRATIVE GUIDE

for Tien Wah Press Holdings Berhad's
Twenty-Ninth Annual General Meeting ("29th AGM")

Date and Time	: Thursday, 23 May 2024 at 10.00 a.m.
Venue	: Atlanta Ballroom, Level 3, Armada Hotel, Lot 6, Lorong Utara C, Section 52, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia

FORM(S) OF PROXY

Shareholders are encouraged to attend, participate and vote at the 29th AGM of Tien Wah Press Holdings Berhad ("the Company"). If you wish to personally attend at the 29th AGM, please do not appoint any proxy(ies). You will not be allowed to participate at the meeting together with a proxy appointed by you.

If a shareholder is unable to attend the 29th AGM on Thursday, 23 May 2024, he/she can appoint a proxy or the Chairman of the meeting as his/her proxy to attend and vote in his/her stead. The appointment of proxy may be made in a hard copy form or by electronic means, not less than forty-eight (48) hours before the time for holding the AGM or at any adjournment thereof, as follows:-

(i) In hard copy form

In the case of an appointment made in hard copy form, the original proxy form shall be deposited at the Company's Share Registrar, Tricor Investor & Issuing House Services Sdn. Bhd. at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or its the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur.

(ii) By electronic means

The procedures to lodge your Form of Proxy electronically via Tricor's TIH Online website are summarised below:

Procedure	Action
i. Steps for Individual Members	
Register as a User with TIH Online	<ul style="list-style-type: none"> Using your computer, please access the website at https://tiah.online. Register as a user under the "e-Services". Select the "Sign Up" button and followed by "Create Account by Individual Holder". Please do refer to the tutorial guide posted on the homepage for assistance. If you are already a user with TIH Online, you are not required to register again.
Proceed with submission of Form of Proxy	<ul style="list-style-type: none"> After the release of the Notice of Meeting by the Company, login with your username (i.e. email address) and password. Select the corporate event: "TIEH WAH PRESS 29TH AGM – Submission of Proxy Form". Read and agree to the Terms & Conditions and confirm the Declaration. Insert your CDS account number and indicate the number of shares for your proxy(s) to vote on your behalf. Appoint your proxy(s) and insert the required details of your proxy(s) or appoint Chairman as your proxy. Indicate your voting instructions – FOR or AGAINST, otherwise your proxy will decide your vote. Review and confirm your proxy(s) appointment. Print Form of Proxy for your record.

ADMINISTRATIVE GUIDE cont'd

for Tien Wah Press Holdings Berhad's
Twenty-Ninth Annual General Meeting ("29th AGM")

Procedure	Action
ii. Steps for Corporation or Institutional Members	
Register as a User with TIIH Online website	<ul style="list-style-type: none"> • Access TIIH Online website at https://tiih.online • Under e-Services, the authorised or nominated representative of the corporation or institutional member selects "Create Account by Representative of Corporate Holder". • Complete the registration form and upload the required documents. • Registration will be verified, and you will be notified by e-mail within one (1) to two (2) working days. • Proceed to activate your account with the temporary password given in the e-mail and re-set your own password. <p>Note: The representative of a corporation or institutional member must register as a user in accordance with the above steps before he/she can subscribe to this corporate member electronic proxy submission. Please contact our Share Registrar if you need clarifications on the user registration.</p>
Proceed with submission of Form of Proxy	<ul style="list-style-type: none"> • Login to TIIH Online website at https://tiih.online. • Select the corporate exercise name: "TIIEH WAH PRESS 29TH AGM – Submission of Proxy Form". • Agree to the Terms & Conditions and Declaration. • Proceed to download the file format for "Submission of Proxy Form" in accordance with the Guidance Note set therein. • Prepare the file for the appointment of proxies by inserting the required data. • Submit the duly completed proxy appointment file. • Select "Submit" to complete your submission. • Print the confirmation report of your submission for your record.

A member who wishes to appoint a corporate representative/attorney to attend and vote at the 29th AGM must deposit their original certificate of appointment of corporate representative under seal/power of attorney to the Share Registrar's Office of the Company not later than Tuesday, 21 May 2024 at 10.00 a.m.

GENERAL MEETING RECORD OF DEPOSITORS ("ROD")

Only a depositor whose name appears on the **ROD as at 14 May 2024** shall be entitled to attend, participate, speak and vote at the 29th AGM or appoint proxies/corporate representatives/attorneys to attend, participate, speak and vote on his/her behalf.

POLL VOTING

The Voting at the 29th AGM will be conducted by poll in accordance with Paragraph 8.29A of Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

During this 29th AGM, the Poll Administrator will brief on the voting procedures. The voting session will commence as soon as the Chairman calls for the poll to be opened.

Upon completion of the voting session for the 29th AGM, the Scrutineers will verify and announce the poll results followed by the Chairman's declaration whether the resolutions put to vote are successfully carried or not.

ADMINISTRATIVE GUIDE **cont'd** for Tien Wah Press Holdings Berhad's Twenty-Ninth Annual General Meeting ("29th AGM")

REGISTRATION

- a) Registration will start at 9.00 a.m. in Atlanta Ballroom, Level 3, Armada Hotel, Lot 6, Lorong Utara C, Section 52, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia.
- b) Please present your original MyKad/passport to the registration staff for verification.
- c) Upon verification, you are required to write your name and sign the attendance list placed on the registration table.
- d) You will be given an identification wristband with a personalised passcode upon registration and only be allowed to enter the meeting hall if you are wearing the identification wristband. Please retain the identification wristband for voting. There will be no replacement in the event you lose or misplace the identification wristband.
- e) If you are attending the meeting as a member as well as a proxy, you will be registered once and will be given only one identification wristband to enter the meeting hall.
- f) No person will be allowed to register on behalf of another person even with the original MyKad/passport of the other person.

PRE-MEETING SUBMISSION OF QUESTIONS TO THE BOARD OF DIRECTORS

In order to enhance the efficiency of the proceedings of the 29th AGM, the shareholders may submit questions to the Company via e-mail to zc.soo@newtoyo.com **not later than Thursday, 16 May 2024 at 5:00 p.m.** The Chairman and the Board of Directors will endeavour their best to respond to the questions submitted by the shareholders which are related to the resolutions to be tabled at the AGM.

ANNUAL REPORT 2023 AND CIRCULAR TO SHAREHOLDERS

The Annual Report 2023 and the Circular to Shareholders are available on Bursa Malaysia Berhad's website at www.bursamalaysia.com under Company Announcements and also at the Company's website at www.tienwah.com.

If you wish to receive a printed copy of the Annual Report 2023 and Circular to Shareholders, please forward your request by completing the Request Form enclosed herewith. Any request for the printed documents would be forwarded to the requestor within four (4) market days from the date of receipt of the verbal or written request, whichever is later. However, please consider the environment before requesting for the printed copy of the Annual Report 2023 and Circular to Shareholders.

HELP DESK

A help desk will be stationed at the meeting venue for any clarification or queries apart from registration details, including revocation of proxy's appointment.

FOOD AND BEVERAGE

Light refreshment will be served outside Atlanta Ballroom before and after the 29th AGM.

RECORDING OR PHOTOGRAPHY

Strictly **NO** unauthorised recording or photography of the proceedings of the 29th AGM is allowed.

ADMINISTRATIVE GUIDE cont'd

**for Tien Wah Press Holdings Berhad's
Twenty-Ninth Annual General Meeting ("29th AGM")**

ENQUIRY

If you have any enquiries on the above, please contact the following persons during office hours on Mondays to Fridays from 9.00 a.m. to 5.30 p.m. (except on public holidays):

The Company

Contact Person : Mr Soo Zin Chuen: +603 5031 3980/ Email: zc.soo@newtoyo.com

Tricor Investor & Issuing House Services Sdn. Bhd.

General Line : +603-2783 9299
 Fax Number : +603-2783 9222
 Email : is.enquiry@my.tricorglobal.com

Contact Persons : Mr. Darwin : +603-2783 9246 / Email: Nazrul.Darwin@my.tricorglobal.com
 : Mr. Azad : +603-2783 9284/ Email: Mohamad.Hifzul@my.tricorglobal.com
 : Ms. Siti Zalina : +603-2783 9247 / Email: Siti.Zalina@my.tricorglobal.com

PERSONAL DATA POLICY

By registering for the meeting and/or submitting the instrument appointing a proxy(ies) and/or representative(s), the member of the Company has consented to the use of such data for purposes of processing and administration by the Company (or its agents); and to comply with any laws, listing rules, regulations and/or guidelines. The member agrees that he/she will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the shareholder's breach of warranty.



TIEN WAH PRESS HOLDINGS BERHAD
[REGISTRATION NO. 199501011233 (340434-K)] (Incorporated in Malaysia)

PROXY FORM

No. of Shares	
CDS ACCOUNT NO.	

I/We,NRIC No./Passport No./ Company No.
of
and telephone no.
 email address.....
 being a member/members of TIEN WAH PRESS HOLDINGS BERHAD (the “**Company**”), hereby appoint :

Full Name:	NRIC/Passport No.:	Proportion of shareholding to be represented by the proxy/proxies:	
		No. of Shares	%
Address:			
Tel. No.:			
Email Address:			
*And/or (delete as appropriate)			
Full Name:	NRIC/Passport No.:	Proportion of shareholding to be represented by the proxy/proxies:	
		No. of Shares	%
Address:			
Tel. No.:			
Email Address:			
*And/or (delete as appropriate)			

or failing him/her, *THE CHAIRMAN OF THE MEETING as my/our proxy to vote for me/us and on my/our behalf at the Twenty-Ninth Annual General Meeting (“**29th AGM**”) of the Company will be held at Atlanta Ballroom, Level 3, Armada Hotel, Lot 6, Lorong Utara C, Section 52, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia on Thursday, 23 May 2024 at 10.00 a.m. or at any adjournment thereat.

* Please delete the words “CHAIRMAN OF THE MEETING” if you wish to appoint some other person(s) only to be your proxy(ies).

My/our proxy is to vote as indicated below:-

NO.	RESOLUTIONS	FOR	AGAINST
	ORDINARY BUSINESS		
Ordinary Resolution 1	Declaration of a final single-tier dividend of 2.80 sen per ordinary share in respect of the financial year ended 31 December 2023.		
Ordinary Resolution 2	Approval of the payment of Non-Executive Directors’ Fees up to an aggregate amount of RM823,000.00 per annum in respect of the financial year ending 31 December 2024.		
Ordinary Resolution 3	Approval of the payment of Benefits Payable to the Non-Executive Directors up to an aggregate amount of RM120,000.00 for the period from this AGM until the next AGM of the Company in year 2025 to be paid quarterly in arrears.		
Ordinary Resolution 4	Re-election of Mr Tung Kum Hon as Director pursuant to Clause 96 of the Company’s Constitution.		
Ordinary Resolution 5	Re-election of Mr John David Cambridge as Director pursuant to Clause 96 of the Company’s Constitution.		
Ordinary Resolution 6	Re-election of YM Tengku Djan Ley Bin Tengku Mahaleel as Director pursuant to Clause 96 of the Company’s Constitution.		
Ordinary Resolution 7	To re-appoint Ernst & Young PLT as Auditors of the Company and to authorise the Directors to fix their remuneration.		
	SPECIAL BUSINESS		
Ordinary Resolution 8	Proposed Renewal of Shareholders’ Mandate for Recurrent Related Party Transaction of a Revenue or Trading Nature.		

(Please indicate with an “X” in the spaces provided how you wish your vote to be cast. If you do not do so, the proxy will vote or abstain from voting at his (her) discretion.)

Signed thisday of 2024

.....
 Signature of Member(s)^



^ *Manner of execution:-*

- (a) If you are an individual member, please sign where indicated.
- (b) If you are a corporate member which has a common seal, this Form of Proxy should be executed under seal in accordance with the Constitution of your corporation.
- (c) If you are a corporate member which does not have a common seal, this Form of Proxy should be affixed with the rubber stamp of your corporation (if any) and executed by:-
 - (i) at least two (2) authorised officers, of whom one shall be a director; or
 - (ii) any Director and/or authorised officers in accordance with the laws of the country under which your corporation is incorporated.

NOTES:

- 1. In respect of deposited securities, only members whose names appear in the Company's Record of Depositors as at **14 May 2024** shall be eligible to participate or appoint proxy(ies) to participate and vote on his/her behalf.
- 2. A member (other than an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991) entitled to attend and vote at the meeting is entitled to appoint a maximum of two (2) proxies to attend, participate and vote on his (her) behalf. A proxy may but need not be a member of the Company. There shall be no restriction as to the qualification of the proxy.
- 3. Where a member appoints two (2) proxies, the appointments shall be invalid unless he (she) specifies the proportion of his (her) holdings to be represented by each proxy.
- 4. Where a member is an exempt authorised nominee which holds shares in the Company for multiple beneficial owners in one securities account ("**omnibus account**") as defined under the Securities Industry (Central Depositories) Act, 1991, there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
- 5. The Proxy Form shall be signed by the appointer of his (her) attorney duly authorised in writing or, if the member is a corporation, must be executed under its Common Seal or by its duly authorised attorney or officer.
- 6. The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing or if the appointor is a corporation, either under its common seal or under the hand of an officer or attorney duly authorised in writing.
- 7. The appointment of proxy may be made in a hard copy form or by electronic means, not less than forty-eight (48) hours before the time for holding the AGM or at any adjournment thereof, as follows:-
 - (i) **In hard copy form**
In the case of an appointment made in hard copy form, the original proxy form shall be deposited at the Company's Share Registrar, Tricor Investor & Issuing House Services Sdn. Bhd. at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or its the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur.
 - (ii) **By electronic means**
The proxy form can be electronically lodged with the Company's Share Registrar, Tricor Investor & Issuing House Services Sdn. Bhd. via TIIH Online. Kindly refer to the Procedure for Electronic Submission of Proxy Form as per the Administrative Guide for the 29th AGM.
- 8. Pursuant to Paragraph 8.29A(1) of the MMLR of Bursa Securities, all the resolutions set out in the Notice of AGM will be put to vote by way of poll.

Personal Data Privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms pursuant to Personal Data Protection Act, 2010.

Please fold here to seal

STAMP

TIEN WAH PRESS HOLDINGS BERHAD

The Share Registrar
Tricor Investor & Issuing House Services Sdn. Bhd.
Registration No. 197101000970 (11324-H)
Unit 32-01, Level 32, Tower A, Vertical Business Suite
Avenue 3, Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur
Malaysia.

Please fold here to seal