



# NEW TOYO

International Holdings Ltd

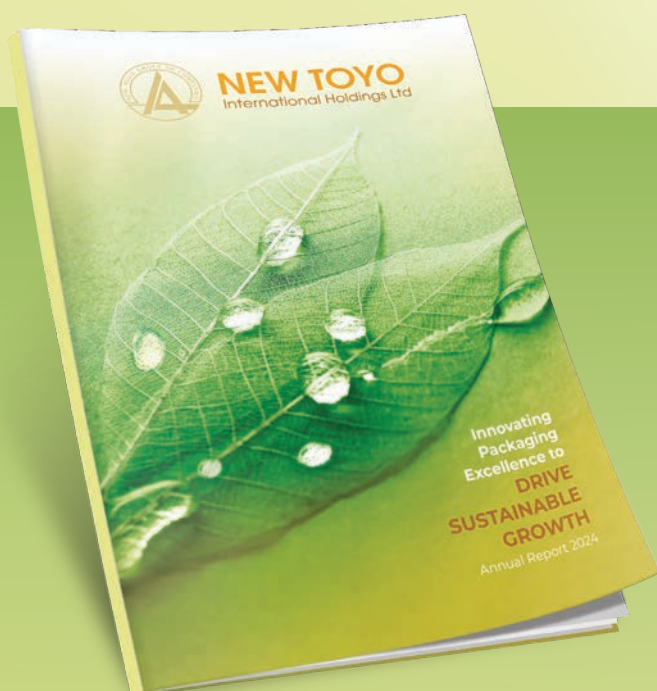


Innovating  
Packaging  
Excellence to  
**DRIVE  
SUSTAINABLE  
GROWTH**

Annual Report 2024

# CONTENTS

01	Corporate Profile Mission, Vision & Values	12	Financial Highlights
02	Chairman's Message	13	New Toyo's Business Divisions
04	Group CEO's Business Review	14	Market Presence
07	Board of Directors	16	Corporate Information
10	Key Management	17	Sustainability
11	Key Figures	20	Corporate Governance & Financial Contents



## Innovating Packaging Excellence to **DRIVE SUSTAINABLE GROWTH**

The cover showcases vibrant green leaves to symbolise healthy growth and to reiterate our commitment in the pursuit of a greener and sustainable future through our capability for environmentally-conscious innovation. The dew on the leaves signifies our relentless efforts to strengthen the Group's contributions to sustainability, as we seek greater opportunities to grow and expand our reach to scale greater heights.



# CORPORATE PROFILE

New Toyo, established in 1975, is a leading producer of specialty packaging materials in the Asia Pacific Region. With operations spanning across Singapore, Malaysia, Vietnam, Dubai and Indonesia, we serve diverse customers ranging from global corporations to local businesses. Over five decades, our dedication has been to enhance product quality and meet client needs. Recognizing the importance of sustainability and innovation, we are committed to integrating these values into our business practices, creating eco-friendly packaging solutions that meet customer demands while minimizing environmental impact. By staying ahead of industry developments and enhancing productivity, we ensure competitiveness. New Toyo is committed to excellence, sustainability and innovation, driving positive change in the packaging industry while delivering value to stakeholders.

## VISION

To be the preferred supplier of consistently high quality packaging materials

## MISSION

To grow shareholder value through quality packaging solutions and services

## VALUES

Teamwork /  
Excellence / Innovation /  
Creativity /  
Honesty + Integrity

# CHAIRMAN'S MESSAGE



**Yen Wen Hwa**  
Executive Chairman



## Dear Shareholders,

On behalf of the Board of Directors of New Toyo International Holdings Limited ("New Toyo" or the "Group"), I am pleased to present our annual report for the financial year ended 31 December 2024 ("FY2024").

FY2024 was an eventful year for the Group. Despite the challenges presented by a complex and dynamic global market environment such as ongoing geopolitical conflicts, trade tensions and supply chain disruptions, we have demonstrated resilience and adaptability, positioning ourselves for sustainable growth.

During the year under review, we unlocked several milestones. We not only deepened our foothold in emerging markets, but also expanded our capabilities and built new revenue streams. Through these strategic initiatives, the Group delivered higher turnover, registering S\$317.5 million in FY2024 from S\$306.4 million in the financial year ended 31 December 2023 ("FY2023"). Supported by contributions from our core divisions, the Group reported a profit after tax attributable to owners of the Company of S\$9.3 million. Though lower than S\$12.8 million recorded in FY2023, this reflects the complexities of the market while investing in future growth opportunities.

Our financial position was further strengthened in FY2024, with the Group's total assets increasing to S\$255.8 million as at 31 December 2024 from S\$253.6 million as at 31 December 2023. Meanwhile, total liabilities decreased to S\$66.2 million from S\$69.3 million in the previous year. Shareholders' equity grew to S\$152.6 million, compared to S\$149.2 million in FY2023, while the net asset value per share rose to 34.78 cents from 33.96 cents in the prior year.

As part of our corporate strategy, the Group made foray into the F&B industry to expand its business portfolio and enhance income streams. As a new entrant, investments in brand-building and market capture are necessary and may take time to yield returns. Consequently, the F&B division recorded a loss of S\$1.0 million in FY2024. However, the Group remains committed to strengthening its market presence and will continue to refine our strategies to unlock growth in this sector.



**As we celebrate our 50<sup>th</sup> anniversary in year 2025, we remain focused on our long-term vision. We will continue to explore new opportunities and expand our offerings to meet the evolving needs of our customers.**



## INNOVATING PACKAGING EXCELLENCE

Innovation has always been a cornerstone of our success. Since our inception in 1975, we have consistently invested in advanced packaging technologies and sustainable practices to enhance operational efficiency while aligning our commitment to environmental stewardship. By integrating eco-friendly materials and processes, we deliver beyond customers' expectations to contribute actively to a more sustainable future. Our environmentally-friendly products and solutions, including the newly-developed bio-based polymer barrier coated paper and paperboard suitable for use in food and industrial applications, will position the Group in good stead to achieve greater future growth.

## SUSTAINABILITY PROGRESS

One of our key initiatives in FY2024 is our commitment to the Science Based Targets initiative ("SBTi"). As a globally recognised corporate climate action framework, the SBTi enables companies to take meaningful steps in combating the climate crisis. We are proactively putting measures in place to reduce greenhouse gas emissions and working towards validating these targets in FY2025.



# CHAIRMAN'S MESSAGE



Our dedication to sustainability and corporate excellence was recognised at the SIAS Investors' Choice Awards 2024, where we achieved a triple win, namely the "Most Transparent Company Award" for a second consecutive year, the "Singapore Corporate Governance Award" and the "Singapore Corporate Sustainability Award". Our sustainability efforts also received commendation from key customers.

## COMMUNITY ENGAGEMENT

We also embrace corporate social responsibility ("CSR") as a key aspect of our values and recognise our responsibility to contribute positively to society and the environment. Some of our notable CSR initiatives included donations made to SJK(C) Puay Chai School in Malaysia; support for community reconstruction following floods in northern Vietnam, including rebuilding houses and donating water purifiers, as well as supporting the Singapore Island Country Club's May Day Charity 2024 event and Goh Chok Tong Enable Fund Charity's Golf & Dinner 2024.

These efforts reinforce our commitment to giving back to the communities in which we operate while creating a lasting positive impact.

## FORGING AHEAD

Looking ahead, though the global economy remains marked by uncertainties, our operating markets in Vietnam, Indonesia and the Middle East continue to show promising demand for high-quality paper products and packaging solutions. We remain cautiously optimistic, supported by our regional market presence and established customer relationships.

In Indonesia and Dubai, we completed the transfer of machineries from Vietnam to be in close proximity to our major customers. Since then, the machines in our Indonesia factory have commenced operations, increasing its production capacity. Due to local regulations, our Dubai factory is still in the midst of commissioning the machines and will be operational by 2025.

As we celebrate our 50<sup>th</sup> anniversary in year 2025, we remain focused on our long-term vision. We will continue to explore new opportunities and expand our offerings to meet the evolving needs of our customers. We are confident in our ability to navigate the challenging environment with resilience.

In recognition of the continued trust and support of our shareholders, we are recommending a final one-tier tax exempt dividend of 0.9 Singapore cents per ordinary share, subject to shareholders' approval at the upcoming Annual General Meeting. Earlier in FY2024, we had declared an interim dividend of 0.9 cents per share. This would bring the total dividend for FY2024 to 1.8 Singapore cents per share, which translates to a dividend yield of 7.1%<sup>1</sup>.

## IN APPRECIATION

At this juncture, I would like to take this opportunity to welcome our newly appointed Non-Executive Independent Directors, Mr James Yu and Mr Ooi Hoe Seong to the Board. I am confident that their wealth of knowledge and experience will contribute greatly to the Group.

I also want to thank my fellow Board members, our staff, customers and partners for your dedication to excellence, which has been pivotal in driving our success. Last but not least, I wish to express my heartfelt appreciation to you, our valued shareholders. Your unwavering trust and support are our greatest assets. Thank you for the milestones we have achieved together over the last five decades and we look forward to building a stronger and brighter future for New Toyo with you.

**Yen Wen Hwa**  
Executive Chairman

<sup>1</sup> Based on closing price of S\$0.255 as at 31 December 2024

# GROUP CEO'S BUSINESS REVIEW



**Angela Heng**  
Group Chief Executive Officer



**The Group remains steadfast in enhancing our resilience and ensuring sustainable growth. We will focus on optimising operations, boosting efficiency and fostering innovation within our core businesses to improve resource allocation, strengthen our market position, and enhance overall performance.**



## Dear Shareholders,

The past 12 months have been a time of changes, testing our resilience, driving us to adapt, innovate and strengthen our core operations. Notwithstanding the market challenges, we have achieved a commendable performance in FY2024, with revenues reflecting our growth strategies and operational efficiency.

## YEAR IN REVIEW

The Group delivered a higher turnover with a 3.6% increase from S\$306.4 million in FY2023 to S\$317.5 million in FY2024, driven by higher sales from our three core Trading, Printed Cartons & Labels ("PCL") and Specialty Papers ("SP") divisions. Noteworthy was the robust demand from customers in the Indonesia, Vietnam and Middle East markets, who contributed significantly to our growth in turnover in FY2024.

Gross profit decreased marginally from S\$34.9 million in FY2023 to S\$34.0 million in FY2024, with gross profit margin easing to 10.7% from 11.4%, primarily due to changes in sales mix and operating cost in the Food and Beverages ("F&B") start-up, which commenced business in the second quarter of the financial year.

With higher distribution expenses of S\$0.8 million mainly due to higher freight costs, and net foreign exchange loss of S\$0.7 million mainly due to unfavourable foreign currency

exchange rates, coupled with a loss of S\$1.0 million in our new F&B division, the Group registered a lower profit before tax of S\$13.8 million in FY2024 from S\$17.3 million in the previous year.

Overall, the Group reported a profit after tax attributable to owners of the Company of S\$9.3 million in FY2024, as compared to S\$12.8 million in FY2023. This translates into earnings per share of 2.13 cents for this year.

## FINANCIAL & CASH POSITION

Despite the softer profitability, the Group recorded a stronger financial position with net assets rising to S\$189.6 million as at 31 December 2024 (FY2023: S\$184.3 million) and net asset value per share increasing to 34.78 cents. The Group also generated a positive cash inflow from operating activities of S\$17.6 million. Our capital expenditure of S\$16.0 million was largely incurred for installation and ancillary costs related to the transfer of machineries to Indonesia and Middle East, the setup of the Middle East factory acquired last year, toolings for secured customer projects, as well as investment in the F&B division. The increased production capacity in Indonesia is already yielding results, and we expect the machines in the Dubai factory to be operational by 2025. These investments will not only strengthen our position in these key markets but also provide growth opportunities in packaging production.

# GROUP CEO'S BUSINESS REVIEW

## SEGMENTAL REVIEW



### SPECIALTY PAPERS DIVISION

The SP Business produces mainly coated, printed and laminated papers and paper board for packaging industries, with key manufacturing sites located in Singapore, Malaysia, Vietnam and Dubai.

In FY2024, the SP Business registered a higher revenue of S\$105.6 million from S\$102.8 million in FY2023, mainly due to stronger demand in the Vietnam and Middle East markets, as well as adjustments made in response to movements in material commodity costs. However, due to changes in product mix to support the market's broader demand and absence of a one-off reversal of impairment loss of property, plant & equipment, this division posted a lower net profit before tax of S\$10.3 million in FY2024 as compared to S\$13.2 million in FY2023.



### TRADING DIVISION

The Trading Business involves the sale of raw materials, paper products, equipment and tissue paper related products.

The Trading Business continued to be the main revenue driver in FY2024 with higher sales of S\$127.8 million as compared to S\$123.1 million in FY2023. This was primarily driven by higher sales of certain raw materials but partially offset by lower sales of virgin pulp and jumbo reels, as well as lower demand in certain markets. However, with the change in sales mix, lower net profit before tax of S\$0.1 million was recorded in FY2024, relative to S\$1.0 million in FY2023.



### PRINTED CARTONS & LABELS DIVISION

The PCL Business produces mainly gravure and offset printed materials for fast-moving consumer goods such as products packaging and labels. In addition to supplying to a major tobacco customer, the PCL Business has also successfully increased its customer base to other tobacco customers in the region supported by production plants located in Vietnam, Indonesia and Dubai.

In FY2024, the PCL Business continued its growth momentum, recording higher revenue and profitability. Revenue climbed to S\$76.3 million during the financial year as compared to S\$74.1 million in the previous year, driven by an increasing customer base in tobacco packaging products. Net profit before tax also increased to S\$6.5 million in FY2024 from S\$4.1 million in the corresponding year, mainly due to a S\$2.5 million reversal of impairment loss on property, plant & equipment and right-of-use assets arising from better performance in the Middle East operations.



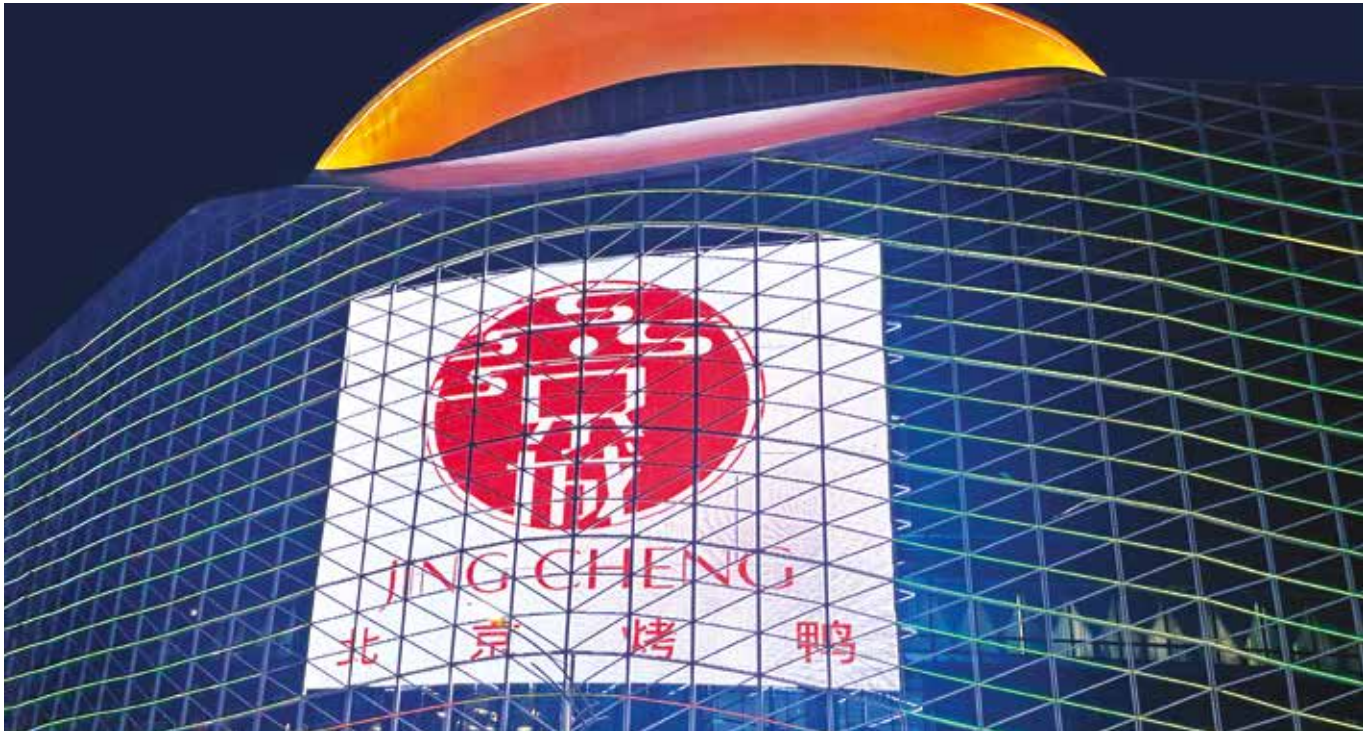
### FOOD AND BEVERAGES DIVISION

The F&B Business includes the operation and management of restaurants. The entry into the F&B sector is in line with the Group's corporate strategy to seek new areas to expand its earning streams whilst remaining focused on its core businesses.

Our inaugural restaurant, Jing Cheng Beijing Duck Restaurant, specialising in Peking Duck and other cuisines, commenced business in April 2024. As a new entrant in the F&B sector, the Group posted revenue of S\$0.5 million in FY2024 and a loss before tax of S\$1.0 million. Moving forward, we will continue to build on brand development, operational efficiency and market penetration, to drive sustained contribution from this division.



# GROUP CEO'S BUSINESS REVIEW



## STRATEGISING FOR THE FUTURE

As we continue to embark on our journey, we expect the operating environment to remain difficult in view of the volatility in the ongoing geopolitical uncertainties. The Group remains steadfast in enhancing our resilience and ensuring sustainable growth. We will focus on optimising operations, boosting efficiency and fostering innovation within our core businesses to improve resource allocation, strengthen our market position, and enhance overall performance.

Recognising that “Sustainability is a license to do business”, we are committed to embedding sustainable practices across our operations while deepening collaborations with existing clientele and strategic partners.

Our commitment to sustainability is not only about reducing our environmental footprint but also about driving innovation in packaging solutions. Our bio-based polymer barrier-coated paper and paperboard are key steps in reducing waste, and replacing conventional packaging materials with recyclable, compostable alternatives. As we align with global shifts toward a circular economy, we continue to innovate, positioning ourselves as a sustainable packaging leader in the industry.

Beyond packaging, our 55%-owned subsidiary, Tien Wah Press Holdings Berhad, entered into a tenancy agreement for a multipurpose banquet hall located at the 6<sup>th</sup> floor of the New Ocean World Fine Food City in Petaling Jaya, Selangor Darul Ehsan, where our restaurant is also situated. This move expanded its existing business to include the event space leasing business and involve refurbishing the hall into a state-of-art venue designed to host a wide array of events such as wedding receptions, engagement dinners, and other social functions.

## APPRECIATION & GRATITUDE

In closing, I would like to express my heartfelt gratitude to our Board of Directors for their guidance and leadership, and to our shareholders, customers, and business partners for their continued trust and support. I also wish to thank our management team and staff, whose hard work and dedication are the backbone of our success.

Together, we will build on our legacy, embrace new opportunities, and shape a sustainable future for New Toyo.

**Angela Heng**  
Group Chief Executive Officer



# BOARD OF DIRECTORS



**YEN WEN HWA**  
Executive Chairman

Mr Yen is the founder of New Toyo International Holdings Ltd (“NTIH”) Group and currently serves as its Executive Chairman. He previously held the roles of Managing Director and Chairman of the Board until 30 September 2011 and later served as Non-Executive Chairman from 1 September 2016 to 31 October 2020.

Mr Yen was appointed as Executive Chairman of Tien Wah Press Holdings Berhad (“TWPH”) on 16 February 2015 and was re-designated as Non-Independent Non-Executive Chairman of TWPH on 1 January 2021. He also served as Chief Executive Officer of TWPH from 1 September 2010 to 31 December 2011. Additionally, he was a Non-Independent Non-Executive Director of Shanghai Asia Holdings Ltd from 10 February 2004 to 1 May 2012.

Mr Yen has over 40 years of experience in the paper conversion and packaging industry.



**ANGELA HENG CHOR KIANG**  
Group Chief Executive Officer

Ms Heng was appointed Group Chief Executive Officer on 1 September 2016. She joined New Toyo in the 1970s as one of its pioneers, playing a key role in setting up the administration and accounts departments and overseeing sales and marketing.

With over 40 years of experience, Ms Heng has held several senior management positions including General Manager of New Toyo Aluminium Paper Product Co. (Pte) Ltd, where she led its ISO 9002 certification in 1996. She also started New Toyo International Co (Pte) Ltd in 1992 and served as its Director until 1995, and was re-appointed to the role in 2002. She was also a key personnel instrumental in the listing of the Group on the Mainboard of the Singapore Exchange Securities Trading Limited (“SGX-ST”) in 1997.

She previously served as Deputy Chairman (1997 - 1999), President for Asia-Pacific (2002 - 2006), and Group Executive Chairman (2014 - 2016) before assuming her current role. Ms Heng has over 35 years of experience in the lamination industry and more than 20 years in the printing business.

Ms Heng holds a Master of Social Science from Swinburne University of Technology, Australia.



**WAN TAI FOONG**  
Non-Executive and  
Lead Independent Director

Mr Wan was appointed to the Board as a Non-Executive and Independent Director on 1 August 2019. He serves as the Lead Independent Director and the Chairman of the Audit Committee.

He is the Chief Executive Officer of Qi Capital Pte Ltd, a boutique advisory firm that advises private corporates on M&A and fund-raising transactions. Mr Wan has a career spanning over 20 years in investment banking, with varied, in-depth exposure and experience in all aspects of mergers and acquisitions, restructuring and fund-raising transactions in different sectors. He also chairs the Audit Committee of ASTI Holdings Limited.

Mr Wan holds a Bachelor of Commerce from Murdoch University, Western Australia and is a member of CPA Australia.

# BOARD OF DIRECTORS



**TAY JOO SOON**  
Non-Executive and  
Non-Independent Director

Mr Tay was appointed to the Board as a Non-Executive and Independent Director on 16 July 2021 and re-designated as a Non-Independent Director on 1 July 2024.

Mr Tay has been a practicing Public Accountant and Chartered Accountant with his own firm, Tay Joo Soon & Co., since he founded the firm in 1971. He has over 50 years of experience in the fields of corporate finance, accounting, auditing, taxation, management consultancy, mergers and acquisitions. Mr Tay had worked with a range of industry sectors, including electrical and cable, cement and construction materials, healthcare & nursing home, carton and packaging and food manufacturing. He had also served on the boards of several other companies listed on the Mainboard of SGX-ST.

Mr Tay is a Life Member of the Institute of Singapore Chartered Accountants, CPA Australia and the Malaysian Institute of Certified Public Accountants.



**TENGKU TAN SRI DR  
MAHALEEL BIN TENGKU  
ARIFF**  
Non-Executive and  
Non-Independent Director

Tengku Mahaleel has had a diverse career spanning over 40 years across the food, paper, cigarette, oil, marine, aviation, car and motorcycle industries. He began his career at Nestle Malaysia Berhad before joining Shell Malaysia for 20 years. He later served as Group Chief Executive Officer of Proton Holdings Berhad. He was Executive Chairman of Tien Wah Press Holdings Berhad from 20 November 2006 to 31 August 2010, before being re-designated as Non-Executive Chairman from 1 September 2010 until his retirement on 16 February 2015. He has represented Malaysia in the Asia Pacific Economic Council and the Asean Business Advisory Council. He was the Malaysian Rally Champion in 1989 and was awarded Malaysia's CEO of the Year by Business Times and American Express Corporate Services in 2001.

Tengku Mahaleel graduated from the University of Malaya in 1970 with a Bachelor of Arts (Honours) and has attended courses at Harvard, London School of Economics and the Manchester Business School on Strategy, Strategic Management and Marketing. He currently serves as Pro Chancellor of University Utara Malaysia. He previously served on the Board of Governors of University Sains Malaysia.



**PHUA TIN HOW**  
Non-Executive and  
Independent Director

Mr Phua was appointed to the Board as a Non-Executive and Independent Director on 27 February 2020 and is the Chairman of the Remuneration Committee and member of the Audit Committee.

Mr Phua held several senior appointments in the public service prior to 1994, the last being the Principal Private Secretary to the Deputy Prime Minister and later, the Principal Private Secretary to the President of Singapore. From 1994 to 2003, Mr Phua was concurrently the Group President of DelGro Corporation Ltd and President and CEO of SBS Transit Ltd, and initiated and led the Group's diversification effort to grow its business globally. Mr Phua had also served on the boards of Public Transport Council, National Environment Agency, Network China and China-Singapore Suzhou Industrial Park Development (CSSD), and several other companies listed on the Mainboard of SGX-ST. He retired as Chairman of ValueMax Group in 2022.

Mr Phua holds a Master in Business Administration degree from INSEAD, France, and a Bachelor of Science (Hons) degree from the University of Singapore.



# BOARD OF DIRECTORS



## DAVID ONG KIM HUAT

**Non-Executive and  
Independent Director**

Mr Ong was appointed to the Board as a Non-Executive and Independent Director on 1 January 2022 and currently serves as Chairman of the Nominating Committee.

Mr Ong has held senior marketing and management positions in various international companies, including American Express, Visa International, Reed Elsevier and Publicis. Mr Ong is the Managing Director of Reddot Media Inc Pte Ltd and also serves as Chairman and Independent Director of Ellipsiz Ltd, as well as an Independent Director of Hiap Seng Industries Limited and Katrina Group Ltd. Mr Ong previously served as a Member of Parliament of Singapore and was awarded the Public Service Medal and Public Service Star in 2005 and 2009 respectively.

Mr Ong holds a Bachelor of Science in Business Administration from the University of Oregon, USA.



## OOI HOE SEONG

**Non-Executive and  
Independent Director**

Mr Ooi was appointed to the Board as a Non-Executive and Independent Director on 1 July 2024.

Mr Ooi has been involved in and held senior management positions within the global fast moving consumer goods industry for over 25 years. From 1990 to 1992, he was with Pepsi-Cola International Asia Pacific region. He was based in the U.S. South West region initially as part of the international management exchange program but subsequently moved on to be the Managing Director of Pepsi-Cola Thailand. He later served as Managing Director of British American Tobacco China Limited from 1992 to 2001 and Regional CEO of Boutique Regional Financial Institution from 2004 to 2006. He was also the Lead Independent Director of AnAn International Ltd from 2012 to 2022.

Mr Ooi holds a Bachelor of Science from the University of Singapore.



## JAMES YU SIN GIAP

**Non-Executive and  
Independent Director**

Mr Yu was appointed to the Board as a Non-Executive and Independent Director on 1 July 2024.

Mr Yu is a partner in the law firm of Yu & Co LLC, formed since 1988. The firm offers various legal services in areas such as insurance law, banking and finance and property law (conveyancing).

Mr Yu graduated with a law degree from the University of Northumbria, England. He is a qualified Barrister At Law, London. He was called to the Singapore Bar in 1982 and is an Advocate & Solicitor of the Supreme Court of Singapore.

# KEY MANAGEMENT



## **GEORGE LEE CHEE WHYE**

**Chief Executive Officer  
(Tien Wah Press Holdings Berhad)**

Mr Lee was appointed Chief Executive Officer of our listed subsidiary in Malaysia, Tien Wah Press Holdings Berhad ("TWPH") in November 2014. He also sits on the Board of TWPH as an Executive Director effective 1 September 2016. Mr Lee first joined New Toyo Aluminium Paper Product Co. (Pte) Ltd, a subsidiary of New Toyo International Holdings Ltd, as the Operations Manager in March 2005 and was subsequently promoted to Business Head of Specialty Papers Division in October 2006. He was appointed as Acting CEO of the Group in October 2011 and assumed the position of Chief Executive Officer of the Company in July 2012.

He holds a Bachelor in Computer Science with Business degree and has more than 20 years of senior management, operations and marketing experience.



## **LIONEL YAP**

**Chief Executive Officer  
(Specialty Papers)**

Mr Yap assumed the position of Chief Executive Officer (Specialty Papers) in September 2016 and is responsible for the revenue growth, profitability and long term sustainability of the Specialty Papers business. Mr Yap first joined the Group as Finance and Operations Assistant Manager (Specialty Papers) in April 2007 and was promoted to General Manager of New Toyo Aluminium Paper Product Co. (Pte) Ltd, a subsidiary of New Toyo International Holdings Ltd. He was subsequently promoted to Business Head of Specialty Papers Division in July 2012.

Mr Yap is a non-practicing Chartered Accountant with the Institute of Singapore Chartered Accountants since 2001.



## **PRISCILLA NG KAR CHOO**

**Chief Financial Officer**

Ms Ng joined the Group as the Chief Financial Officer in August 2022. She is responsible for overseeing the Group's financial and sustainability reporting, treasury, corporate governance, investor relations and other finance related matters.

Ms Ng has over 20 years in accounting, financial and corporate matters in various industries having worked in various SGX listed organizations including EnGro Corporation Limited and then listed Popular Holdings Ltd.

She is an ACCA graduate and a Chartered Accountant with the Institute of Singapore Chartered Accountants.



# KEY FIGURES

## REVENUE



**\$317.5M**

S\$306.4 million in 2023

## TOTAL ASSETS



**\$255.8M**

S\$253.6 million in 2023

## PROFIT BEFORE TAX



**\$13.8M**

S\$17.3 million in 2023

## OPERATING CASHFLOW



**\$17.6M**

S\$33.2 million in 2023

## PROFIT ATTRIBUTABLE TO OWNERS OF THE COMPANY



**\$9.3M**

S\$12.8 million in 2023

## NET ASSET VALUE PER SHARE



**34.78 CENTS**

33.96 cents in 2023

## DIVIDEND PER SHARE



**1.8 CENTS**

1.9 cents in 2023

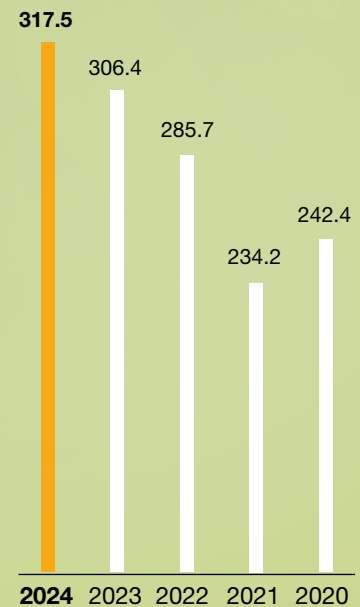
## EARNINGS PER SHARE



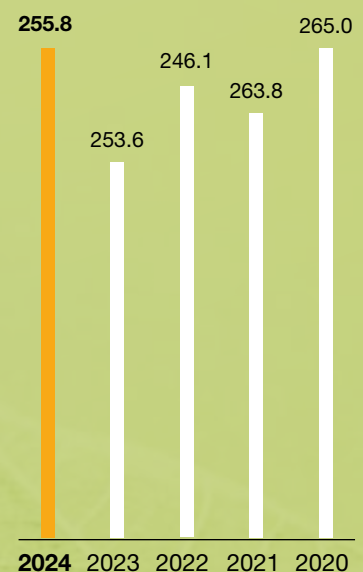
**2.13 CENTS**

2.91 cents in 2023

## REVENUE



## TOTAL ASSETS



# FINANCIAL HIGHLIGHTS

	2024	2023	2022	2021	2020
<b>Condensed Consolidated Profit &amp; Loss Information (S\$'000)</b>					
Revenue	317,543	306,397	285,735	234,199	242,385
Earnings before interest, tax, depreciation and amortisation (EBITDA)	27,593	30,827	27,481	31,035	29,570
Profit before interest and tax	14,353	17,647	11,789	14,755	10,921
Profit before tax	13,826	17,330	10,843	13,432	8,131
Net profit for the year	11,136	14,053	7,884	9,123	7,514
Attributable to:					
Owners of the Company	9,341	12,809	9,971	8,123	7,591
Non-controlling interests	1,795	1,244	(2,087)	1,000	(77)
<b>Condensed Consolidated Balance Sheet Information (S\$'000)</b>					
Total assets	255,837	253,601	246,086	263,839	264,966
Cash and bank balances	20,126	30,446	28,495	37,362	33,958
Total liabilities	66,221	69,304	63,405	76,167	80,169
Bank borrowings	-	331	2,426	17,483	26,516
Lease liabilities	11,084	10,357	9,190	11,030	12,003
Equity attributable to owners of the Company	152,567	149,228	146,535	146,963	143,470
<b>Cashflow Information (S\$'000)</b>					
Operating cashflow	17,602	33,155	26,425	21,098	47,133
<b>Per Share Data (S\$ cents)</b>					
Earnings per share					
- basic	2.13	2.91	2.27	1.85	1.73
- fully diluted	2.13	2.91	2.27	1.85	1.73
Net asset value per share	34.78	33.96	33.35	33.44	32.65
Revalued net asset value per share*	38.82	38.37	37.96	38.01	38.89
Dividend per share	1.80	1.90	1.80	1.50	1.50
<b>Market Capitalisation (S\$'000)</b>					
At close of business on 31 December	111,870	96,673	94,476	90,082	76,460

\* RNAV factors in the fair value on investment properties



# NEW TOYO'S BUSINESS DIVISIONS

## SPECIALTY PAPERS



The Specialty Papers product range includes barrier coated, printed and laminated papers and paper board. These products are applied mainly in fast moving consumer goods packaging, food and beverages packaging and tissue boxes.

- New Toyo Aluminium Paper Product Co. (Pte) Ltd
- Paper Base Converting Sdn Bhd
- Vina Toyo Company Ltd
- New Toyo (Vietnam) Aluminium Paper Packaging Co., Ltd
- New Toyo Aluminium Gulf Paper Packaging FZE

## PRINTED CARTONS AND LABELS



The Printed Cartons and Labels Business produces mainly gravure and offset printed materials for fast moving consumer product packaging and labels. Gravure printing is a specialised high speed printing process used for the printing of high-quality paper prints, while offset printing is mainly used for the supply of folded cartons and labels.

- Alliance Print Technologies Co., Ltd
- Alliance Print Technologies FZE
- Max Ease International Limited
- PT Bintang Pesona Jagat

## TRADING



The Trading Business engages in the sale of raw materials, paper products and equipment.

- New Toyo International Co (Pte) Ltd
- Fast Win Enterprise Limited
- Toyoma Non-Carbon Paper Manufacturer Sdn Bhd

## FOOD AND BEVERAGES



The operation and management of restaurants.

- Jing Cheng Beijing Duck Restaurant Sdn Bhd

## OTHERS



Others include the Corrugated Containers and the investment holding companies.

- New Toyo International Holdings Ltd
- Vina Toyo Company Ltd
- Tien Wah Press Holdings Berhad

# MARKET PRESENCE

## North America

- Canada
- USA

## Latin America/Caribbean

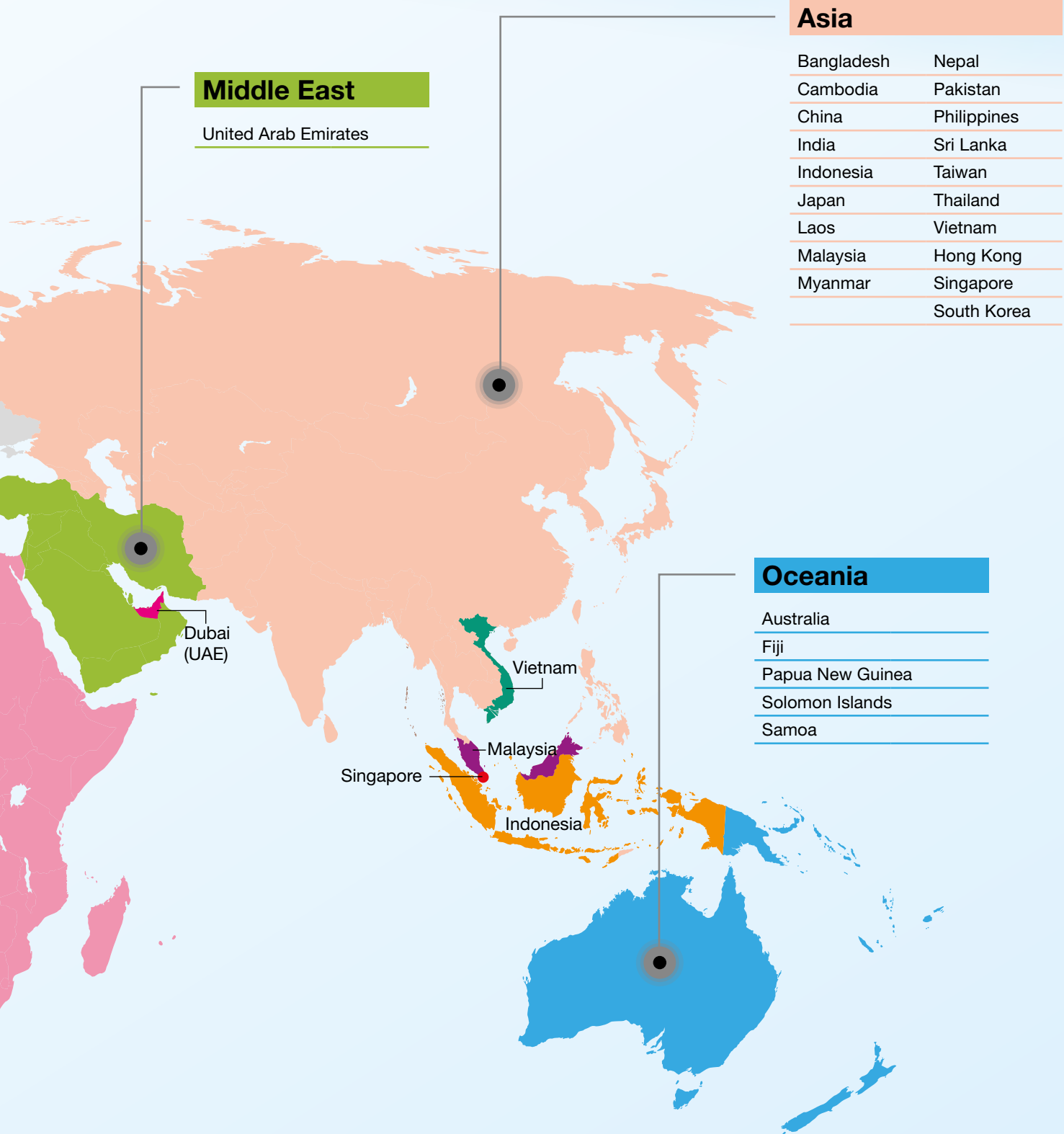
- Honduras
- Bolivia
- Dominican Republic
- Mexico
- Trinidad & Tobago

## Africa

- Angola
- Congo
- Nigeria



# MARKET PRESENCE



**Our Manufacturing Sites:**

● Dubai   ● Indonesia   ● Singapore   ● Vietnam   ● Malaysia

# CORPORATE INFORMATION

<b>BOARD OF DIRECTORS</b>	<b>YEN WEN HWA</b> <i>Executive Chairman</i> <b>ANGELA HENG CHOR KIANG</b> <i>Group Chief Executive Officer</i> <b>WAN TAI FOONG</b> <i>Non-Executive and Lead Independent Director</i> <b>TAY JOO SOON</b> <i>Non-Executive and Non-Independent Director</i>	<b>TENGKU TAN SRI DR MAHALEEL BIN TENGKU ARIFF</b> <i>Non-Executive and Non-Independent Director</i> <b>PHUA TIN HOW</b> <i>Non-Executive and Independent Director</i> <b>DAVID ONG KIM HUAT</b> <i>Non-Executive and Independent Director</i> <b>OOI HOE SEONG</b> <i>Non-Executive and Independent Director</i> <b>JAMES YU SIN GIAP</b> <i>Non-Executive and Independent Director</i>
<b>BOARD COMMITTEES</b>	<b>AUDIT COMMITTEE</b> <b>WAN TAI FOONG</b> , <i>Chairman</i> <b>TENGKU TAN SRI DR MAHALEEL BIN TENGKU ARIFF</b> <b>TAY JOO SOON</b> <b>PHUA TIN HOW</b> <b>OOI HOE SEONG</b>  <b>NOMINATING COMMITTEE</b> <b>DAVID ONG KIM HUAT</b> , <i>Chairman</i> <b>TAY JOO SOON</b> <b>JAMES YU SIN GIAP</b>	<b>REMUNERATION COMMITTEE</b> <b>PHUA TIN HOW</b> , <i>Chairman</i> <b>WAN TAI FOONG</b> <b>TENGKU TAN SRI DR MAHALEEL BIN TENGKU ARIFF</b>
<b>COMPANY SECRETARIES</b>	<b>LEE WEI HSIUNG, ACS, ACG</b> <b>LOO SHI YI, ACS, ACG</b>	
<b>PRINCIPAL BANKERS</b>	Bangkok Bank Public Company Limited DBS Bank Ltd Oversea-Chinese Banking Corporation Limited	The Hongkong and Shanghai Banking Corporation Limited United Overseas Bank Limited
<b>OTHER CORPORATE INFORMATION</b>	<b>COMPANY REGISTRATION NUMBER</b> 199601387D  <b>REGISTERED ADDRESS</b> 36 Robinson Road, #20-01 City House, Singapore 068877 Tel: (65) 6990 8220 Fax: (65) 6395 0670 Company website: www.newtoyo.com  <b>BUSINESS ADDRESS</b> 10 Anson Road, #18-25 International Plaza Singapore 079903 Tel: (65) 6238 2188 Fax: (65) 6238 1082  <b>SHARE REGISTRAR</b> In.Corp Corporate Services Pte. Ltd. 36 Robinson Road, #20-01 City House, Singapore 068877 Tel: (65) 6990 8220 Fax: (65) 6395 0670	<b>AUDITOR</b> Ernst & Young LLP One Raffles Quay North Tower, Level 18 Singapore 048583 Audit Partner in charge: Hah Yanying (Appointed since financial year ended 31 December 2020)  <b>STOCK DATA</b> Counter name: New Toyo SGX Code: N08 Listed on 4 April 1997 ISIN code: SG1E32850828 Bloomberg code: Toyo SP Reuters code: NTYO.SI  <b>INVESTOR RELATIONS</b> Priscilla Ng Email: priscilla.ng@newtoyo.com

# SUSTAINABILITY

Sustainability is a key element within our company, driving purpose, inspiration and energy in everything we do. FY2024 marks a year of significant achievements and continued progress in our sustainability journey.

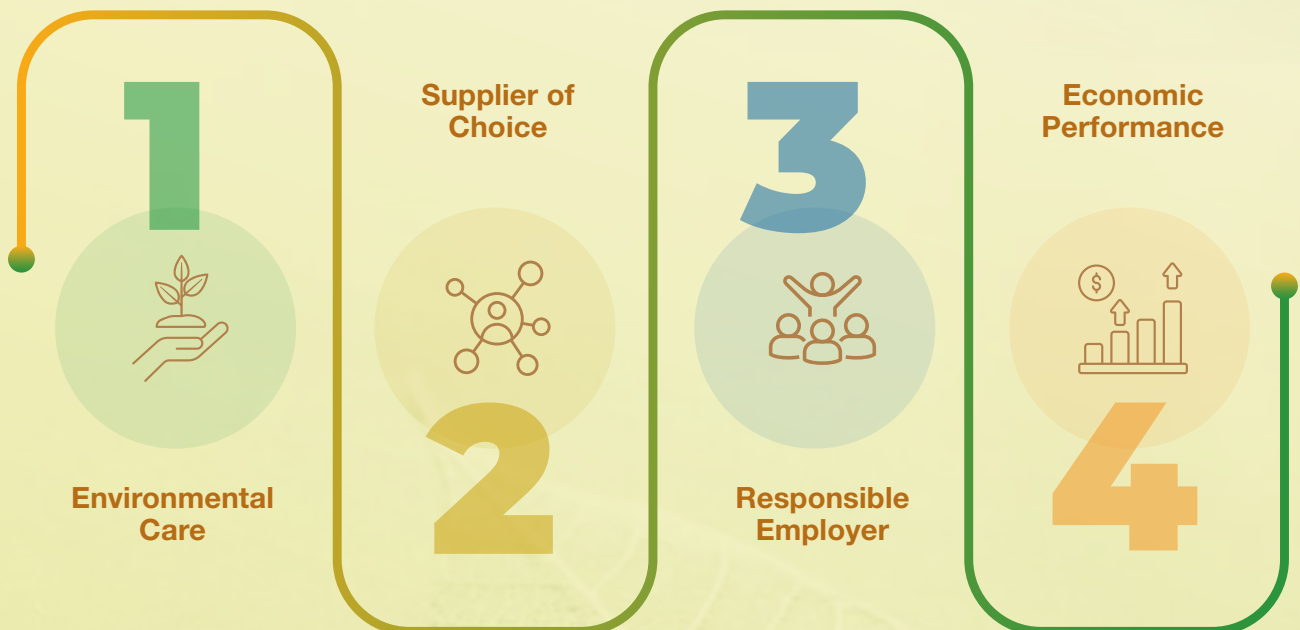
The theme of our FY2024 Sustainability Report, “**Innovating Packaging Excellence to Drive Sustainable Growth**”, reflects our commitment to pioneering advanced packaging solutions and leveraging cutting-edge technologies to minimise environmental impact while maintaining exceptional productivity and quality. Through these efforts, we strive to contribute to a more resilient and responsible future.

At New Toyo, achieving our sustainability goals while ensuring long-term business resilience remains a top priority. Guided by our Group Sustainability Policy, we embed sustainability at the core of our operations, driving meaningful change for our stakeholders and the planet.

Our eighth Sustainability Report continues to align with the SGX-ST Listing Manual (Rules 711A and 711B), the Global Reporting Initiative (“GRI”) Standards 2021, and the Task Force on Climate-Related Financial Disclosures (“TCFD”) framework, reinforcing our commitment to transparency and accountability in our sustainability journey.

## Our Sustainability Progress

In FY2024, we continued to advance our sustainability agenda across four **KEY PILLARS**:





# SUSTAINABILITY

Our key **PERFORMANCE HIGHLIGHTS** for the year are as follows:

Committed to achieving “no net deforestation”

Committed to the **Science-Based Targets initiative** and are currently in the process of setting and validating our targets

Completed **2<sup>nd</sup>** consecutive year of **external verification** of our Scope 1 and 2 emissions

Commenced the development of our **decarbonisation roadmap**

Conducted our **1<sup>st</sup>** **quantitative scenario analysis**

**Expanded our Scope 3 carbon inventory** to include emissions from:

- Capital Goods
- Fuel- and Energy-Related Activities Not Included in Scope 1 or Scope 2
- Waste Generated in Operations
- Business Travel
- Employee Commuting
- Downstream Transportation and Distribution
- Downstream Leased Assets

**51.3% reduction in Scope 1 and 2 emissions** compared to FY2023

**83.3% of waste generated is recycled/reused**

Maintained **zero occurrence of corruption incident**

12.5% reduction in safety incidents versus FY2023

**71% Renewable Energy usage**



## Product Innovation for a Sustainable Future

A key innovation in our portfolio is our bio-based polymer barrier-coated paper and paperboard products, which offer a sustainable alternative to traditional packaging materials. These coatings replace multilayer laminates and plastic laminates, significantly reducing environmental impact while maintaining superior resistance to moisture, grease, and oxygen. They can also be enhanced with heat seal capability, improving functionality while remaining eco-friendly.

As global regulations increasingly prohibit single-use plastics, our bio-coated barrier papers and paperboards provide a compliant and sustainable alternative for packaging solutions. Designed to be recyclable, compostable, and functional, they align with our vision of a circular economy, ensuring packaging retains its value beyond its initial use.



## Awards and Accolades

In FY2024, New Toyo's commitment to sustainability was recognised through several notable achievements, reflecting our dedication to environmental responsibility, corporate governance, and stakeholder engagement:



- LowCarbonSG Finalist – Our Singapore site was recognised as one of the top five finalists in the LowCarbonSG programme, reflecting our strong commitment to decarbonisation.
- Three SIAS Awards – Acknowledged by the Securities Investors Association (Singapore) (SIAS) for excellence in corporate governance, transparency, and sustainability leadership.
- Customer Recognition – Commended by key customers for strong progress in our sustainability agenda.
- Green Business Award – Our New Toyo Vietnam site was honoured by the Ho Chi Minh City People's Committee for sustainable business practices.
- EcoVadis – Achieved a “Silver Rating”
- Carbon Disclosure Project – Achieved a rating of “B” under Climate Change and Water Security Questionnaire (an improvement from the “C” rating achieved in FY2023)

These achievements affirm our continuous progress and commitment to driving meaningful change across our operations and industry.

## Advancing Our Sustainability Agenda

The Group is committed to achieving carbon neutrality by 2040 and net zero by 2050. This year, we further reinforced our sustainability commitment by joining the Science-Based Targets initiative (“SBTi”). This milestone underscores our dedication to setting and achieving measurable, science-based emissions reduction targets aligned with global efforts to limit climate change to 1.5°C above pre-industrial levels. In addition, we have established group-wide targets for energy, waste, water, biodiversity, child labour, workplace health and safety, and diversity, strengthening our holistic approach to sustainability.

As we drive our sustainability agenda forward, we remain committed to leveraging technological advancements, continuously adapting and innovating to build a more sustainable and resilient company.

*Details of our sustainability and climate-related risk management, performance and targets are available in our Sustainability Report for FY2024. The report will be published and available on our website, [www.newtoyo.com/investannualreport.htm](http://www.newtoyo.com/investannualreport.htm), by 30 April 2025.*

Scan the QR code for our Sustainability Report:





# CORPORATE GOVERNANCE & FINANCIAL CONTENTS

21	Corporate Governance		
41	Directors' Statement		
44	Independent Auditor's Report	54	Consolidated Statement of Cash Flows
48	Consolidated Income Statement	56	Notes to the Financial Statements
49	Consolidated Statement of Comprehensive Income	140	Group Properties
50	Statements of Financial Position	142	Other Information Required under the SGX-ST Listing Manual
52	Consolidated Statement of Changes in Equity	148	Statistics of Shareholdings
		150	Notice of 29 <sup>th</sup> Annual General Meeting



# CORPORATE GOVERNANCE

New Toyo International Holdings Ltd (the “Company”, and together with its subsidiaries, the “Group”) is committed to maintaining a high standard of corporate governance.

The Listing Manual of the Singapore Exchange Securities Trading Limited (“SGX-ST”) requires all listed companies to describe in their Annual Reports their corporate governance practices with specific reference to the principles and the provisions of the Code of Corporate Governance 2018 (the “Code”).

For the financial year ended 31 December 2024 (“FY2024”), the Company has adhered to the principles and provisions as set out in the Code, save as otherwise highlighted (if any) in this report in relation to certain provisions of the Code.

## BOARD MATTERS

### The Board’s Conduct of Affairs

Principle 1: The company is headed by an effective Board which is collectively responsible and works with Management for the long-term success of the company.

#### *Provision 1.1 (Conduct, ethics and culture)*

The directors of the Company (“Directors”) are fiduciaries who act objectively in the best interests of the Group and hold Management accountable for performance. The Board of Directors (“Board”) has put in place a code of conduct and ethics. It also sets the tone for the Group in respect of ethics, values and desired organisational culture, and ensures proper accountability within the Group.

Any Director who faces a conflict of interest or a potential conflict of interest, whether direct or indirect, in relation to a matter, including a transaction or proposed transaction with the Group, must promptly declare his interest at a meeting of Directors or send a written notice to the Company containing details of his interest and the conflict and recuses himself from discussions and decisions on the matter, unless the Board is of the opinion that such Director’s participation is necessary to enhance the efficacy of such discussion. Nonetheless, the conflicted Director is abstained from voting in relation to the conflict-related matters. On an annual basis, each Director is also required to submit details of his/her associates for the purpose of monitoring interested person transactions.

#### *Provision 1.2 (Duties, induction, training and development)*

The Directors understand the Company’s business as well as their directorship duties (including their roles as executive, non-executive and independent directors). New and existing Directors are provided with induction, training and the opportunities to develop and maintain their skills and knowledge at the Company’s expense.

The Company conducts orientation programs for new Directors so that they are familiar with their duties and the Group’s structure, its business activities, strategic directions, policies and risks as well as governance practices. Such programs include briefings by Management and visits to principal subsidiaries to gain a better understanding of the Group’s operations. The orientation programme gives the Directors an understanding of the Group’s businesses to enable them to assimilate into their new role.

A new Director who has no prior experience as a director of a listed company attends specific modules of the Listed Entity Director Programme conducted by Singapore Institute of Directors (“SID”), to gain relevant knowledge of what is expected of a listed company director, which is a mandatory requirement under the Listing Rules of the SGX-ST, unless the Nominating Committee is of the view that such training is not required because the Director has other relevant experience. Mr James Yu Sin Giap, a newly appointed Independent Director as of 1 July 2024, who has no prior experience as a listed company director, will complete the relevant mandatory trainings on the roles and responsibilities as a listed company director within one (1) year from the date of his appointment to the Board.

# CORPORATE GOVERNANCE

Furthermore, the Directors receive training, briefing and/or updates on applicable laws, regulations and practices, financial reporting standards, risk management, corporate governance, sustainability issues as well as industry-specific knowledge, issues and risks from time to time.

## *Provision 1.3 (Board approval)*

The principal functions of the Board, in addition to carrying out its statutory responsibilities, are as follows:

- overseeing the formulation of and approving the Group's overall long-term strategic objectives and directions, taking into consideration sustainability issues (eg. Environmental, social and governance factors, and sustainability-related risks and opportunities);
- overseeing and reviewing the management of the Group's business affairs, financial controls, performance and resource allocation;
- establishing a framework of prudent and effective controls to assess and manage risks and safeguard shareholders' interests and the Group's assets;
- identifying the key stakeholder groups and recognising that their perceptions affect the Company's reputation; and
- setting the Company's values and standards (including ethical standards) and ensuring that obligations to shareholders and other stakeholders are understood and met.

The Board has adopted internal guidelines governing matters that require the Board's approval and given clear directions to Management on matters that must be approved by the Board. The Board approves transactions exceeding certain threshold limits, while delegating authority for transactions below those limits to Board Committees (as defined below) and Management via a structured delegation of authority matrix, which is reviewed on a regular basis and accordingly revised when necessary. Matters requiring Board approval include annual budgets, material acquisitions and disposal of assets/investments, major contracts, financial reporting, borrowings and the appointments of Directors and the Group Chief Executive Officer.

## *Provision 1.4 (Board committees)*

The Board has established an Audit Committee ("AC"), a Nominating Committee ("NC") and a Remuneration Committee ("RC") (collectively, the "Board Committees"). The Board Committees function within clearly defined written terms of reference setting out their compositions, authorities and duties. The names of the committee members, the terms of reference, any delegation of the Board's authority to make decisions and a summary of each committee's activities, are disclosed in this Annual Report. The terms of reference are reviewed on a regular basis and accordingly revised when necessary.

## *Provision 1.5 (Board and committee meetings)*

The Board and the Board Committees meet on a regular basis and as and when necessary to address any specific significant matters that may arise. The dates for all Board and Board Committee meetings, as well as the Annual General Meeting, are scheduled well in advance each year, in consultation with the Board. The Constitution of the Company provides for telephonic and video-conferencing meetings. The Board and the Board Committees may also decide on matters by way of circular resolutions. The Directors attend and actively participate in Board and Board Committee meetings. Directors with multiple board representations ensure that sufficient time and attention are given to the affairs of the Company.

If a director is unable to attend a Board or Board Committee meeting, they will still receive all relevant papers and materials for discussion ahead of the meeting. Subsequently, the director will review these materials and provide their views and comments to the Chairman of the Board or the Board Committee. This ensures that their input is conveyed to other members during the meeting, enabling comprehensive discussion and decision-making.

# CORPORATE GOVERNANCE

Aligned with our dedication to sustainability, the Company has transitioned to distributing meeting papers and materials electronically to Directors since 2017, replacing hard-copy printouts. This initiative not only reduces paper consumption but also enhances information security through passcode-secured access.

The number of Board, Board Committee and general meetings held in FY2024 and each Director's attendances at such meetings are set out below:

	Board	AC	NC	RC	GM
Number of meetings held	4	4	2	2	1
<b>Number of meetings attended</b>					
Yen Wen Hwa	4	N/A	N/A	N/A	1
Angela Heng Chor Kiang	4	N/A	N/A	N/A	1
Tengku Tan Sri Dr Mahaleel bin Tengku Ariff	4	4	N/A	2	1
Wan Tai Foong	4	4	N/A	2	1
Phua Tin How	4	4	N/A	2	1
Tay Joo Soon	4	4	2	N/A	1
David Ong Kim Huat	4	N/A	2	N/A	1
Ooi Hoe Seong <sup>1</sup>	2	2	N/A	N/A	–
James Yu Sin Giap <sup>2</sup>	2	N/A	1	N/A	–

## Notes:

GM – general meetings of shareholders including the annual general meeting for the year

N/A – not a member

<sup>1</sup> Mr Ooi Hoe Seong was appointed as an Independent Director and a member of the Audit Committee on 1 July 2024.

<sup>2</sup> Mr James Yu Sin Giap was appointed as an Independent Director and a member of the Nominating Committee on 1 July 2024.

## Provision 1.6 (Access to information)

Management provides Directors with complete, adequate and timely information prior to meetings and on an on-going basis to enable them to make informed decisions and discharge their duties and responsibilities.

Directors are from time to time furnished with detailed information concerning the Group to support their decision-making process. The Board has separate and independent access to senior management and the company secretary and is informed of material events and transactions as and when they occur.

Prior to each Board meeting, members of the Board are each provided with the relevant documents and information necessary for them to comprehensively understand the issues to be deliberated upon and make informed decisions thereon. Such information includes budgets, forecasts, quarterly unaudited financial statements, related materials, facts, operational review, risk analysis, financial impact, expected outcomes, conclusions and recommendations.

As a general rule, notices are sent to the Directors at least one week in advance of Board meetings, followed by the Board papers, in order for the Directors to be adequately prepared for the meetings.



# CORPORATE GOVERNANCE

## *Provision 1.7 (Access to management, company secretary and advisers)*

The Board (whether individually or as a whole) has separate and independent access to the Management and the Company Secretaries at all times, and may seek independent professional advice, if necessary, at the expense of the Company. The appointment and removal of the Company Secretary is subject to the approval of the Board. The Company Secretaries and their representatives attend all Board and Board Committee meetings, assisting in overseeing compliance and following up on matters arising from these meetings.

## **Board Composition and Guidance**

Principle 2: The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the company.

## *Provision 2.1 (“independent” director)*

The Board considers an “independent” Director to be one who is independent in conduct, character and judgement, and has no relationship with the Company, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the Director’s independent business judgement in the best interests of the Company.

## *Provision 2.2 (Independent directors make up a majority of the Board)*

As the Chairman of the Board is not independent, independent Directors make up a majority of the Board. The Board exercises independent judgment on corporate affairs and provide the Management with a diverse and objective perspective on issues.

## *Provision 2.3 (Non-executive directors make up a majority of the Board)*

Non-executive Directors make up a majority of the Board. They constructively challenge and assist in the development of business strategies and assist the Board in reviewing the performance of the Management in meeting goals and objectives and monitoring the reporting of performance.

## *Provision 2.4 (Board size and diversity)*

The Board comprises the following members, all of whom have the appropriate core competencies and diversity of experience needed to enable them to effectively contribute to the Group.

Yen Wen Hwa	Executive Chairman
Angela Heng Chor Kiang	Group Chief Executive Officer & Executive Director
Tengku Tan Sri Dr Mahaleel bin Tengku Ariff	Non-Independent Director
Wan Tai Foong	Lead Independent Director
Phua Tin How	Independent Director
Tay Joo Soon	Non-Independent Director
David Ong Kim Huat	Independent Director
Ooi Hoe Seong	Independent Director
James Yu Sin Giap	Independent Director

The profiles of the Directors are set out in the “Board of Directors” section of this Annual Report.

# CORPORATE GOVERNANCE

The composition of the Board is reviewed on an annual basis by the NC to ensure that the Board has the appropriate mix of expertise, experience, balance, diversity and knowledge of the Company and collectively possesses the necessary core competencies for effective functioning and informed decision-making. The Board as a group comprises members with core competencies in accounting and finance, human resource, business and management and strategic planning, industry and customer-based experience and knowledge as well as legal expertise.

The Board has examined its and its Board Committees' size and is of the view that they are of an appropriate size, taking into account the scope and nature of the operations of the Company and the requirements of the business.

The Board and the Board Committees comprise Directors who as a group provide the appropriate balance and mix of skills, knowledge, experience and gender so as to avoid groupthink and foster constructive debate for effective decision-making. There is no individual or small group of individuals who dominates the Board's decision-making.

The Board embraces gender diversity and currently has a female Director on the Board and a female in key management personnel. The Board will continue to leverage partnerships and talent networks to identify and attract outstanding female leaders who align with the Company's values and strategic vision.

The Board's collective skill sets were further strengthened in FY2024, particularly in industry and customer-based experience and legal expertise, with the appointments of Mr Ooi Hoe Seong and Mr James Yu Sin Giap. The Board members with their combined business, management and professional experience, knowledge and expertise, provide the core competencies to allow for diverse and objective perspectives on the Group's business and direction. In addition, the Board consists of directors with ages ranging from mid-50s to mid-80s, who have served on the Board for different tenures.

The Board adopted a board diversity policy which recognises the importance of having an effective and diverse Board. The main objective of the policy is to have the appropriate balance of skills, experience, knowledge and other aspects of diversity (eg. gender, age and nationality) on the Board to support the long-term success of the Group. Under the policy, the NC is responsible for recommending to the Board the relevant practices to promote and achieve diversity on the Board.

In accordance with Rule 710A of the Listing Manual, the NC and the Board regularly review and determine the targets, plans and timelines set for achieving various aspects of Board diversity. They also assess the progress made on an annual basis or as and when circumstances require. These targets are:

- (i) majority of the Board members to be independent;
- (ii) at least one female director on the Board and one female in key management personnel; and
- (iii) Board members who have diverse qualifications and backgrounds in areas such as experience in industry and knowledge experience, financial and business, legal and corporate governance, business development and strategic growth.

As of 31 December 2024, all three targets had been achieved. The Board has reviewed and is satisfied that its current composition is well diversified. The NC will continue to review the Board Diversity policy, as appropriate, to ensure its effectiveness, and will recommend appropriate revisions to the Board for consideration and approval.

## *Provision 2.5 (Non-executive directors meet regularly without the presence of Management)*

Where necessary or appropriate including before or after each quarterly meeting of the Board, the non-executive Directors meet without the presence of Management. The chairman of such meetings provides feedback to the Board and/or the Chairman as appropriate.

# CORPORATE GOVERNANCE

## Chairman and Chief Executive Officer

Principle 3: There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision-making.

### *Provision 3.1 (The Chairman and the Chief Executive Officer are separate persons)*

The positions of Executive Chairman and Group Chief Executive Officer are held by separate individuals to ensure an appropriate balance of power, increased accountability and greater capacity of the Board for independent decision-making.

### *Provision 3.2 (Division of responsibilities)*

There is a division of responsibilities between the Executive Chairman and the Group Chief Executive Officer.

Mr Yen Wen Hwa is the Executive Chairman and oversees the overall strategic directions and expansion plans for the growth and development of the Group. As Chairman of the Board, his responsibilities include leading the Board, promoting a culture of openness and debate at the Board, ensuring effective communication with shareholders, encouraging constructive relations between the Board and the Management, facilitating the effective contribution of the non-executive Directors and promoting high standards of corporate governance and sustainability practices. With the assistance of the company secretary, he also ensures that Board meetings are held as and when required, sets the agenda for the Board meetings and ensures the quality, quantity and timeliness of the flow of information between the Management, the Board and the shareholders.

Ms Angela Heng Chor Kiang is the Group Chief Executive Officer who executes the Company's long-term strategy and implements its long and short term plans as well as oversees the overall business and general management of the Group.

### *Provision 3.3 (Lead independent director)*

The Board has a lead independent Director to provide leadership in situations where the Executive Chairman is conflicted. The lead independent Director also provides feedback to the Executive Chairman after meetings of non-executive Directors. Mr Wan Tai Foong is the lead independent Director. He is available to shareholders where they have concerns and for which contact through the normal channels of communication with the Executive Chairman, Group Chief Executive Officer or Chief Financial Officer is inappropriate or inadequate.

## Board Membership

Principle 4: The Board has a formal and transparent process for the appointment and re-appointment of directors, taking into account the need for progressive renewal of the Board.

### *Provision 4.1 (Terms of reference of the Nominating Committee)*

The written terms of reference of the NC include the following:

- (a) making recommendations to the Board on relevant matters relating to:
  - (i) the review of succession plans for Directors, in particular, the appointment and/or replacement of the Executive Chairman, the Group Chief Executive Officer and key management personnel;
  - (ii) the process and criteria for evaluation of the performance of the Board, the Board Committees and the Directors;
  - (iii) the review of training and professional development programmes for the Board and the Directors; and
  - (iv) the appointment and re-appointment of Directors (including alternate Directors, if any);



# CORPORATE GOVERNANCE

- (b) considering important issues as part of the process for the selection, appointment and re-appointment of Directors including the composition and progressive renewal of the Board and each Director's competencies, commitment, contribution and performance (eg. attendance, preparedness, participation and candour) including, if applicable, as an independent Director. All Directors will be required to submit themselves for re-nomination and re-appointment at regular intervals and at least once every three years;
- (c) determining annually, and as and when circumstances require, whether a Director (including an alternate Director) is independent, bearing in mind the circumstances set forth under the Code and any other salient factors;
- (d) assessing whether a Director is able to perform and has been adequately carrying out his duties as a director of the Company, taking into consideration the Director's number of listed company board representations and other principal commitments and where necessary recommending to the Board guidelines to address the competing time commitments that are faced when Directors serve on multiple boards;
- (e) assessing and determining the independence status of the independent Directors;
- (f) reviewing vigorously the independence status of any independent Director serving the Board beyond nine years from the date of his first appointment;
- (g) working with the Board to assess the effectiveness of the Board as a whole and the Board Committees and the contribution by each Director to the effectiveness of the Board; and
- (h) recommending to the Board how the Board's performance may be evaluated and proposing objective performance criteria.

## *Provision 4.2 (Composition of the NC)*

The NC comprises Mr David Ong Kim Huat, Mr Tay Joo Soon and Mr James Yu Sin Giap, majority of whom are independent. The NC Chairman is Mr David Ong Kim Huat.

## *Provision 4.3 (Process for the selection, appointment and re-appointment of Directors)*

With respect to the selection and appointment of new Directors to the Board, the Company procures search services, contacts and recommendations for the purposes of identifying suitably qualified and experienced candidates. The NC reviews the resume of the candidates and considers their skills, knowledge and experience, interviews the short-listed candidates and recommends the most suitable candidate(s) to the Board for approval.

Board appointments are made by way of a board resolution after the NC has, upon reviewing the resume of the proposed Director(s), conducting appropriate interviews and having regard to the Board diversity policy, recommended the proposed appointment(s) to the Board. Pursuant to the Constitution of the Company, each Director is required to retire at least once every three years by rotation, and all newly appointed Directors who are appointed by the Board are required to retire at the next annual general meeting of the Company following their appointment. The retiring Directors are eligible to offer themselves for re-election.

# CORPORATE GOVERNANCE

The dates of initial appointment and last re-election of the Directors, together with their directorships in other listed companies and their principal commitments, are set out below:

Director	Position	Date of Initial Appointment	Date of Last Re-election	Directorships in Other Listed Companies	Other Principal Commitments
Yen Wen Hwa	Executive Chairman	28 February 1996 <sup>(1)</sup>	28 April 2022	Tien Wah Press Holdings Berhad	Director of New Toyo Pulppy (Vietnam) Co. Ltd
Angela Heng Chor Kiang	Group Chief Executive Officer	27 March 2014	26 April 2024	Tien Wah Press Holdings Berhad	Nil
Tengku Tan Sri Dr Mahaleel bin Tengku Ariff	Non-Independent Director	1 March 2007	28 April 2022	Nil	Pro Chancellor of University Utara Malaysia
Wan Tai Foong	Lead Independent Director	1 August 2019	27 April 2023	ASTI Holdings Limited	Chief Executive Officer of Qi Capital Pte. Ltd.
Phua Tin How	Independent Director	27 February 2020	27 April 2023	Nil	Director of Beijing Yinjian Industry Co. Ltd  Director of Hao Hua Holdings Pte. Ltd.  Director of TranSil Corporation Pte. Ltd.
Tay Joo Soon	Non-Independent Director	1 February 2002 <sup>(2)</sup>	26 April 2024	Nil	Director of Asiaco (Private) Limited  Director of Joyean Investments Private Limited  Sole proprietor of Tay Joo Soon & Co
David Ong Kim Huat	Independent Director	1 January 2022	26 April 2024	Ellipsiz Ltd  Hiap Seng Industries Limited  Katrina Group Ltd.	Managing Director of Reddot Media Inc. Pte Ltd
Ooi Hoe Seong	Independent Director	1 July 2024	Not applicable	Nil	Nil
James Yu Sin Giap	Independent Director	1 July 2024	Not applicable	Nil	Yu & Co LLC

## Notes:

<sup>(1)</sup> Mr Yen Wen Hwa was first appointed a Director on 28 February 1996, retired on 30 September 2011 and rejoined the Board on 1 September 2016.

<sup>(2)</sup> Mr Tay Joo Soon was first appointed a Director on 1 February 2002, retired on 26 April 2012 and rejoined the Board on 16 July 2021.

# CORPORATE GOVERNANCE

Key information regarding the Directors, including their shareholdings in the Company, is set out in the “Board of Directors” section and “Directors’ Statement” section of this Annual Report.

The NC, in determining whether to recommend a Director for re-appointment, would have regard to the Director’s performance and contribution to the Group and whether the Director has adequately carried out his or her duties as a director.

The Board has accepted the NC’s recommendation to seek approval from the Shareholders at the forthcoming Annual General Meeting to re-elect the following directors, who will be retiring according to the regulations of the Company’s Constitution, as Directors of the Company:

- (a) Mr Yen Wen Hwa
- (b) Tengku Tan Sri Dr Mahaleel bin Tengku Ariff
- (c) Mr Phua Tin How
- (d) Mr Ooi Hoe Seong
- (e) Mr James Yu Sin Giap

In reviewing the re-nomination of the Board members who are due for re-election as Directors of the Company, the concerned Board members abstain from voting on the resolution in respect of his/her own re-nomination as a Director.

#### *Provision 4.4 (Determining the independence of a Director)*

The Board comprises nine Directors, of whom five are independent, namely, Mr Wan Tai Foong, Mr Phua Tin How, Mr David Ong Kim Huat, Mr Ooi Hoe Seong and Mr James Yu Sin Giap.

The Directors are required to disclose to the Board their relationships with the Company, its related corporations, its substantial shareholders or its officers, if any, which may affect their independence. If the Board, having taken into account the views of the NC, determines that such Directors are independent notwithstanding the existence of such relationships, the Company will disclose the relationships and its reasons in the Annual Report.

The independence of each Director is reviewed annually by the NC. Each independent Director is required to complete a checklist annually to confirm his independence based on the guidelines as set out in the Code. Mr Wan Tai Foong, Mr Phua Tin How, Mr David Ong Kim Huat, Mr Ooi Hoe Seong and Mr James Yu Sin Giap have confirmed that they and their immediate family members are not employed by the Company or any of its related companies for the current and any of the past three financial year and whose remuneration is determined by the Remuneration Committee. They have also confirmed that they do not have any relationship with the Company, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the Director’s independent business judgement with a view to the best interests of the Group.

Having carried out its review, the NC is of the view that Mr Wan Tai Foong, Mr Phua Tin How, Mr David Ong Kim Huat, Mr Ooi Hoe Seong and Mr James Yu Sin Giap have satisfied the criteria for independence.

As of the date of this report, there is no Independent Director that served for an aggregate period of nine or more years from the date of his appointment.

#### *Provision 4.5 (Duties and obligations of the Directors)*

The NC ensures that new Directors are aware of their duties and obligations. The NC also decides if a Director is able to and has been adequately carrying out his or her duties as a director of the Company taking into consideration the Director’s number of listed company board representations and other principal commitments. Such other listed company directorships and principal commitments of each Director are disclosed in the table under Provision 4.3 above.

The NC is satisfied that sufficient time and attention are being given by the Directors to the affairs of the Company, notwithstanding other listed company directorships and/or principal commitments of some Directors.



# CORPORATE GOVERNANCE

## Board Performance

Principle 5: The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its board committees and individual directors.

### *Provision 5.1 (Performance criteria)*

The NC recommends for the Board's approval the objective performance criteria and process for the evaluation of the effectiveness of the Board as a whole, and of each Board Committee separately, as well as the contribution by the Board Chairman and each individual Director to the Board.

### *Provision 5.2 (Assessment process)*

A formal assessment process is in place to assess the effectiveness of the Board, the Board Committees and each Director annually. To-date, the Board does not require the assistance of an external facilitator in relation to the assessment process.

In carrying out the assessment, each Director completes assessment checklists which contain objective performance criteria and factors such as the compositions and effectiveness of the Board and the Board Committees, conduct of meetings, corporate strategy and planning, risk management and internal control, recruitment and evaluation, compensation, financial reporting, communication with shareholders and a Director's skills, knowledge, experience and contributions. Assessment results are analysed and key areas for improvement and follow-up actions are highlighted and discussed at the Board meeting.

## REMUNERATION MATTERS

### Procedures for Developing Remuneration Policies

Principle 6: The Board has a formal and transparent procedure for developing policies on director and executive remuneration, and for fixing the remuneration packages of individual directors and key management personnel. No director is involved in deciding his or her own remuneration.

### *Provision 6.1 (Terms of reference of the Remuneration Committee)*

The RC has specific terms of reference and its duties, roles and authority include:

- (a) reviewing and recommending to the Board a framework of remuneration for the Board and key management personnel;
- (b) reviewing and recommending to the Board the specific remuneration packages for each Director as well as for the key management personnel;
- (c) reviewing the obligations of the Company or its relevant subsidiary in the event of termination or cessation of the Executive Directors' or key management personnel's contracts of service including severance payments, retirement payments, gratuities and ex-gratia payments; and
- (d) considering, evaluating and, if appropriate, recommending to the Board long-term incentive schemes for Directors and key management personnel.

# CORPORATE GOVERNANCE

## *Provision 6.2 (Composition of the RC)*

The RC comprises Mr Phua Tin How, Mr Wan Tai Foong and Tengku Tan Sri Dr Mahaleel bin Tengku Ariff, all of whom are non-executive and the majority, including the RC Chairman, are independent. The RC Chairman is Mr Phua Tin How.

## *Provision 6.3 (Remuneration terms)*

The RC considers all aspects of remuneration including but not limited to director fees, salaries, allowances, bonuses, options, benefits-in-kind and termination terms to ensure they are fair.

## *Provision 6.4 (Remuneration consultants)*

The members of the RC are familiar with executive compensation matters as they manage their own businesses and/or are holding other directorships, and therefore do not currently need the assistance of an external expert. Nonetheless, the RC has access to appropriate external expert advice in the field of executive compensation, if required. The RC's recommendations are submitted to the Board for endorsement. No Director is involved in deciding his/her own remuneration.

## **Level and Mix of Remuneration**

Principle 7: The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the company, taking into account the strategic objectives of the company.

## *Provision 7.1 (Performance-related remuneration)*

A significant and appropriate proportion of the Executive Directors' and key management personnel's remuneration is structured so as to link rewards to corporate and individual performance. Performance-related remuneration is aligned with the interests of shareholders and other stakeholders and promotes the long-term sustainability of the Company.

In setting remuneration packages, the Company takes into account pay and employment conditions within the same industry and in comparable companies, as well as the Group's relative performance and the performance of individual Directors and key management personnel.

Remuneration for the Executive Directors and key management personnel includes a basic salary component, allowances together with other benefits in kind and a variable component based on the performance of the Group as a whole.

## *Provision 7.2 (Non-executive Directors)*

Non-executive Directors receive director fees for their effort and time spent, responsibilities and contributions to the Board, subject to shareholders' approval at annual general meetings. Given the size and operations of the Group, the RC considers the current fees adequately compensate the non-executive Directors, without over-compensating them as to compromise their independence.

## *Provision 7.3 (Attract, retain and motivate)*

The Company has remuneration plans to attract, retain and motivate the Directors to provide good stewardship of the Company and key management personnel to successfully manage the Company for the long term. In formulating the compensation structure, the Company endeavours to maintain transparency, competitiveness, relevance, and appropriateness, while finding a balance between short-term and long-term objectives, so as to attract, retain and motivate talents without being excessive, and maximizing value for our shareholders.

# CORPORATE GOVERNANCE

## Disclosure on Remuneration

Principle 8: The company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation.

### Provision 8.1 (Policy, criteria and breakdown)

Having regard to the nature of the business, structure and requirement of the Group, the Company has established a performance-based remuneration system for Executive Directors and key management personnel that is flexible and responsive to the market, comprising a base salary, other fixed allowances, together with benefits in kind, as well as a performance bonus which is based on the Group's performance and the individual's performance.

The names, amounts and breakdown of remuneration of each Director for FY2024 are set out below:

Directors	Salary <sup>(a)</sup> S\$	Bonus <sup>(b)</sup> S\$	Director Fee S\$	Other Benefits S\$	Total S\$
<b>Executive Chairman</b> Yen Wen Hwa	552,120 73%	85,503 11%	122,500 <sup>(c)</sup> 16%	1,175 0%	761,298 100%
<b>Group Chief Executive Officer and Executive Director</b> Angela Heng Chor Kiang	322,871 70%	24,288 5%	Nil Nil%	114,789 25%	461,948 100%
<b>Non-Independent Director</b> Tengku Tan Sri Dr Mahaleel bin Tengku Ariff	Nil	Nil	70,000 100%	Nil	70,000 100%
<b>Lead Independent Director</b> Wan Tai Foong	Nil	Nil	80,000 100%	Nil	80,000 100%
<b>Independent Director</b> Phua Tin How	Nil	Nil	75,000 100%	Nil	75,000 100%
<b>Non-Independent Director</b> Tay Joo Soon	Nil	Nil	72,500 100%	Nil	72,500 100%
<b>Independent Director</b> David Ong Kim Huat	Nil	Nil	52,500 100%	Nil	52,500 100%
<b>Independent Director</b> Ooi Hoe Seong <sup>(d)</sup>	Nil	Nil	35,000 100%	Nil	35,000 100%
<b>Independent Director</b> James Yu Sin Giap <sup>(e)</sup>	Nil	Nil	25,000 100%	Nil	25,000 100%

### Notes:

<sup>(a)</sup> inclusive of Annual Wage Supplement (AWS) and contributions to the Central Provident Fund.

<sup>(b)</sup> inclusive of variable bonus and contributions to the Central Provident Fund.

<sup>(c)</sup> received from both Tien Wah Press Holdings Berhad and a subsidiary.

<sup>(d)</sup> appointed on 1 July 2024.

<sup>(e)</sup> appointed on 1 July 2024.



# CORPORATE GOVERNANCE

The names, amounts (in bands no wider than S\$250,000) and the breakdown of the remuneration of the top five key management personnel (who are not Directors or the Chief Executive Officer) for FY2024 are set out below:

Key Management Personnel (in remuneration bands)	Salary <sup>(a)</sup> %	Bonus <sup>(b)</sup> %	Director Fee %	Other Benefits %	Total %
<b>S\$500,001 to S\$750,000</b>					
George Lee Chee Whye	89%	11%	Nil	Nil	100%
<b>S\$250,001 to S\$500,000</b>					
Lionel Yap Chee Cheong	80%	11%	2% <sup>(c)</sup>	7%	100%
Gavin Ong Yew Dee	80%	16%	Nil	4%	100%
<b>S\$0 to S\$250,000</b>					
Priscilla Ng Kar Choo	88%	10%	Nil	2%	100%
Lim Wei Mun <sup>(d)</sup>	89%	11%	Nil	Nil	100%

**Notes:**

<sup>(a)</sup> inclusive of Annual Wage Supplement (AWS) and contributions to applicable provident funds.

<sup>(b)</sup> inclusive of variable bonus and contributions to applicable provident funds.

<sup>(c)</sup> received from a subsidiary.

<sup>(d)</sup> joined Tien Wah Press Holdings Berhad, a listed subsidiary of the Company, on 1 October 2024.

The aggregate total remuneration (including CPF contributions and bonuses) paid to the top five key management personnel of the Group (who are not Directors or the Chief Executive Officer) for FY2024 amounted to approximately S\$1,631,000.

The Board is of the view that full disclosure of the specific remuneration of key management personnel (who are not Directors or the Chief Executive Officer) is not in the best interests of the Company, taking into account the sensitive nature of the subject, the competitive business environment the Group operates in and the potential negative impact such disclosure will have on the Group.

*Provision 8.2 (Related employees)*

Save as disclosed above and below, there was no employee in the Group who was a substantial shareholder of the Company or an immediate family member of a Director, the Chief Executive Officer or a substantial shareholder of the Company, and whose remuneration exceeded S\$100,000 during FY2024:

Remuneration Band	Employee	Relationship
S\$150,001 to S\$250,000	Mdm Lu Le Nhi (Executive Director of a subsidiary)	Mdm Lu Le Nhi is the wife of Mr Yen Wen Hwa (Executive Chairman)

*Provision 8.3 (Forms of remuneration)*

During FY2024, the Group paid basic salaries, allowances, CPF contributions and performance/variable bonuses to the Executive Chairman, Group Chief Executive Officer and key management personnel. The remuneration packages of the Executive Chairman, Group Chief Executive Officer and the Heads of Business Divisions included performance bonuses tied to the achievement of their respective key performance indicators and personal management objectives. The foregoing performance conditions were chosen having regard to the nature of the business, structure and requirements of the Group.

# CORPORATE GOVERNANCE

Notwithstanding Provision 8.3 of the Code, the Company does not currently have any employee share scheme as the existing compensation structure with variable components paid out in cash continues to be effective in incentivising performances of key executives. The Company is of the view that the existing compensation structure is consistent with the intent of Principle 8 of the Code which includes linking key management personnel's remuneration to corporate and individual performance.

## ACCOUNTABILITY AND AUDIT

### Risk Management and Internal Controls

Principle 9: The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls, to safeguard the interests of the company and its shareholders.

#### *Provision 9.1 (Risk Committee)*

The Board determines the nature and extent of the significant risks which the Company is willing to take in achieving its strategic objectives and value creation. The Board has delegated such tasks to the AC.

The Board and the AC recognise that they have overall responsibility to ensure proper financial reporting for the Group and adequacy and effectiveness of the Group's system of internal controls, including financial, operational, compliance, information technology and sanctions-related controls, sustainability and risk management policies and systems. With regard to sanctions-related risks, the Board and the AC are responsible for (a) monitoring the Company's risk of becoming subject to, or violating, any sanctions-related law or regulation; and (b) ensuring timely and accurate disclosures to SGX-ST and other relevant authorities. The Board confirms that there has been no material change in its risk of being subject to any sanctions-related law or regulation as at the date of this Annual Report, and if there is any material change this would be immediately announced on SGXNET.

Climate-related risks have been an area of concern that has the potential impact to the Group's business. There are growing expectations from the customers for greener and climate-resilience services. The Group Sustainability Policy embodies our commitment to minimizing the environmental footprint of our business operations by integrating sustainability and ecological awareness into our business practices, processes, and operations. More proactive measures and environmental practices are under way to ensure compliance with specific requirements in line with the new mandate by the SGX-ST to disclose climate-related risks and opportunities. More details can be found in the Sustainability Report which will be released by 30 April 2025.

The board of directors of Tien Wah Press Holdings Berhad ("TWPH"), the Company's listed subsidiary in Malaysia, is responsible for the oversight of TWPH group's internal controls and risk management systems and the Board relies on the Company's nominees to the board of directors of TWPH to provide oversight together with the other board members of TWPH on the adoption and implementation of appropriate corporate governance practices, internal controls, sustainability and risk management systems.

The Group has developed a risk management framework to ensure that the structure, policies and processes are aligned with the strategic direction set by the Board. The Group Risk Committee, comprising key management personnel, is responsible for directing and monitoring the development, implementation as well as the practice of Enterprise Risk Management across the Group. The material risks and the countermeasures in place to mitigate those risks are reported, through the Group Chief Executive Officer and the Chief Financial Officer, to the AC for review every half-yearly.

The internal controls structure of the Group has been designed and put in place to ensure the Group's business units provide reasonable assurance against material financial misstatements or losses and for the safeguarding of assets, the maintenance of proper accounting records, the provision of financial and other information with integrity, reliability and relevance, and the compliance with applicable laws and regulations. However, no internal controls system can provide absolute assurance in view of inherent limitations of any internal controls system against the occurrence of human and system errors, poor judgment in decision making, losses, fraud or other irregularities.

# CORPORATE GOVERNANCE

The internal and external auditors conduct audits that involve assessing the adequacy and effectiveness of the material internal controls system in the Group. Any material non-compliance or lapses in internal controls together with corrective measures recommended by the internal and external auditors are reported to the AC. The effectiveness of the measures taken by management in response to the recommendations made by the internal and external auditors is also reviewed by the AC.

Based on the work performed by the internal auditors during the financial year, as well as the statutory audit by the external auditors, and the written assurance from management, the Board, with the concurrence of the AC, is of the opinion that the internal controls (including financial, operational, compliance, information technology and sanctions-related controls) and sustainability and risk management systems which the Company considers relevant and material within the current scope of the Group's business operations were adequate and effective as at 31 December 2024.

The Board notes that no system of internal controls can provide absolute assurance against the occurrence of material errors, poor judgment in decision-making, human error, fraud or other irregularities. The Board will continue its risk assessment process, which is an on-going process, with a view to improving the Group's internal controls and risk management systems.

## *Provision 9.2 (Assurance)*

The Board has received assurance from:

- (a) the Group Chief Executive Officer and the Chief Financial Officer that the financial records have been properly maintained and the financial statements give a true and fair view of the Company's operations and finances; and
- (b) the Group Chief Executive Officer and other key management personnel who are responsible, regarding the adequacy and effectiveness of the Company's risk management and internal control systems.

## **Audit Committee**

Principle 10: The Board has an Audit Committee which discharges its duties objectively.

## *Provision 10.1 (Duties)*

The AC has specific terms of reference and its duties, roles and authority include:

- (a) reviewing the audit plans of the external auditors, their evaluation of the system of internal accounting controls and their audit report;
- (b) reviewing the significant financial reporting issues and judgements so as to ensure the integrity of the financial statements of the Company and any announcements relating to the Company's financial performance including the half-yearly and annual financial statements, before submission to the Board;
- (c) reviewing the assistance given by the Company's officers to the external auditors;
- (d) reviewing the scope and results of internal audit procedures and the effectiveness of the Company's internal audit function;
- (e) ensuring that a review of the effectiveness of the Company's internal controls is conducted annually by the internal and/or external auditors;
- (f) reviewing with the internal and external auditors their findings on their evaluation of the Company's system of internal controls;

# CORPORATE GOVERNANCE

- (g) reviewing and reporting to the Board at least annually the adequacy and effectiveness of the Company's internal controls, including financial, operational, compliance, information technology and sanctions-related controls;
- (h) assessing whether there is a need to obtain independent legal advice or appoint a compliance adviser in relation to the sanctions-related risks applicable to the Company and continuous monitoring of the validity of the information provided to shareholders and SGX-ST;
- (i) reviewing the effectiveness of the Group's risk management framework and systems including its overall risk strategy and risk identification, assessment and management processes;
- (j) reviewing and discussing with the external auditors any suspected fraud or irregularity, or suspected infringement of any relevant laws, rules or regulations, which has or is likely to have a material impact on the Group's operating results or financial position;
- (k) reviewing the cost effectiveness, independence and objectivity of the external auditors, taking into consideration any non-audit services provided to the Company;
- (l) nominating the appointment or re-appointment of the external auditors and approving the remuneration and terms of engagement of the external auditors;
- (m) reviewing interested person transactions falling within the scope of the SGX-ST Listing Manual;
- (n) meeting with external auditors and internal auditors, in each case without the presence of management, at least annually; and
- (o) reviewing material sustainability topics, climate-related risks and opportunities together with business plans, strategy and directions, as well as monitoring implementation, target and performance.

## Whistleblowing Policy

The Company has put in place a whistleblowing policy which sets out the procedures for employees and external parties to raise concerns or make a report on misconduct or wrongdoing relating to any entity in the Group or any of its officers and provisions for keeping the identity of the whistleblower confidential and protection of the whistleblower from reprisal as well as arrangements for independent investigations of such concerns or reports and for appropriate follow up actions to be taken. The existence of such policy has been communicated to the employees.

The policy establishes a confidential line of communication to report concerns about possible improprieties to the AC Chairman and ensures the independent investigation and follow-up of reports made in good faith. The contact details of the AC Chairman have been made available to employees in the Group. The Company will treat all information received confidentially and protect the identity of whistleblowers. Moreover, the Company is committed to ensuring protection of whistleblowers who have acted in good faith against reprisal and detrimental or unfair treatment.

The AC is responsible for the overall oversight and monitoring of the whistleblowing policy and its implementation. In particular, the AC reviews the whistleblowing policy from time to time and also reviews and considers all whistleblowing complaints to ensure independent, thorough investigation and appropriate follow-up actions. The outcome of each investigation is reported to the AC. There have been no incidents reported or complaints submitted pertaining to whistleblowing for FY2024.

In addition, the AC has authority to investigate any matter within its scope of duties and functions, full access to and co-operation by the management of the Company, full discretion to invite any Director or executive officer to attend its meetings, and reasonable resources to enable it to discharge its duties and functions properly.



# CORPORATE GOVERNANCE

The activities carried out by the AC during the financial year include reviewing quarterly and full year financial statements, reviewing interested and related party transactions, reviewing internal audit plan and reports, reviewing reports of the Group Risk Committee and reviewing the re-appointment of the external auditors and their fees. The AC also meets with the external and internal auditors without the presence of management on an annual basis.

During the financial year, the AC reviewed the financial statements of the Group before the announcement of the Group's half-year and full-year results. In the process, the AC reviewed the key areas of Management's estimates and judgement applied for key financial issues including revenue recognition, impairment testing, provisioning policies, critical accounting policies and any other significant matters that might affect the integrity of the financial statements. The AC also considered the report from the external auditors, including their findings on the significant risks and audit focus areas. Significant matters that were discussed with Management and the external auditors have been included as Key Audit Matters ("KAMs") in the audit report for the financial year ended 31 December 2024. Please refer to pages 44 to 45 of this Annual Report.

In assessing each of the KAMs, the AC took into consideration the approach and methodology applied in the valuation of assets, as well as the reasonableness of the estimates and key assumptions used. In addition to the views from the external auditors, subject matter experts, such as independent valuers, were consulted where necessary. The AC concluded that Management's accounting treatment and estimates in each of the KAMs were appropriate.

The AC keeps abreast of changes to accounting standards and issues which have a direct impact on financial statements by receiving updates from the external auditors and seeking advice and clarifications from them during quarterly meetings and when necessary.

The fees payable to the external auditors are set out on page 79 of this Annual Report. The AC has reviewed the nature and extent of non-audit services provided by external auditors to the Group during the financial year and is satisfied that the nature and extent of such services are not likely to prejudice the independence of the external auditors.

The Company has complied with Rules 712 and 715 of the SGX-ST Listing Manual in relation to its external auditors.

## *Provision 10.2 (Composition of the AC)*

The AC comprises Mr Wan Tai Foong, as Chairman, and Mr Phua Tin How, Tengku Tan Sri Dr Mahaleel bin Tengku Ariff, Mr Tay Joo Soon and Mr Ooi Hoe Seong, as members. All the members are non-executive and the majority, including the AC Chairman, are independent. The members, including the AC Chairman, have recent and relevant accounting or related financial management expertise or experience.

## *Provision 10.3 (No interest in auditing firm)*

The AC does not comprise former partners or directors of the Company's existing auditing firm or auditing corporation: (a) within a period of two years commencing on the date of their ceasing to be a partner of the auditing firm or director of the auditing corporation; and in any case, (b) for as long as they have any financial interest in the auditing firm or auditing corporation.

## *Provision 10.4 (Internal audit)*

The role of the internal audit is to assist the AC in ensuring that the controls are effective and functioning as intended, to undertake investigations as directed by the AC and to conduct regular in-depth audits of high-risk areas.

The internal audit function is outsourced to an external professional firm, Baker Tilly Consultancy (Singapore) Pte Ltd, who is a member of the Institute of Internal Auditors Singapore and staffed with persons with the relevant qualifications and experience, to perform the review and testing of internal controls of the Group's processes per the International Professional Practices Framework issued by the Institute of Internal Auditors. The AC approves the appointment, removal, evaluation and compensation of the internal auditors. The internal auditors have unfettered access to all the Group's documents, records, properties and personnel, including access to the AC. The internal audit function has appropriate standing within the Company.

# CORPORATE GOVERNANCE

The internal auditors report directly to the AC Chairman. The AC reviews and approves the annual internal audit plans, and reviews the scope and results of the internal audit performed by the internal auditors. The AC reviews the adequacy and effectiveness of the internal audit function annually. The AC is satisfied that the internal audit function is adequately resourced and that the internal auditors are independent and have the appropriate standing to perform their functions effectively. Based on its latest review, the AC is satisfied that the internal audit function then in place is adequate and effective bearing in mind that improvement to such function is an on-going process taking into account the prevailing scope of the Group's operations and business environment.

With regard to the Printed Cartons & Labels Business, the board of directors of TWPH (the Company's listed subsidiary in Malaysia) has established an internal audit function within the company, which is led by both the in-house internal audit department and a reputable business advisory firm (co-sourced internal audit), who report directly to the audit committee of TWPH.

## *Provision 10.5 (Meeting without presence of Management)*

On an annual basis, the AC meets with the external auditors and the internal auditors without the presence of Management, enabling the auditors to raise any issues in the course of their work directly to the AC.

## **SHAREHOLDER RIGHTS AND ENGAGEMENT**

### **Shareholder Rights and Conduct of General Meetings**

Principle 11: The company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the company. The company gives shareholders a balanced and understandable assessment of its performance, position and prospects.

## *Provision 11.1 (Shareholder participation)*

Shareholders are informed of general meetings through notices published in the newspapers, through reports or circulars sent to all shareholders and via SGXNET.

The Company provides shareholders with the opportunity to participate effectively in and vote at general meetings of shareholders and informs them of the rules governing general meetings of shareholders.

The Constitution of the Company allows shareholders to vote at general meetings in person or by proxy and equal effect is given to such votes. A shareholder may appoint up to two proxies to attend and vote at general meetings. A shareholder who is a relevant intermediary (as defined in the Companies Act) may appoint more than two proxies but each proxy must be appointed to exercise the rights attached to a different share or shares held by such shareholder.

The Company conducts electronic poll voting for all its resolutions. Through the service provider's poll voting system, the number of votes cast for and against each resolution and the respective percentages are tallied and displayed on the screen during the general meetings. An independent scrutineer firm would be present to validate the votes at the general meetings. The detailed results of the electronic poll voting on each resolution tabled at the general meetings, including the total number of votes cast for or against each resolution, would be announced after the general meetings via SGXNET.

## *Provision 11.2 (Separate resolutions)*

The Company tables separate resolutions at general meetings of shareholders on each substantially separate issue unless the issues are interdependent and linked so as to form one significant proposal. Where the resolutions are "bundled", the Company explains the reasons and material implications in the notice of meeting.

# CORPORATE GOVERNANCE

## *Provision 11.3 (Director attendance)*

All Directors attend general meetings of shareholders, and the external auditors are also present to address shareholders' queries about the conduct of audit and the preparation and content of the auditors' report. Directors' attendance at such meetings held during the financial year is disclosed on page 23 of this Annual Report.

## *Provision 11.4 (Absentia voting)*

The Company will propose amendment to its Constitution to provide for absentia voting at general meetings at the next round of amendment of its Constitution or when it is ready to implement such form of voting. Merely amending the Constitution to provide for absentia voting will not cause the Company to be ready to implement such form of voting. Prior to such implementation, the Company will need to address issues concerning authentication of shareholder identity and other related security as well as integrity of the information provided. The Company is of the view that such approach is consistent with the intent of Principle 11 of the Code which is to treat all shareholders fairly and equitably in order to enable them to *inter alia* exercise shareholders' rights.

## *Provision 11.5 (Minutes)*

The Company publishes minutes of general meetings of shareholders on its corporate website as soon as practicable. The minutes record substantial and relevant comments or queries from shareholders relating to the agenda of the general meeting, and responses from the Board and Management.

## *Provision 11.6 (Dividend Policy)*

The Board has adopted a dividend policy that aims to provide shareholders with an aggregate annual dividend of up to 50% of the Group's net profit attributable to shareholders of the Company excluding non-controlling interests and non-recurring, one-off and exceptional items (or such higher amount as may be proposed by the Board), with effect from the financial year ended 31 December 2019. In recommending any amount of dividends, the Board may take into account the Group's cash flow position and financial condition, current and projected financial performance, capital expenditure and other investment plans, business prospects, projected working capital requirements for business growth and other relevant factors as the Board may deem appropriate.

The Board has proposed a final tax-exempt (1-tier) dividend of 0.9 Singapore cent per ordinary share for the financial year ended 31 December 2024. This is subject to shareholders' approval at the forthcoming AGM.

## **Engagement with Shareholders**

Principle 12: The company communicates regularly with its shareholders and facilitates the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the company.

## *Provision 12.1 (Communication)*

The Company provides avenues for communication between the Board and all shareholders. To solicit and understand the views of shareholders, the Company seeks to maintain regular dialogue with its shareholders by allowing them to share with Directors or senior management from time to time their views and concerns.

## *Provision 12.2 (Investor relations policy)*

The Company has in place an investor relations policy which allows for an ongoing exchange of views so as to actively engage and promote regular, effective and fair communication with shareholders.

# CORPORATE GOVERNANCE

The Company strives for timeliness and consistency in its disclosures to shareholders. It is the Company's policy to keep all shareholders informed of developments or changes that are likely to have a material impact on the price or value of the Company's securities, through announcements via SGXNET. Such announcements are communicated on an immediate basis, or as soon as possible where immediate disclosure is not practicable.

## *Provision 12.3 (Mechanism)*

The Company's investor relations policy sets out the mechanism through which shareholders may contact the Company with questions and through which the Company may respond to such questions. As part of the policy, the Company regularly conveys pertinent information, gathers views or input, and addresses shareholders' concerns. In this regard, the Company provides timely information, including disclosure on corporate developments, to its shareholders via SGXNET announcements and its website and ensures that price-sensitive information is publicly released and is announced within the mandatory period. The Company does not practise selective disclosure. The views of shareholders are gathered at shareholder meetings where shareholders are permitted to ask questions and seek a better understanding of the Group.

## **MANAGING STAKEHOLDERS RELATIONSHIPS**

### **Engagement with Stakeholders**

Principle 13: The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the company are served.

## *Provision 13.1 (Engagement with stakeholders)*

The Company identifies its investors, customers, suppliers, employees and regulators as material stakeholders who may materially impact or be directly impacted by the Group's activities. Therefore, the Company has arrangements in place to engage with these material stakeholders and manage its relationships with them.

Stakeholder relations are managed by various departments at the corporate level. Engagement includes regular meetings with and feedback from customers and suppliers as well as regular management meetings and employee feedback.

## *Provision 13.2 (Strategy and key areas of focus)*

The Company's strategy and key areas of focus in relation to the management of stakeholder relationships during FY2024 were as follows:

- providing investors with relevant information about the Company and its activities and seeking their views on the Company's financial performance and activities;
- interacting with customers and suppliers regularly to better understand each other's concerns and needs and working with them to address these concerns and needs;
- communicating with the Group's employees in various ways to ensure that the Company knows their concerns and that they are aligned with the Company's strategies; and
- providing feedback to and complying with the regulations and policies of regulators.

## *Provision 13.3 (Website)*

The Company currently maintains a corporate website at [www.newtoyo.com](http://www.newtoyo.com) to communicate and engage with stakeholders.



# DIRECTORS' STATEMENT

The directors are pleased to present their statement to the members together with the audited consolidated financial statements of New Toyo International Holdings Ltd (the "Company") and its subsidiaries (collectively, the "Group") and the statement of financial position of the Company for the financial year ended 31 December 2024.

## Opinion of the directors

In the opinion of the directors,

- (i) the consolidated financial statements of the Group and the statement of financial position of the Company are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2024 and of the financial performance, changes in equity and cash flows of the Group for the year ended on that date; and
- (ii) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

## Directors

The directors of the Company in office at the date of this statement are:

Yen Wen Hwa  
Angela Heng Chor Kiang  
Wan Tai Foong  
Tay Joo Soon  
Tengku Tan Sri Dr Mahaleel bin Tengku Ariff  
Phua Tin How  
Ong Kim Huat  
James Yu Sin Giap (appointed on 1 July 2024)  
Ooi Hoe Seong (appointed on 1 July 2024)

## Arrangements to enable directors to acquire shares and debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whose object is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

# DIRECTORS' STATEMENT

## Directors' interests in shares or debentures

The following directors, who held office at the end of the financial year, had, according to the register of directors' shareholdings required to be kept under Section 164 of the Singapore Companies Act 1967, an interest in shares and share options of the Company and related corporations (other than wholly-owned subsidiaries) as stated below:

Name of director	Direct interest		Deemed interest	
	At the beginning of financial year	At the end of financial year	At the beginning of financial year	At the end of financial year
<b>The Company</b>				
<b>Ordinary shares</b>				
Yen Wen Hwa	139,959,164	139,959,164	87,910,517	87,910,517
Angela Heng Chor Kiang	500,000	500,000	–	–
Tay Joo Soon	190,004	190,004	30,000	30,000

By virtue of Section 7 of the Act, Yen Wen Hwa is deemed to have an interest in shares of all the subsidiaries to the extent held by the Company.

There was no change in any of the above-mentioned interests in the Company between the end of the financial year and 21 January 2025.

Except as disclosed in this statement, no director who held office at the end of the financial year had interests in shares, share options or debentures of the Company, or of related corporations, either at the beginning of the financial year, or at the end of the financial year.

## Share options

There were no options granted during the financial year to subscribe for unissued shares of the Company or its subsidiaries.

There were no shares issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company or its subsidiaries.

There were no unissued shares of the Company or its subsidiaries under options granted by the Company or its subsidiaries at the end of the financial year.

# DIRECTORS' STATEMENT

## **Audit Committee (“AC”)**

The members of the AC at the date of this statement are as follows:

Wan Tai Foong (Chairman)  
Tay Joo Soon  
Tengku Tan Sri Dr Mahaleel bin Tengku Ariff  
Phua Tin How  
Ooi Hoe Seong

Majority of the AC members are independent non-executive directors.

The AC carried out its functions in accordance with Section 201B (5) of the Singapore Companies Act 1967, the SGX listing manual and the Singapore Code of Corporate Governance 2018.

The AC held four (4) meetings during the financial year. In performing its functions, the AC had met with the Company's internal and external auditors to discuss the scope of their work, the results of their examination and evaluation of the Company's internal accounting control system.

The AC also reviewed the following:

- Assistance provided by the Company's officers to the internal and external auditors;
- Half-yearly financial information and annual financial statements of the Group and the Company prior to their submission to the directors of the Company for adoption; and
- Interested person transactions (as defined in Chapter 9 of the SGX Listing Manual).

The AC has full access to management and is given the resources required for it to discharge its functions. It has full authority and the discretion to invite any director or executive officer to attend its meetings. The AC also recommends the appointment of the external auditors and reviews the level of audit and non-audit fees.

Further details regarding the AC are disclosed in the Corporate Governance Report in the Company's Annual Report 2024.

## **Auditor**

Ernst & Young LLP have expressed their willingness to accept re-appointment as auditor.

On behalf of the board of directors:

Yen Wen Hwa  
Director

Angela Heng Chor Kiang  
Director

14 April 2025

# INDEPENDENT AUDITOR'S REPORT

For The Financial Year Ended 31 December 2024

## Report on the audit of the financial statements

### Opinion

We have audited the financial statements of New Toyo International Holdings Ltd (the “Company”) and its subsidiaries (collectively, the “Group”), which comprise the statements of financial position of the Group and the Company as at 31 December 2024, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and consolidated statement of cash flows of the Group for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the Act) and Singapore Financial Reporting Standards (International) (SFRS(I)) so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 December 2024 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the year ended on that date.

### Basis for opinion

We conducted our audit in accordance with Singapore Standards on Auditing (SSAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group in accordance with the *Accounting and Corporate Regulatory Authority (ACRA) Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (ACRA Code)* together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### 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 current year. These matters were addressed in the context of our audit of the financial statements 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 our responsibilities described in the Auditor's 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 for our audit opinion on the accompanying financial statements.

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

As at 31 December 2024, the Group has net carrying value of goodwill, intangible assets, property, plant and equipment (“PPE”) and right-of-use assets (“ROUA”) amounting to \$22.1 million, \$0.1 million, \$78.4 million and \$11.0 million respectively. The assets are allocated to the respective cash-generating unit (“CGU”). Goodwill is tested for impairment annually by estimating the recoverable amounts of the CGU using the value-in-use model. For intangible assets, PPE and ROUA, management has assessed that there were indicators of impairment or reversal of impairment and similarly, management applied the value-in-use (discounted cash flow method) to determine the recoverable amounts of the respective CGUs. For PPE and ROUA of a CGU with indicator of impairment or reversal of impairment, management also engaged external valuer to perform valuations of the leasehold property within the CGU.

We considered the audit of management's impairment assessment to be a key audit matter because the assessment process involves management exercising significant judgement and making assumptions of future market and economic conditions.



# INDEPENDENT AUDITOR'S REPORT

For The Financial Year Ended 31 December 2024

## Key audit matters (cont'd)

### *Impairment assessment of goodwill, intangible assets, property, plant and equipment and right-of-use assets (cont'd)*

We evaluated the appropriateness of CGU identified by management based on our knowledge of the business acquisition giving rise to the goodwill and our understanding of the current business of the Group.

For impairment assessment using valuation performed by external valuer, we performed the following procedures:

- We considered the objectivity, independence and competency of the external valuer and the scope of their engagement;
- We assessed the appropriateness of methodology applied by the external valuer;
- We assessed the reasonableness of the key assumptions and information used in the valuation, such as discount rates, annual growth rates and terminal growth rates by comparing them to available external industry data, taking into consideration market conditions prevailing at the reporting date; and
- We have also obtained the value-in-use model and performed procedures detailed below to determine the recoverable amount, being the higher of its fair value less cost of disposal and its value in use.

For the impairment assessment using the value-in-use model, we performed the following procedures:

- We assessed management's process of setting budgets on which the cash flow forecasts are based;
- We assessed the reasonableness of key assumptions used in cash flow projections by comparing them against historical performance, future business plans and external market reports;
- We independently derived applicable discount rates from comparable companies and compared these with those used by management; and
- We also performed sensitivity analysis, focusing on plausible changes in the key assumptions or discount rates, and analysed the impact to the carrying amount.

We involved our internal valuation specialists in performing some of these procedures. We also reviewed the adequacy of the disclosures made on the goodwill, intangible assets, PPE and ROUA in Notes 11, 12 and 25 to the financial statements.

## Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements 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.

# INDEPENDENT AUDITOR'S REPORT

For The Financial Year Ended 31 December 2024

## Responsibilities of management and directors for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I), and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group'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 management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

## Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs 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 SSAs, 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, 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 internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's 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 ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the group audit. We remain solely responsible for our audit opinion.

# INDEPENDENT AUDITOR'S REPORT

For The Financial Year Ended 31 December 2024

## **Auditor's responsibilities for the audit of the financial statements (cont'd)**

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

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

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

## **Report on other legal and regulatory requirements**

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Hah Yanying.

Ernst & Young LLP  
Public Accountants and  
Chartered Accountants  
Singapore

14 April 2025

# CONSOLIDATED INCOME STATEMENT

For The Financial Year Ended 31 December 2024

		Group	
	Note	2024 \$'000	2023 \$'000
Revenue	4	317,543	306,397
Cost of sales		(283,548)	(271,507)
<b>Gross profit</b>		33,995	34,890
Other income	5	7,047	7,640
Distribution expenses		(5,891)	(5,057)
Administrative expenses		(18,351)	(18,284)
Other operating expenses	6	(1,908)	(1,171)
<b>Results from operating activities</b>		14,892	18,018
Finance income	7	342	514
Finance costs	7	(869)	(831)
<b>Net finance costs</b>		(527)	(317)
Share of loss of equity-accounted investees (net of tax)		(539)	(371)
<b>Profit before tax</b>	8	13,826	17,330
Income tax expense	9	(2,690)	(3,277)
Profit for the year		11,136	14,053
<b>Profit attributable to:</b>			
Owners of the Company		9,341	12,809
Non-controlling interest		1,795	1,244
<b>Profit for the year</b>		11,136	14,053
<b>Earnings per share</b>			
Basic earnings per share (cents)	10	2.13	2.91
Diluted earnings per share (cents)	10	2.13	2.91

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



# CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For The Financial Year Ended 31 December 2024

	Note	Group 2024 \$'000	2023 \$'000
<b>Profit for the year</b>		11,136	14,053
Other comprehensive income:			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Foreign currency translation – foreign operations		3,877	(3,328)
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Actuarial gain on defined benefit plans		39	103
<b>Other comprehensive income for the year, net of tax</b>		3,916	(3,225)
<b>Total comprehensive income for the year</b>		15,052	10,828
<b>Total comprehensive income attributable to:</b>			
Owners of the Company		11,983	10,666
Non-controlling interests		3,069	162
<b>Total comprehensive income for the year</b>		15,052	10,828

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

# STATEMENTS OF FINANCIAL POSITION

As At 31 December 2024

		Group		Company	
	Note	2024	2023	2024	2023
		\$'000	\$'000	\$'000	\$'000
		(Restated)			
ASSETS					
Non-current assets					
Property, plant and equipment	11	78,427	70,062	169	368
Right-of-use assets	25	10,962	10,155	38	166
Intangible assets and goodwill	12	22,251	22,652	–	–
Investment properties	13	2,526	2,638	–	–
Subsidiaries	14	–	–	116,981	116,616
Joint ventures	15	10,114	9,057	–	–
Investment securities	16	841	788	790	730
Other investments	16	1,267	1,265	693	693
Deferred tax assets	26	1,122	1,184	–	–
Trade and other receivables	18	1,219	525	11,066	8,360
		128,729	118,326	129,737	126,933
Current assets					
Inventories	17	48,335	37,128	–	–
Trade and other receivables	18	54,783	63,882	9,890	9,807
Cash and bank balances	19	20,126	30,446	3,167	7,665
Contract assets	4	3,864	3,819	–	–
		127,108	135,275	13,057	17,472
Total assets		255,837	253,601	142,794	144,405
EQUITY AND LIABILITIES					
Current liabilities					
Trade and other payables	20	51,627	55,378	14,456	15,425
Loans and borrowings	24	–	331	–	–
Lease liabilities	25	1,513	1,530	37	139
Income tax payable		1,416	1,191	73	64
		54,556	58,430	14,566	15,628
Non-current liabilities					
Trade and other payables	20	853	797	–	–
Lease liabilities	25	9,571	8,827	7	45
Deferred tax liabilities	26	1,241	1,250	11	11
		11,665	10,874	18	56
Total liabilities		66,221	69,304	14,584	15,684
Net assets		189,616	184,297	128,210	128,721

# STATEMENTS OF FINANCIAL POSITION

As At 31 December 2024

	Note	Group		Company	
		2024	2023	2024	2023
		\$'000	\$'000	\$'000	\$'000
(Restated)					
Equity attributable to owners of the Company					
Share capital	21	132,102	132,102	132,102	132,102
Treasury shares	21	(183)	–	(183)	–
Reserves	21	(8,960)	(11,619)	77	77
Retained earnings		29,608	28,745	(3,786)	(3,458)
		152,567	149,228	128,210	128,721
Non-controlling interests	14	37,049	35,069	–	–
Total equity		189,616	184,297	128,210	128,721
Total equity and liabilities		255,837	253,601	142,794	144,405

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

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For The Financial Year Ended 31 December 2024

	Note	Share capital \$'000	Treasury shares \$'000	Capital reserve \$'000	Other reserves \$'000	Translation reserve \$'000	Retained earnings \$'000	Total attributable to owners of the Company \$'000	Non-controlling interests \$'000	Total equity \$'000
<b>Group</b>										
<b>2024</b>										
Balance at 1 January 2024		132,102	–	874	506	(12,999)	28,745	149,228	35,069	184,297
Profit for the year		–	–	–	–	–	9,341	9,341	1,795	11,136
<u>Other comprehensive income</u>										
Actuarial gain on defined benefit plans		–	–	–	30	–	–	30	9	39
Foreign currency translation differences		–	–	–	–	2,612	–	2,612	1,265	3,877
Other comprehensive income for the year, net of tax		–	–	–	30	2,612	–	2,642	1,274	3,916
Total comprehensive income for the year		–	–	–	30	2,612	9,341	11,983	3,069	15,052
<u>Contributions by and distributions to owners</u>										
Purchase of treasury shares	21	–	(183)	–	–	–	–	(183)	–	(183)
Dividends	22	–	–	–	–	–	(8,349)	(8,349)	–	(8,349)
Dividends paid to non-controlling interests	22	–	–	–	–	–	–	–	(1,106)	(1,106)
Total contributions by and distributions to owners		–	(183)	–	–	–	(8,349)	(8,532)	(1,106)	(9,638)
<u>Others</u>										
Change in development reserve fund		–	–	–	17	–	(129)	(112)	17	(95)
		–	–	–	17	–	(129)	(112)	17	(95)
<b>Balance at 31 December 2024</b>		<b>132,102</b>	<b>(183)</b>	<b>874</b>	<b>553</b>	<b>(10,387)</b>	<b>29,608</b>	<b>152,567</b>	<b>37,049</b>	<b>189,616</b>



# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For The Financial Year Ended 31 December 2024

	Note	Share capital \$'000	Capital reserve \$'000	Other reserves \$'000	Translation reserve \$'000	Retained earnings \$'000	Total attributable to owners of the Company \$'000	Non-controlling interests \$'000	Total equity \$'000
<b>Group</b>									
<b>2023</b>									
Balance at 1 January 2023		132,102	874	382	(10,777)	23,954	146,535	36,146	182,681
Profit for the year		-	-	-	-	12,809	12,809	1,244	14,053
<u>Other comprehensive income</u>									
Actuarial gain on defined benefit plans		-	-	79	-	-	79	24	103
Foreign currency translation differences		-	-	-	(2,222)	-	(2,222)	(1,106)	(3,328)
Other comprehensive income for the year, net of tax		-	-	79	(2,222)	-	(2,143)	(1,082)	(3,225)
Total comprehensive income for the year		-	-	79	(2,222)	12,809	10,666	162	10,828
<u>Contributions by and distributions to owners</u>									
Dividends	22	-	-	-	-	(7,910)	(7,910)	-	(7,910)
Dividends paid to non-controlling interests	22	-	-	-	-	-	-	(1,284)	(1,284)
Total contributions by and distributions to owners		-	-	-	-	(7,910)	(7,910)	(1,284)	(9,194)
<u>Others</u>									
Change in development reserve fund		-	-	45	-	(108)	(63)	45	(18)
		-	-	45	-	(108)	(63)	45	(18)
<b>Balance at 31 December 2023</b>		<b>132,102</b>	<b>874</b>	<b>506</b>	<b>(12,999)</b>	<b>28,745</b>	<b>149,228</b>	<b>35,069</b>	<b>184,297</b>

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

# CONSOLIDATED STATEMENT OF CASH FLOWS

For The Financial Year Ended 31 December 2024

	Note	Group 2024 \$'000	2023 \$'000
<b>Cash flows from operating activities</b>			
Profit before tax		13,826	17,330
Adjustments for:			
Amortisation of other investments	6	5	5
Depreciation and amortisation		13,235	13,176
Reversal of impairment loss on property, plant and equipment	5	(2,228)	(2,538)
Reversal of impairment loss on right-of-use assets	5	(229)	–
Dividend income from quoted investments	5	(14)	(4)
Loss/(gain) on disposal of property, plant and equipment, net		22	(77)
Allowance for inventory obsolescence	8	387	264
Impairment loss on trade/non-trade receivables, net	6,8	114	502
Net change in fair value of equity securities		7	42
Net finance costs	7	527	317
Property, plant and equipment written off	6	110	297
Provision for termination benefits		–	97
Share of loss of equity-accounted investees (net of tax)		539	371
Exchange differences		949	26
Total adjustments		13,424	12,478
<b>Operating cash inflows before changes in working capital</b>		27,250	29,808
Changes in working capital:			
- Inventories		(11,853)	3,770
- Contract assets		(58)	(1,161)
- Trade and other receivables		8,823	(2,620)
- Trade and other payables		(3,938)	7,096
- Employee benefits		58	(288)
Total changes in working capital		(6,968)	6,797
<b>Cash flows generated from operations</b>		20,282	36,605
Income tax paid		(2,680)	(3,450)
<b>Net cash flows generated from operating activities</b>		17,602	33,155

# CONSOLIDATED STATEMENT OF CASH FLOWS

For The Financial Year Ended 31 December 2024

		Group	
	Note	2024 \$'000	2023 \$'000
<b>Cash flows from investing activities</b>			
Acquisition of property, plant and equipment		(15,970)	(17,320)
Dividends received from quoted investments	5	14	4
Capital contribution to equity-accounted investees	15	(1,050)	–
Interest received	7	342	514
Proceeds from disposal of property, plant and equipment		131	507
Placement of deposit with maturity period more than 3 months		(2,262)	301
<b>Cash flows used in investing activities</b>		<b>(18,795)</b>	<b>(15,994)</b>
<b>Cash flows from financing activities</b>			
Dividends paid to owners of the Company	22	(8,349)	(7,910)
Dividends paid to non-controlling interests	22	(1,106)	(1,284)
Interest paid on loans and borrowings	7	(207)	(204)
Interest paid on lease liabilities	7	(662)	(627)
Repayment of principal portion of lease liabilities		(1,293)	(2,054)
Proceeds from bank borrowings and trust receipts		11,170	3,907
Repayments of bank borrowings and trust receipts		(11,495)	(5,983)
Purchase of treasury shares		(183)	–
<b>Net cash flows used in financing activities</b>		<b>(12,125)</b>	<b>(14,155)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>(13,318)</b>	<b>3,006</b>
<b>Cash and cash equivalents at 1 January</b>		<b>25,095</b>	<b>22,843</b>
Effects of currency translation on cash and cash equivalents		736	(754)
<b>Cash and cash equivalents at 31 December</b>	19	<b>12,513</b>	<b>25,095</b>

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

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 1. Corporate information

New Toyo International Holdings Ltd (the “Company”) is a limited liability company incorporated and domiciled in Singapore and is listed on the Singapore Exchange Securities Trading Limited (“SGX – ST”).

The registered office of the Company is located at 36 Robinson Road, #20-01 City House, Singapore 068877 and its principal place of business of the Company is at 10 Anson Road, #18-25 International Plaza, Singapore 079903.

The principal activity of the Company is that of an investment holding company. The principal activities of the subsidiaries and joint ventures are disclosed in Notes 14 and 15 respectively to the financial statements.

## 2. Material accounting policy information

### 2.1 Basis of preparation

The consolidated financial statements of the Group and the statement of financial position of the Company have been prepared in accordance with Singapore Financial Reporting Standards (International) (“SFRS(I)”).

The consolidated financial statements have been prepared on a historical cost basis, except as disclosed in the accounting policies below.

The consolidated financial statements are presented in Singapore Dollars (“SGD” or “\$”) and all values are rounded to the nearest thousand (\$’000) except when otherwise indicated.

As at 31 December 2024, the Company’s current liabilities exceeded its current assets by \$1,509,000. Notwithstanding this, the Company has prepared its financial statements on a going concern basis as one of its subsidiaries has provided an undertaking not to recall the amount owing to for at least twelve months from the date of the financial statements.

### 2.2 Adoption of new and amended standards and interpretations

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, the Group has adopted all the new and amended standards which are relevant to the Group and are effective for annual financial periods beginning on or after 1 January 2024. The adoption of these standards did not have any material effect on the financial performance or position of the Group.



# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 2. Material accounting policy information (cont'd)

### 2.3 *Standards issued but not yet effective*

The Group has not adopted the following standards applicable to the Group that have been issued but not yet effective:

Description	Effective for annual periods beginning on or after
Amendments to SFRS(I) 1-21: Lack of Exchangeability	1 January 2025
Amendments to SFRS(I) 9 and SFRS(I) 7: Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Annual Improvements to SFRS(I)s – Volume 11	1 January 2026
Amendments to SFRS(I) 9 and SFRS(I) 7: Contracts Referencing Nature-dependent Electricity	1 January 2026
SFRS(I) 18: Presentation and Disclosure in Financial Statements	1 January 2027
SFRS(I) 19: Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to SFRS(I) 10 and SFRS(I) 1-28: Sale of Contribution of Assets between and Investor and its Associate or Joint Venture	Date to be determined

Except for SFRS(I) 18, the directors expect that the adoption of the new and amendments to the standards above will have no material impact on the financial statements in the year of initial application. The nature of the impending changes in accounting policy on adoption of amendments to SFRS(I) 18 is described below.

#### SFRS(I) 18 Presentation and Disclosure in Financial Statements

SFRS(I) 18, which replaces SFRS(I) 1-1 Presentation of Financial Statements, introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new.

It also requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements and the notes.

In addition, narrow-scope amendments have been made to SFRS(I) 1-7 Statement of Cash Flows, which include changing the starting point for determining cash flows from operations under the indirect method, from 'profit or loss' to 'operating profit or loss' and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards.

SFRS(I) 18, and the amendments to the other standards, is effective for reporting periods beginning on or after 1 January 2027, but earlier application is permitted and must be disclosed. SFRS(I) 18 will apply retrospectively. The Group is currently working to identify all impacts the amendments will have on the primary financial statements and notes to the financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 2. Material accounting policy information (cont'd)

### 2.4 Basis of consolidation and business combinations

#### (a) Basis of consolidation

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

All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions and dividends are eliminated in full.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

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

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- derecognises the assets (including goodwill) and liabilities of the subsidiary at their carrying amounts at the date when control is lost;
- derecognises the carrying amount of any non-controlling interest;
- derecognises the cumulative translation differences recorded in equity;
- recognises the fair value of the consideration received;
- recognises the fair value of any investment retained;
- recognises any surplus or deficit in profit or loss;
- reclassifies the Group's share of components previously recognised in other comprehensive income to profit or loss or revenue reserves, as appropriate.

#### (b) Business combinations and goodwill

Business combinations are accounted for by applying the acquisition method. Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Acquisition-related costs are recognised as expenses in the periods in which the costs are incurred and the services are received.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is an asset or liability are recognised in profit or loss.

Non-controlling interest in the acquiree, that are present ownership interests and entitle their holders to a proportionate share of net assets of the acquiree are recognised on the acquisition date at either fair value, or the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

Any excess of the sum of the fair value of the consideration transferred in the business combination, the amount of non-controlling interest in the acquiree (if any), and the fair value of the Group's previously held equity interest in the acquiree (if any), over the net fair value of the acquiree's identifiable assets and liabilities is recorded as goodwill. In instances where the latter amount exceeds the former, the excess is recognised as gain on bargain purchase in profit or loss on the acquisition date.

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 2. Material accounting policy information (cont'd)

### 2.4 Basis of consolidation and business combinations (cont'd)

#### (b) Business combinations and goodwill (cont'd)

Goodwill is initially measured at cost. Following initial recognition, goodwill is measured at cost less any accumulated impairment losses.

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to the Group's cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

The cash-generating units to which goodwill have been allocated is tested for impairment annually and whenever there is an indication that the cash-generating unit may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates.

### 2.5 Transactions with non-controlling interests

Non-controlling interest represents the equity in subsidiaries not attributable, directly or indirectly, to owners of the Company.

Changes in the Company's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. In such circumstances, the carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

### 2.6 Subsidiaries

A subsidiary is an investee that is controlled by the Group. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

In the Company's statement of financial position, investments in subsidiaries are accounted for at cost less impairment losses.

### 2.7 Joint ventures

A joint venture is a contractual arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities relating to the arrangement.

The Group accounts for its investments in joint ventures using the equity method from the date on which it becomes a joint venture.

On acquisition of the investment, any excess of the cost of the investment over the Group's share of the net fair value of the investee's identifiable assets and liabilities is accounted for as goodwill and is included in the carrying amount of the investment. Any excess of the Group's share of the net fair value of the investee's identifiable assets and liabilities over the cost of the investment is included as income in the determination of the entity's share of the associate and joint venture's profit or loss in the period in which the investment is acquired.

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 2. Material accounting policy information (cont'd)

### 2.7 Joint ventures (cont'd)

Under the equity method, investment in joint ventures is carried in the balance sheet at cost plus post-acquisition changes in the Group's share of net assets of the joint ventures. The profit or loss reflects the share of results of the operations of the joint ventures. Distributions received from joint ventures reduce the carrying amount of the investment. Where there has been a change recognised in other comprehensive income by the joint ventures, the Group recognises its share of such changes in other comprehensive income. Unrealised gains and losses resulting from transactions between the Group and joint ventures are eliminated to the extent of the interest in the joint ventures.

When the Group's share of losses in a joint venture equals or exceeds its interest in the joint venture, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the joint venture.

After application of the equity method, the Group determines whether it is necessary to recognise an additional impairment loss on the Group's investment in joint ventures. The Group determines at the end of each reporting period whether there is any objective evidence that the investment in the joint venture is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the joint venture and its carrying value and recognises the amount in profit or loss.

The financial statements of the joint ventures are prepared as at the same reporting date as the Company. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

### 2.8 Foreign currency

The financial statements are presented in SGD, which is also the Company's functional currency. For each entity, the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

#### (a) Transactions and balances

Transactions in foreign currencies are measured in the respective functional currencies of the Company and its subsidiaries and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the end of the reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in profit or loss.

#### (b) Consolidated financial statements

On consolidation, the assets and liabilities of foreign operations are translated into SGD at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at exchange rates prevailing at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in other comprehensive income. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is reclassified to profit or loss.

Exchange differences arising on monetary items that form part of the Group's net investment in foreign operations are recognised initially in other comprehensive income and accumulated under foreign currency translation reserve in equity. The foreign currency translation reserve is reclassified from equity to profit or loss of the Group on disposal of the foreign operation.



# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 2. Material accounting policy information (cont'd)

### 2.9 *Property, plant and equipment*

All items of property, plant and equipment are initially recorded at cost. Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets include:

- the cost of materials and direct labour;
- any other costs directly attributable to bringing the assets to a working condition for their intended use;
- when the Group has an obligation to remove the asset or restore the site, an estimate of the costs of dismantling and removing the items and restoring the site on which they are located; and
- capitalised borrowing costs.

Freehold land has an unlimited useful life and therefore is not depreciated. Work-in-progress is not depreciated until it is ready for its intended use.

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

	<u>Years</u>
Leasehold properties	Over the remaining lease terms
Leasehold improvements	3 to 8 years
Plant and machinery	3 to 20 years
Furniture and fittings	3 to 10 years
Office equipment and computers	2 to 10 years
Motor vehicles	5 to 10 years

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual value, useful lives and depreciation method are reviewed at each financial year-end, and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in profit or loss in the year the asset is derecognised.

### 2.10 *Intangible assets*

Intangible assets acquired separately are measured initially at cost. Following initial acquisition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is reflected in profit or loss in the year in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 2. Material accounting policy information (cont'd)

### 2.10 *Intangible assets (cont'd)*

Intangible assets with finite useful lives are amortised on a straight-line basis over the estimated useful lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method are reviewed at least at each financial year-end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

Intangible assets with indefinite useful lives or not yet available for use are tested for impairment annually, or more frequently if the events and circumstances indicate that the carrying value may be impaired either individually or at the cash-generating unit level. Such intangible assets are not amortised. The useful life of an intangible asset with an indefinite useful life is reviewed annually to determine whether the useful life assessment continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss when the asset is derecognised.

#### *Contract value*

Contract value is stated at cost less accumulated amortisation and accumulated impairment losses. Amortisation is charged to profit or loss so as to reduce the cost of contract value to zero on a systematic basis over the supply periods of six to eleven years from the date that the contract value is available for use.

Amortisation methods, useful lives and residual values are reviewed at the end of each reporting period and adjusted if appropriate.

### 2.11 *Club membership*

Club membership was acquired separately and is amortised on a straight line basis over its finite useful life of 30 years.

### 2.12 *Investment properties*

Investment properties are properties that are either owned by the Group or leased under a finance lease that are held either to earn rental income or for capital appreciation or for both, but not for use in the production or supply of goods or services or for administrative purposes or in the ordinary course of business. Investment properties comprise completed investment properties and properties that are being constructed or developed for future use as investment properties. Properties held under operating leases are classified as investment properties when the definition of an investment property is met.

Investment properties are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the investment property. The cost of self-constructed investment property includes the cost of materials and direct labour, any other costs directly attributable to bringing the investment property to a working condition for their intended use and capitalised borrowing costs.

Investment properties are de-recognised when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gain or loss on disposal of an investment property (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss in the year of retirement or disposal.

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 2. Material accounting policy information (cont'd)

### 2.12 *Investment properties (cont'd)*

Depreciation on investment properties is calculated over the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value. Depreciation is recognised in profit or loss on a straight-line basis over their estimated useful lives (or lease terms, if shorter). The estimated useful lives of the investment properties at the reporting date range from 19 to 52 years.

The residual value, useful lives and depreciation method are reviewed at each financial year-end, and adjusted prospectively, if appropriate.

Rental income from investment properties is accounted for in the manner described in Note 2.22.

### 2.13 *Impairment of non-financial assets*

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses are recognised in profit or loss.

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss.

### 2.14 *Financial instruments*

#### (a) *Financial assets*

##### Initial recognition and measurement

Financial assets are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial assets at initial recognition.

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss.

Trade receivables are measured at the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of a third party, if the trade receivables do not contain a significant financing component at initial recognition.

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 2. Material accounting policy information (cont'd)

### 2.14 Financial instruments (cont'd)

#### (a) Financial assets (cont'd)

##### Subsequent measurement

##### *Investments in debt instruments*

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the contractual cash flow characteristics of the asset. The three measurement categories for classification of debt instruments are:

#### (i) Financial assets at amortised cost (debt instruments)

Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, and through the amortisation process.

#### (ii) Financial assets designated at fair value through other comprehensive income (FVOCI)

Financial assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Financial assets measured at FVOCI are subsequently measured at fair value. Any gains or losses from changes in fair value of the financial assets are recognised in other comprehensive income, except for impairment losses, foreign exchange gains and losses and interest calculated using the effective interest method which are recognised in profit or loss. The cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment when the financial asset is derecognised.

#### (iii) Financial assets designated at FVTPL

Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVTPL. A gain or loss on a debt instrument that is subsequently measured at FVTPL and is not part of a hedging relationship is recognised in profit or loss in the period in which it arises.

##### *Investments in equity instruments*

On initial recognition of an investment in equity instrument that is not held for trading, the Group may irrevocably elect to present subsequent changes in fair value in other comprehensive income. Dividends from such investments are to be recognised in profit or loss when the Group's right to receive payments is established. For investments in equity instruments which the Group has not elected to present subsequent changes in fair value in other comprehensive income, changes in fair value are recognised in profit or loss.

##### *Derecognition*

A financial asset is de-recognised where the contractual right to receive cash flows from the asset has expired. On de-recognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income for debt instruments is recognised in profit or loss.



# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 2. Material accounting policy information (cont'd)

### 2.14 *Financial instruments (cont'd)*

#### (b) *Financial liabilities*

##### *Initial recognition and measurement*

Financial liabilities are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

##### *Subsequent measurement*

After initial recognition, financial liabilities not at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are de-recognised, and through the amortisation process.

##### *De-recognition*

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

### 2.15 *Impairment of financial assets*

The Group recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is recognised for credit losses expected over the remaining life of the exposure, irrespective of timing of the default (a lifetime ECL).

For trade receivables and contract assets, 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.

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 2. Material accounting policy information (cont'd)

### 2.15 *Impairment of financial assets (cont'd)*

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

### 2.16 *Cash and cash equivalents*

Cash and cash equivalents in the statements of financial position comprise cash at bank and on hand and short-term highly liquid bank deposits, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

### 2.17 *Inventories*

Inventories are valued at the lower of cost and net realisable value. The cost of inventories is calculated using the weighted average cost principle, and includes expenditure incurred in acquiring the inventories, production or conversion costs, and other cost incurred in bringing them to their existing location and condition. In the case of manufactured inventories and work in progress, cost includes an appropriate share of production overheads based on normal operating capacity.

Where necessary, allowance is provided for damaged, obsolete and slow moving items to adjust the carrying value of inventories to the lower of cost and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs necessary to make the sale.

### 2.18 *Provisions*

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic resources will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

### 2.19 *Borrowing costs*

Borrowing costs are capitalised as part of the cost of a qualifying asset if they are directly attributable to the acquisition, construction or production of that asset. Capitalisation of borrowing costs commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditures and borrowing costs are incurred. Borrowing costs are capitalised until the assets are substantially completed for their intended use or sale. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 2. Material accounting policy information (cont'd)

### 2.20 *Employee benefits*

#### (a) *Defined contribution plans*

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an employee benefit expense in profit or loss in the periods during which related services are rendered by employees.

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. 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 return for their services in the current and prior periods; that benefit is discounted to determine its present value. The fair value of any plan assets is deducted. The Group determines the net interest expense (income) on the net defined benefit liability (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 net defined benefit liability (asset).

#### (b) *Defined benefit plans*

The discount rate is the yield at the reporting date on high quality corporate bonds that have maturity dates approximating the terms of the Group's obligations and that are denominated in the same currency in which the benefits are expected to be paid.

The calculation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a benefit to 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 the future contributions to the plan. In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements that apply to any plan in the Group. An economic benefit is available to the Group if it is realisable during the life of the plan, or on settlement of the plan liabilities.

Remeasurements of the net defined benefit liability comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest). The Group recognises them immediately in other comprehensive income and all expenses related to defined benefit plans in employee benefits expense in profit or loss.

When the benefits of a plan are changed, or when a plan is curtailed, the portion of the changed benefit related to past services by employees, or the gain or loss on curtailment, is recognised immediately in profit or loss when the plan amendment or curtailment occurs.

The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs. The gain or loss on settlement is the difference between the present value of the defined benefit obligation being settled as determined on the date of settlement and the settlement price, including any plan assets transferred and any payments made directly by the Group in connection with the settlement.

#### (c) *Short-term employee benefits*

Short-term employee benefit obligations in respect of salaries, annual bonuses, paid annual leave and sick leave are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 2. Material accounting policy information (cont'd)

### 2.20 Employee benefits (cont'd)

#### (d) Long-service leave

The liability of long-service leave is recognised in the non-current provision for employee benefits and is measured as the present value of the expected future payments to be made in respect of services provided by an employee up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

#### (e) Termination benefits

Termination benefits are recognised as an expense when the Group is committed demonstrably, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognised as an expense if the Group has made an offer of voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably. If benefits are payable more than 12 months after the reporting date, then they are discounted to their present value.

### 2.21 Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

#### Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

#### (a) Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, an estimate of costs to dismantle and remove the underlying asset or restore the underlying asset or the site on which it is located, and lease payments made at or before the commencement date less any lease incentives received. 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	2 – 32 years
Plant and machinery	2 – 5 years
Office equipment and computers	2 – 5 years

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to section 2.13 Impairment of non-financial assets.

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 2. Material accounting policy information (cont'd)

### 2.21 Leases (cont'd)

#### *Group as a lessee (cont'd)*

##### (b) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of remaining lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

##### (c) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

#### *Group as a lessor*

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of the asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. The accounting policy for rental income is set out in Note 2.22(c). Contingent rents are recognised as rental income in the period in which they are earned.

The Group recognises lease payments received from investment property under operating leases as income on a straight-line basis over the lease term as part of 'other income'. Rental income from sub-leased property is also recognised as 'other income'.



# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 2. Material accounting policy information (cont'd)

### 2.22 Revenue

Revenue is measured based on the consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Revenue is recognised when the Group satisfies a performance obligation by transferring a promised goods or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

#### (a) *Sale of goods*

Revenue from sale of goods in the ordinary course of business is recognised when the Group satisfies a performance obligation ("PO") by transferring control of a promised good or service to the customer. The amount of revenue recognised is the amount of the transaction price allocated to the satisfied PO.

The transaction price is allocated to each PO in the contract on the basis of the relative stand-alone selling prices of the promised goods. The individual stand-alone selling price of a good that has not previously been sold on a stand-alone basis, or has a highly variable selling price, is determined based on the residual portion of the transaction price after allocating the transaction price to goods and/or services with observable stand-alone selling prices. A discount or variable consideration is allocated to one or more, but not all, of the performance obligations if it relates specifically to those performance obligations.

The transaction price is the amount of consideration in the contract to which the Group expects to be entitled in exchange for transferring the promised goods. The transaction price may be fixed or variable and is adjusted for time value of money if the contract includes a significant financing component. Consideration payable to a customer is deducted from the transaction price if the Group does not receive a separate identifiable benefit from the customer. When consideration is variable, the estimated amount is included in the transaction price to the extent that it is highly probable that a significant reversal of the cumulative revenue will not occur when the uncertainty associated with the variable consideration is resolved.

Revenue may be recognised at a point in time or over time following the timing of satisfaction of the PO. If a PO is satisfied over time, revenue is recognised based on the percentage of completion reflecting the progress towards complete satisfaction of that PO.

#### (b) *Sale of food and beverages*

Revenue is recognised when the food and beverages are delivered to the customer and all criteria for acceptance have been satisfied at a point in time.

#### (c) *Rental income*

Rental income from investment properties is recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income over the term of the lease.

#### (d) *Dividend income*

Dividend income is recognised in profit or loss on the date that the Group's right to receive payment is established, which in the case of quoted securities is normally the ex-dividend date.

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 2. Material accounting policy information (cont'd)

### 2.22 Revenue (cont'd)

#### (e) Interest income

Interest income is recognised as it accrues in profit or loss, using the effective interest method.

### 2.23 Taxes

#### (a) Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date, in the countries where the Group operates and generates taxable income.

Current income taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

#### (b) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all temporary differences, except:

- Where the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- In respect of taxable temporary differences associated with investments in subsidiaries and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

- Where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- In respect of deductible temporary differences associated with investments in subsidiaries and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 2. Material accounting policy information (cont'd)

### 2.23 Taxes (cont'd)

#### (b) *Deferred tax (cont'd)*

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

#### (c) *Sales tax*

Revenue, expenses and assets are recognised net of the amount of sales tax except:

- When the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- When receivables and payables that are stated with the amount of sales tax included.

The net amount of sales tax recoverable from, or payable to, the taxation authorities are included as part of receivables or payables in the statement of financial position.

### 2.24 *Share capital, treasury shares and share issuance expenses*

Proceeds from issuance of ordinary shares are recognised as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are deducted against share capital.

The Company's own ordinary shares, which are reacquired by the Company and held as treasury shares, are recognised at cost and deducted from equity. No gain or loss is recognised in the income statement on the purchase, sale, reissuance or cancellation of treasury shares. Any difference between the carrying amount of treasury shares and the consideration received, if reissued, is recognised directly in equity as gain or loss on reissuance of treasury shares.

### 2.25 *Contingencies*

A contingent liability is:

- (a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 2. Material accounting policy information (cont'd)

### 2.25 Contingencies (cont'd)

- (b) a present obligation that arises from past events but is not recognised because:
  - (i) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
  - (ii) The amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

Contingent liabilities and assets are not recognised on the statement of financial position of the Group, except for contingent liabilities assumed in a business combination that are present obligations and which the fair values can be reliably determined.

### 2.26 Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. All operating segments' operating results are reviewed regularly by the Group's CEO (the chief operating decision maker) and senior management to make decisions about resources to be allocated to the segment and to assess its performance, and for which discrete financial information is available.

Segment results that are reported to the Group's CEO and senior management include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets (primarily the Company's headquarters), head office expenses, and tax assets and liabilities.

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

## 3. Significant accounting estimates and judgements

The preparation of the Group's consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

### 3.1 Judgements made in applying accounting policies

In the process of applying the Group's accounting policies, management is of the opinion that there is no significant judgement made in applying accounting policies.

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 3. Significant accounting estimates and judgements (cont'd)

### 3.2 Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period are discussed below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

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

The Group determines whether goodwill, intangible assets, property, plant and equipment and right-of-use assets are impaired on an annual basis. This requires an estimation of the value in use of the cash-generating unit (or group of cash-generating units) to which goodwill is allocated. Management has used the value-in-use method to assess the recoverable amounts of separate cash-generating units ("CGUs"). In addition, management also engaged external valuers to perform a valuation of the leasehold properties held within CGUs. When value-in-use calculations are undertaken, management must estimate the expected future cash flows from the respective CGUs, including estimating the revenue growth and using a suitable discount rate to calculate the present value of the cash flows. When external valuers are engaged, the recoverable amounts are determined based on a number of significant assumptions such as discount rates, annual growth rates and terminal growth rates.

The carrying amounts of the Group's goodwill, intangible assets, property, plant and equipment and right-of-use assets were approximately \$22,120,000, \$131,000, \$78,427,000 and \$10,962,000 respectively (2023: \$22,120,000, \$532,000, \$70,062,000 and \$10,155,000 respectively). Further details are disclosed in Notes 11, 12 and 25.

## 4. Revenue

	Group	
	2024	2023
	\$'000	\$'000
Sale of manufactured packaging products	189,214	183,310
Trading of packaging products	127,804	123,087
Sale of food and beverages	525	–
	<u>317,543</u>	<u>306,397</u>

The following tables provide information about the nature and timing of the satisfaction of performance obligations ("PO") in contracts with customers, including significant payment terms, and the related revenue recognition policies:



# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 4. Revenue (cont'd)

### ***Sale of manufactured packaging products***

#### *Specialty paper segment*

Nature of goods sold	Manufacture and sale of coated, printed and laminated paper products and other packaging products
When revenue is recognised	Point of sale or based on production completed (over time)
Significant payment terms	Payment is due 30-60 days from invoice date
Obligations for returns and refunds, and warranties, if any	Certain customers are given “assurance-type” warranties which assure the customer that the product meets the agreed-upon specifications, and includes the right to return and replace defective products. This is not accounted for as a separate PO.

#### *Printed cartons and labels segment*

Nature of goods sold	Printing and sale of paper packaging materials
When revenue is recognised	Based on production completed (over time)
Significant payment terms	Payment is due 30-60 days from invoice date
Obligations for returns and refunds, and warranties, if any	Certain customers are given “assurance-type” warranties which assure the customer that the product meets the agreed-upon specifications, and includes the right to return and replace defective products. This is not accounted for as a separate PO.

### ***Trading of packaged products***

#### *Trading segment*

Nature of goods sold	Sale of raw materials, paper products and equipment
When revenue is recognised	Point of sale
Significant payment terms	Payment is due 30-60 days from invoice date
Obligations for returns and refunds, and warranties, if any	Not applicable

### ***Sale of food and beverages***

#### *Food and beverages segment*

Nature of goods sold	Food and beverages
When revenue is recognised	Point of sale
Significant payment terms	Cash or payment is due 30-60 days from invoice date
Obligations for returns and refunds, and warranties, if any	Not applicable

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 4. Revenue (cont'd)

### Capitalised contract costs

The Group capitalised contract costs in relation to the exclusive rights to supply British American Tobacco's printed carton requirements in several locations in the Asia Pacific region. Further details are disclosed in Note 12.

### Disaggregation of revenue from contracts with customers

In the following table, revenue from contracts with customers is disaggregated by primary geographical location of business operations. The table also includes a reconciliation of the disaggregated revenue with the Group's reportable segments (see Note 33).

	Specialty papers		Printed cartons and labels		Trading		Food and beverages		Total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<u>Primary geographical location of business operations</u>										
Hong Kong	–	–	26,559	33,850	106,864	95,530	–	–	133,423	129,380
Vietnam	41,857	38,109	15,127	7,147	–	–	–	–	56,984	45,256
Malaysia	22,431	22,848	–	–	558	1,463	525	–	23,514	24,311
Indonesia	–	–	19,773	17,936	–	–	–	–	19,773	17,936
Singapore	25,669	30,384	–	–	20,382	26,094	–	–	46,051	56,478
Dubai	15,637	11,417	14,842	15,211	–	–	–	–	30,479	26,628
External revenue	105,594	102,758	76,301	74,144	127,804	123,087	525	–	310,224	299,989
<u>Timing of revenue recognition</u>										
At a point in time	105,594	101,970	–	–	127,804	123,087	525	–	233,923	225,057
Overtime	–	788	76,301	74,144	–	–	–	–	76,301	74,932
External revenue	105,594	102,758	76,301	74,144	127,804	123,087	525	–	310,224	299,989

### Contract balances

The following table provides information about trade receivables and contract assets from contracts with customers.

	Group	
	2024	2023
	\$'000	\$'000
Trade receivables from contracts with customers	43,244	51,781
Contract assets	3,864	3,819

The Group has recognised impairment losses on receivables arising from contracts with customers amounting to \$756,000 (2023: \$664,000).

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 4. Revenue (cont'd)

### *Contract balances (cont'd)*

The contract assets primarily relate to the Group's rights to consideration for goods produced but not billed at the reporting date on manufacturing of printed packaging materials. The contract assets are transferred to trade receivables when the rights become unconditional. This usually occurs when the Group invoices the customer.

Significant changes in the contract assets balances during the period are as follows:

	Contract assets	
	2024	2023
	\$'000	\$'000
Contract assets reclassified to trade receivables	(590)	(835)
Changes in measurement of progress	635	2,068

The entity has elected to use an output method based on units-of-delivery/units-produced method to measure progress. The entity does not hold material levels of work-in-progress, because the manufacturing process is short and/or the cost of the work-in-progress is not material.

## 5. Other income

	Note	Group	
		2024	2023
		\$'000	\$'000
Dividend income from quoted investments		14	4
(Loss)/gain on disposal of property, plant and equipment, net		(22)	77
Insurance claim recovery		–	8
Government grants		56	49
Rental income		1,891	1,999
Scrap sales		1,371	1,564
Foreign exchange gain, net		–	138
Freight income		620	614
Reversal of impairment loss on property, plant and equipment	11	2,228	2,538
Reversal of impairment loss on right-of-use assets	25	229	–
Reversal of impairment loss on trade receivables	18	1	2
Others		659	647
		<u>7,047</u>	<u>7,640</u>

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 6. Other operating expenses

		Group	
	Note	2024	2023
		\$'000	\$'000
Amortisation of intangible assets	12	399	406
Amortisation of other investments	16	5	5
Depreciation of property, plant and equipment		465	–
Foreign exchange loss, net		687	–
Property, plant and equipment written off		110	297
Impairment loss on non-trade receivables	8	32	229
Others		210	234
		<b>1,908</b>	<b>1,171</b>

## 7. Finance income and costs

		Group	
		2024	2023
		\$'000	\$'000
<b>Finance income</b>			
Interest income from bank deposits		342	514
		<b>342</b>	<b>514</b>
<b>Finance costs</b>			
Interest paid and payable to banks		(207)	(204)
Interest expense on lease liabilities		(662)	(627)
		<b>(869)</b>	<b>(831)</b>
Net finance costs recognised in profit or loss		<b>(527)</b>	<b>(317)</b>

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 8. Profit before tax

The following items have been included in arriving at profit before tax:

	Note	Group 2024 \$'000	2023 \$'000 (Restated)
Audit fees paid to			
- auditors of the Company		308	308
- other auditors		342	348
Non-audit fees paid to other auditors		37	32
Allowance for inventory obsolescence	17	387	264
Depreciation of property, plant and equipment	11	10,971	10,600
Depreciation of right-of-use assets	25	1,735	2,031
Depreciation of investment properties	13	130	139
Directors' fees		410	350
Impairment loss on trade receivables	18	83	275
Impairment loss on non-trade receivables	18	32	229
Inventories written off		207	9
Reversal of impairment loss on trade receivables	18	(1)	(2)
Reversal of impairment loss on property, plant and equipment	11	(2,228)	(2,538)
Reversal of impairment loss on right-of-use assets	25	(229)	-
Property, plant and equipment written off		110	297
Operating expenses arising from rental of investment properties		275	307
<b>Employee benefits expense</b>			
- salaries, bonuses and other costs		22,705	21,937
- contribution to defined contribution plans		1,545	1,501
- expenses related to defined benefit plan	23	309	273
- termination benefits	23	-	97



# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 9. Income tax expense

### Major components of income tax expense

The major components of income tax expense for the years ended 31 December 2024 and 2023 are:

	Group	
	2024	2023
	\$'000	\$'000
<i>Statement of comprehensive income:</i>		
<u>Current income tax</u>		
- Current year	2,756	3,186
- (Over)/under provision in respect of previous years	(52)	16
	<u>2,704</u>	<u>3,202</u>
<u>Deferred tax</u>		
- Origination and reversal of temporary differences	89	94
- Over provision in respect of previous years	(103)	(19)
	<u>(14)</u>	<u>75</u>
Income tax expense recognised in statement of comprehensive income	<u>2,690</u>	<u>3,277</u>

### Relationship between tax expense and accounting profit

A reconciliation of the tax expense and the product of accounting profit multiplied by the applicable tax rate are as follows:

	Group	
	2024	2023
	\$'000	\$'000
Profit before tax	13,826	17,330
Tax at the applicable tax rate of 17% (2023: 17%)	2,350	2,946
Effect of tax rates in foreign jurisdictions	584	327
Adjustments:		
- Non-deductible expenses	1,126	1,387
- Income not subject to taxation	(503)	(654)
- Reinvestment allowances and other tax incentives	(167)	(146)
- Deferred tax assets not recognised	105	-
- Utilisation of previously unrecognised deferred tax assets	(650)	(580)
- Over provision in respective of previous years, net	(155)	(3)
Income tax expense recognised in statement of comprehensive income	<u>2,690</u>	<u>3,277</u>

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 10. Earnings per share

Basic earnings per share is calculated by dividing the net profit for the year attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year.

Diluted earnings per share is calculated by dividing the net profit for the year attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

The following tables reflect the profit and share data used in the computation of basic and diluted earnings per share for the years ended 31 December:

	Group	
	2024	2023
Profit for the year attributable to owners of the Company used in the computation of basic and diluted earnings per share (\$'000)	9,341	12,809
Weighted average number of ordinary shares for basic and diluted earnings per share computation ('000)	439,027	439,425

There are no unexercised share options or warrants issued by the Company.

There were no instruments that would have an effect of diluting the earnings of the Group that existed during or as at the end of the financial year.

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 11. Property, plant and equipment

	Leasehold properties \$'000	Leasehold improvements \$'000	Plant and machinery \$'000	Furniture and fittings \$'000	Office equipment and computers \$'000	Motor vehicles \$'000	Construction -in-progress \$'000	Total \$'000
<b>Group</b>								
<b>Cost</b>								
At 1 January 2023	26,198	6,333	184,707	2,033	4,642	2,578	5,705	232,196
Additions	2,460	81	1,640	100	55	104	12,880	17,320
Disposals/write-off	–	(569)	(494)	(787)	(135)	(161)	(85)	(2,231)
Exchange differences	(816)	(67)	(2,527)	(31)	(73)	(53)	(529)	(4,096)
Transfers/reclassification	241	147	4,459	64	78	–	(4,989)	–
At 31 December 2023 and 1 January 2024	28,083	5,925	187,785	1,379	4,567	2,468	12,982	243,189
Additions	33	1,776	1,809	486	511	179	11,176	15,970
Disposals/write-off	(424)	–	(1,585)	–	(253)	(138)	(7)	(2,407)
Exchange differences	918	120	4,093	66	62	37	534	5,830
Transfers/reclassification	–	355	9,123	–	341	–	(9,819)	–
At 31 December 2024	28,610	8,176	201,225	1,931	5,228	2,546	14,866	262,582
<b>Accumulated depreciation and impairment losses</b>								
At 1 January 2023	16,697	3,178	141,948	1,856	3,491	2,336	–	169,506
Depreciation	1,029	335	8,650	40	430	116	–	10,600
Reversal of impairment loss	(1,487)	(542)	(509)	–	–	–	–	(2,538)
Disposals/write-off	–	(317)	(261)	(645)	(120)	(161)	–	(1,504)
Exchange differences	(543)	(39)	(2,210)	(29)	(68)	(48)	–	(2,937)
Transfers/reclassification	2	–	(4)	–	2	–	–	–
At 31 December 2023 and 1 January 2024	15,698	2,615	147,614	1,222	3,735	2,243	–	173,127
Depreciation	1,276	540	8,472	105	478	100	–	10,971
Reversal of impairment loss	(548)	–	(1,680)	–	–	–	–	(2,228)
Disposals/write-off	(424)	–	(1,385)	–	(197)	(138)	–	(2,144)
Exchange differences	541	48	3,700	47	58	35	–	4,429
Transfers/reclassification	34	–	(34)	–	–	–	–	–
At 31 December 2024	16,577	3,203	156,687	1,374	4,074	2,240	–	184,155
<b>Net carrying amount</b>								
At 31 December 2024	12,033	4,973	44,538	557	1,154	306	14,866	78,427
At 31 December 2023	12,385	3,310	40,171	157	832	225	12,982	70,062

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 11. Property, plant and equipment (cont'd)

	Leasehold improvements \$'000	Furniture and fittings \$'000	Office equipment and computers \$'000	Motor vehicles \$'000	Construction -in-progress \$'000	Total \$'000
<b>Company</b>						
<b>Cost</b>						
At 1 January 2023	7	38	252	643	45	985
Additions	30	3	25	–	223	281
Transfer/reclassification	147	64	57	–	(268)	–
At 31 December 2023 and 1 January 2024	184	105	334	643	–	1,266
Additions	–	1	31	–	–	32
Write-off	–	–	(200)	–	–	(200)
At 31 December 2024	184	106	165	643	–	1,098
<b>Accumulated depreciation</b>						
At 1 January 2023	3	28	149	590	–	770
Depreciation	21	8	62	37	–	128
At 31 December 2023 and 1 January 2024	24	36	211	627	–	898
Depreciation	73	17	69	16	–	175
Write-off	–	–	(144)	–	–	(144)
At 31 December 2024	97	53	136	643	–	929
<b>Carrying amount</b>						
At 31 December 2024	87	53	29	–	–	169
At 31 December 2023	160	69	123	16	–	368

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 11. Property, plant and equipment (cont'd)

### *Impairment test*

Management allocated the assets to the respective cash-generating unit ("CGU"). Impairment assessment of the property, plant and equipment, right-of-use assets, intangible assets and goodwill for the respective CGU is performed by comparing the carrying values with the recoverable amounts. For the printed cartons and labels ("PCL") CGU which includes Alliance Print Technologies Co., Ltd ("APT"), Max Ease International Limited ("MEIL") and PT Bintang Pesona Jagat ("BPJ"), where goodwill is allocated to, a summary of the key assumptions used in the discounted cash flow projections is detailed in Note 12.

The Group's Dubai operations are assessed to be separate individual CGUs. For one of the CGUs (2023: two CGUs), due to the existence of impairment or reversal of impairment indicators, management engaged independent valuer to perform valuation on its property, in addition to the value-in-use model applied.

The fair value of property in the Dubai CGU was derived using income capitalisation approach. The capitalisation approach capitalise the net rental income that reflects the present and potential income growth.

The recoverable amount of the Dubai CGU was based on their value in use, determined by discounting the future cash flows to be generated from the continuing use of the CGU.

Key assumptions used in the estimation of the recoverable amount of one of the Dubai CGU is as follows:

- Cash flow projections were over a period of 5 years (2023: 5 years), based on the 2025 financial budget approved by management.
- Anticipated revenue growth rates for the CGU of 0.7% for 2025, and 2.0% from 2026 to 2029 (2023: 2.9% to 16% for 2024, and 2% from 2025 to 2028) respectively.
- The pre-tax discount rate of 13.3% (2023: 10.8% to 13.3%) was applied in determining the recoverable amounts of the CGU. The discount rate was estimated based on the country's risk premium and an additional risk premium for cash flow projection risk.
- Terminal value with a growth rate of 2.0% (2023: 2.0%) based on the country's inflation rate.

Arising from the above exercises, reversal of impairment losses of \$2,228,000 (2023: \$2,538,000) and \$229,000 (2023: Nil) have been recognised for the financial year ended 31 December 2024 on the property, plant and equipment and right-of-use assets to write back the carrying amount of the property, plant and equipment and right-of-use assets to their recoverable amounts respectively.

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 12. Intangible assets and goodwill

	Goodwill \$'000	Contract value \$'000	Total \$'000
<b>Group</b>			
<b>Cost:</b>			
At 1 January 2023	22,120	17,319	39,439
Exchange differences	–	(296)	(296)
At 31 December 2023	22,120	17,023	39,143
Write-off	–	(15,532)	(15,532)
Exchange differences	–	265	265
At 31 December 2024	22,120	1,756	23,876
<b>Accumulated amortisation:</b>			
At 1 January 2023	–	16,379	16,379
Amortisation	–	406	406
Exchange differences	–	(294)	(294)
At 31 December 2023	–	16,491	16,491
Amortisation	–	399	399
Write-off	–	(15,532)	(15,532)
Exchange differences	–	267	267
At 31 December 2024	–	1,625	1,625
<b>Net carrying amount:</b>			
At 31 December 2024	22,120	131	22,251
At 31 December 2023	22,120	532	22,652

### **Impairment tests for cash-generating units containing property, plant and equipment, goodwill and contract value**

For the purpose of impairment testing, goodwill has been principally allocated to the following cash-generating units (“CGUs”) as follows:

	Group	
	2024 \$'000	2023 \$'000
Specialty papers	22	22
Printed cartons and labels	22,098	22,098
	22,120	22,120

The goodwill on consolidation and contract value are allocated to the printed cartons and labels (“PCL”) CGU, which includes APT, MEIL and BPJ.



# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 12. Intangible assets and goodwill (cont'd)

### ***Impairment tests for cash-generating units containing property, plant and equipment, goodwill and contract value (cont'd)***

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:

- (i) On 3 November 2016, MEIL and Max View Holdings Limited ("MVHL") entered into a Conditional Sale and Purchase Agreement to acquire PT Bintang Pesona Jagat ("BPJ"). The proposed acquisition included a Manufacturing and Supply of Packaging Materials Agreement ("MSPMA") to supply printed carton requirements for British American Tobacco group of companies in Indonesia for a period of six years, commencing 1 January 2017 until 31 December 2022. On 9 February 2023, the MSPMA has been extended for an additional 3 years commencing from 1 January 2023 to 31 December 2025.
- (ii) On 17 March 2020, Max Ease International Limited and British American Tobacco Group agreed to extend its current Supply Agreement for printed carton requirements in Malaysia, Singapore and Vietnam for additional 5 years from 1 January 2020 to 31 December 2024 for the domestic and/or export markets.

The amortisation of intangible assets was recognised in other operating expenses.

The recoverable amount of the PCL CGU was based on its value in use, determined by discounting the future cash flows to be generated from the continuing use of the CGU.

Key assumptions used in the estimation of the recoverable amount of the PCL CGU

- Cash flow projections were over a period of 5 years (2023: 5 years), based on the 2025 financial budget approved by management.
- Management has considered and determined the factors applied in the financial budget. The budgeted gross margin is based on past experience. Anticipated revenue growth rates for the CGU of 0.1% in 2025, 2.3% in 2026 to 2029 (2023: -3% in 2024, 2% in 2025 and thereafter growth based on inflation rate of 2.4% from 2026 to 2028) were used in the cash flow projections.
- The pre-tax discount rates for the operating companies within CGU ranging from 0.7% to 16.4% (2023: 14.6% to 17.8%) were applied in determining the recoverable amounts of the CGU. The discount rates were estimated based on the respective country risks, and the weighted average cost of capital of comparable companies.
- Terminal value with a growth rate of 2.4% (2023: 3%) based on the respective country inflation rate.
- The Group is expected to successfully renew its rights to supply major customers' printed carton requirements upon expiry of the agreements and continue to supply over the projected period.

The values assigned to the key assumptions represent management's assessment of future trends of the industry in which the CGU operates, and are based on both external and internal sources (historical data). The computation of recoverable amount using discounted cash flow forecasts also requires management to make judgements over key inputs, for example, revenue growth, gross margins and discount rates as described above. In general, this assessment requires significant judgement, such that a change to key assumptions used could possibly lead to the recognition of impairment losses that would reduce the carrying amounts involved.

As the carrying amounts of the PCL CGU was determined to be lower than its recoverable amount, no impairment loss was recognised. Should the assumptions not be met, impairment loss may be required in the future.

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 13. Investment properties

	Group	
	2024	2023
	\$'000	\$'000
<b>Cost</b>		
At 1 January	10,807	11,246
Exchange differences	76	(439)
At 31 December	10,883	10,807
<b>Accumulated depreciation and impairment losses</b>		
At 1 January	8,169	8,355
Depreciation	130	139
Exchange differences	58	(325)
At 31 December	8,357	8,169
<b>Carrying amount</b>	<b>2,526</b>	<b>2,638</b>

Investment properties comprise a number of commercial properties, residential apartments, factories, industrial and warehouse buildings that are mostly leased to third parties. Each of the leases contains an average non-cancellable period of 2 years. Subsequent renewal is negotiated with the lessee and on average, renewal period is of 2 years. No contingent rent is charged.

The investment properties have an estimated market value of \$20,290,000 at 31 December 2024 (2023: \$22,065,000) based on independent valuations obtained from 2023 to 2024 by property valuers on an open market value basis and comparable market transactions that consider the sales of similar properties in the open market.

The valuations were performed by external, independent valuers who are certified real estate appraisers. The valuers used direct comparison and capitalisation methods. The market value has been categorised as a Level 3 valuation method:

- The direct comparison method involves the analysis of comparable sales of similar properties and adjusting the sale prices to that reflective of the investment properties.
- The capitalisation approach capitalises an income stream into a present value using revenue multipliers or single-year capitalisation rates.

Gross rental income of \$1,838,000 (2023: \$1,945,000) was derived from the investment properties during the year.

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 14. Subsidiaries

	Company	
	2024 \$'000	2023 \$'000
Shares, at cost	59,537	59,537
Impairment losses	(2,970)	(2,970)
	56,567	56,567
Discount implicit in interest-free loans to subsidiaries	1,041	1,041
	57,608	57,608
Loans to subsidiaries	64,576	64,247
Impairment losses	(5,203)	(5,239)
	59,373	59,008
	116,981	116,616

Included in the loans to subsidiaries is an amount of \$11,113,000 (2023: \$10,763,000) which is unsecured and bears fixed interest rate of 2.75% (2023: 2.75%) per annum. The remaining amounts of \$53,463,000 (2023: \$53,484,000) are unsecured and interest-free.

The settlement of these loans is neither planned nor likely to occur in the foreseeable future. These loans are, in substance, part of the Company's net investment in the subsidiaries.

The Company had the following subsidiaries as at 31 December:

Name of company	Principal place of business	Principal activities	Proportion (%) of ownership interest	
			2024 %	2023 %
<b><i>Held by the Company</i></b>				
New Toyo Aluminium Paper Product Co (Pte) Ltd <sup>(1)</sup>	Singapore	Manufacturing of specialty papers	100	100
New Toyo Corrugated Products Pte Ltd <sup>(1)</sup>	Singapore	Investment holding	100	100
New Toyo International Co (Pte) Ltd <sup>(1)</sup>	Singapore	Trading of paper products and equipment	100	100
Singapore Pacific Investments Pte Ltd <sup>(1)</sup>	Singapore	Investment holding	100	100
New Toyo Lamination (M) Pte Ltd <sup>(1)</sup>	Singapore	Investment holding	100	100
Sealink International Limited <sup>(3)</sup>	Hong Kong	Inactive	100	100
Pacific Eagle Investment Limited <sup>(3)</sup>	Hong Kong	Investment holding	100	100

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 14. Subsidiaries (cont'd)

The Company had the following subsidiaries as at 31 December: (cont'd)

Name of company	Principal place of business	Principal activities	Proportion (%) of ownership interest	
			2024 %	2023 %
<b><i>Held by the Company (cont'd)</i></b>				
Toyoma Non-Carbon Paper Manufacturer Sdn Bhd <sup>(3)</sup>	Malaysia	Investment holding and trading of paper products	100	100
New Toyo (Vietnam) Aluminium Paper Packaging Co., Ltd <sup>(2)</sup>	Vietnam	Manufacturing of specialty papers	100	100
Fast Win Enterprise Limited <sup>(3)</sup>	Hong Kong	Trading of raw materials and equipment	100	100
<b><i>Held by subsidiaries</i></b>				
New Toyo Investments Pte Ltd <sup>(1)</sup>	Singapore	Investment holding	55	55
Tien Wah Holdings (1990) Sdn Bhd <sup>(3)</sup>	Malaysia	Investment holding	100	100
Tien Wah Press Holdings Berhad <sup>(2)</sup>	Malaysia	Investment holding and provision of management services to its subsidiaries and associates	55	55
Tien Wah Press (Malaya) Sdn Bhd <sup>(2)</sup>	Malaysia	Dormant	55	55
Tien Wah Properties Sdn Bhd <sup>(2)</sup>	Malaysia	Investment holding	55	55
Tien Wah Press Services Sdn. Bhd. <sup>^</sup>	Malaysia	Food and beverages, event management and investment holding	55	—
Paper Base Converting Sdn Bhd <sup>(2)</sup>	Malaysia	Manufacturing of specialty papers	100	100
New Toyo Aluminium Gulf Paper Packaging FZE <sup>(3)</sup>	Dubai	Manufacturing of specialty papers	100	100
New Toyo Paper Products (Shanghai) Co., Ltd <sup>(3)</sup>	People's Republic of China	Investment holding and manufacturing of specialty papers	100	100
Wuhu New Asia Paper Products Co., Ltd <sup>(3)</sup>	People's Republic of China	Investment holding	100	100

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 14. Subsidiaries (cont'd)

The Company had the following subsidiaries as at 31 December: (cont'd)

Name of company	Principal place of business	Principal activities	Proportion (%) of ownership interest	
			2024 %	2023 %
<b><i>Held by subsidiaries (cont'd)</i></b>				
Jing Cheng Beijing Duck Restaurant Sdn. Bhd. (formerly known as New Ocean Beijing Duck Restaurant Sdn. Bhd.) @ <sup>(3)</sup>	Malaysia	To operate restaurants	100	100
Sen Yang Enterprise Co., Ltd <sup>(3)</sup>	People's Republic of China	Inactive	100	100
Vina Toyo Company Ltd <sup>(2)</sup>	Vietnam	Manufacturing of specialty papers and corrugated containers	50*	50*
Alliance Print Technologies Co., Ltd <sup>(2)</sup>	Vietnam	Manufacturing of printed cartons and labels	55	55
Alliance Print Technologies FZE <sup>(2)</sup>	Dubai	Manufacturing of printed cartons and labels	55	55
Max Ease International Limited <sup>(2)</sup>	Hong Kong	Trading of printed cartons and labels	77	77
Max View Holdings Limited <sup>(3)</sup>	Hong Kong	Investment holding	77	77
Anzpac Services (Australia) Pty Ltd <sup>(3)</sup>	Australia	Dormant	77	77
PT Bintang Pesona Jagat <sup>(2)</sup>	Indonesia	Manufacturing of printed cartons and labels	77	77
Max Ease International (SG) Pte Ltd <sup>(4)</sup>	Singapore	Dormant	77	77

\* Deemed to be a subsidiary as the Company has the current ability to direct these entities' activities that most significantly affect their returns.

® Acquired in year 2023

^ Exempted from audit as the entity was incorporated on 13 December 2024

<sup>(1)</sup> Audited by Ernst & Young LLP, Singapore

<sup>(2)</sup> Audited by member firms of EY Global in Malaysia, Vietnam, Hong Kong, Dubai and Indonesia

<sup>(3)</sup> Audited by other accounting firms

<sup>(4)</sup> Exempted from audit as the entity was dormant

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 14. Subsidiaries (cont'd)

Ernst & Young LLP is the auditor of all significant Singapore-incorporated subsidiaries. Other member firms of Ernst & Young Global are auditors of significant foreign-incorporated subsidiaries. For this purpose, a subsidiary is considered significant as defined under the Singapore Exchange Limited Listing Manual if its net tangible assets represent 20% or more of the Group's consolidated net tangible assets, or if its pre-tax profit account for 20% or more of the Group's consolidated pre-tax profit.

### **Acquisition of subsidiary – Jing Cheng Beijing Duck Restaurant Sdn. Bhd.**

Jing Cheng Beijing Duck Restaurant Sdn. Bhd. (formerly known as New Ocean Beijing Duck Restaurant Sdn. Bhd.) was acquired on 27 December 2023 for a total consideration of MYR2 (equivalent to \$0.57), settled in cash.

### **Impairment of investment in subsidiaries**

The Company recognises impairment losses at a level considered adequate to provide for the potential non-recoverability of investments in subsidiaries. The level of allowance is evaluated by the Company on the basis of factors that affect the recoverability of the investments. These factors include, but are not limited to, the activities and financial position of the entities and market factors. The Company reviews and identifies balances that are to be impaired on a continuous basis. The amount and timing of recorded expenses for any period would differ if the Company made different judgement or utilised different estimates, and an increase in impairment losses would decrease the carrying value of investments in subsidiaries.

When there are indicators of impairment, management carried out an impairment assessment on the recoverable amounts of the cost of investments. The recoverable amounts were based on the value-in-use or fair value less cost of disposal. The value-in-use is determined by discounting the future cash flows to be generated from the continuing operation of these entities and based on the financial budget approved by management.

Management estimates the discount rate using pre-tax rates that reflect current market assessment of the time value of money and risk specific to each subsidiary. The gross margin and terminal growth rates are based on planned strategies and cost initiatives as well as industry indices.

### **Non-controlling interests ("NCI")**

	Group	
	2024 \$'000	2023 \$'000
Non-controlling interests	37,049	35,069

The following subsidiaries have non-controlling interests ("NCI") that are material to the Group.

Name of company	Principal place of business/ Country of incorporation	Operating segment	Proportion (%) of ownership interest	
			2024 %	2023 %
Max Ease International Limited ("MEIL")	Hong Kong	Printed cartons and labels	23	23
Tien Wah Press Holdings Berhad ("TWPH")	Malaysia	Printed cartons and labels	45	45



# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 14. Subsidiaries (cont'd)

### Non-controlling interests ("NCI") (cont'd)

The following summarised financial information for the above subsidiaries are prepared in accordance with SFRS(I), modified for fair value adjustments on acquisition and differences in the Group's accounting policies.

	MEIL \$'000	TWPH* \$'000	Other individually immaterial subsidiary \$'000	Intra- group elimination \$'000	Total \$'000
<b>31 December 2024</b>					
Revenue	45,936	46,703	8,155		
Profit after tax	1,848	3,129	211		
Other comprehensive income	216	2,771	(31)		
Total comprehensive income	2,064	5,900	180		
Attributable to NCI:					
- Profit/(loss) after tax	427	1,419	106	(157)	1,795
- Other comprehensive income	50	1,257	(16)	(17)	1,274
- Total comprehensive income	477	2,676	90	(174)	3,069
Non-current assets	41,508	73,647	232		
Current assets	16,761	30,511	4,159		
Non-current liabilities	(1,047)	(4,988)	(14)		
Current liabilities	(27,588)	(18,688)	(572)		
Net assets	29,634	80,482	3,805		
Net assets attributable to NCI	6,854	36,507	1,903	(8,215)	37,049
Cash flows from/(used in) operating activities	4,498	9,157	(262)		
Cash flows (used in)/from investing activities	(5,383)	(7,697)	228		
Cash flows used in financing activities	(1,768)	(2,943)	(390)		
Net decrease in cash and cash equivalents	(2,653)	(1,483)	(424)		
Dividends paid to NCI	–	(1,075)	(31)		

\* Excludes interest in MEIL

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 14. Subsidiaries (cont'd)

### Non-controlling interests ("NCI") (cont'd)

	MEIL \$'000	TWPH* \$'000	Other individually immaterial subsidiary \$'000	Intra- group elimination \$'000	Total \$'000
<b>31 December 2023</b>					
Revenue	51,669	56,315	7,626		
Profit after tax	597	3,129	205		
Other comprehensive income	(230)	(2,086)	(78)		
Total comprehensive income	367	1,043	127		
Attributable to NCI:					
- Profit/(loss) after tax	138	1,419	103	(416)	1,244
- Other comprehensive income	(53)	(946)	(39)	(44)	(1,082)
- Total comprehensive income	85	473	64	(460)	162
Non-current assets	39,060	66,779	187		
Current assets	16,161	25,872	4,875		
Non-current liabilities	(1,419)	(4,697)	(16)		
Current liabilities	(26,233)	(10,997)	(1,229)		
Net assets	27,569	76,957	3,817		
Net assets attributable to NCI	6,377	34,908	1,909	(8,125)	35,069
Cash flows from/(used in) operating activities	10,748	8,355	(279)		
Cash flows (used in)/from investing activities	(9,673)	(3,817)	1,109		
Cash flows used in financing activities	(1,506)	(4,601)	(341)		
Net (decrease)/increase in cash and cash equivalents	(431)	(63)	489		
Dividends paid to NCI	–	(1,068)	(216)		

\* Excludes interest in MEIL

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 15. Joint ventures

	Group	
	2024	2023
	\$'000	\$'000
Investment in joint ventures	10,114	9,057

Details of the joint ventures are as follows:

Name of company	Principal place of business/ Country of incorporation	Principal activities	Proportion (%) of ownership interest	
			2024	2023
			%	%
<b>Held by subsidiaries:</b>				
Lum Chang Tien Wah Property Sdn Bhd ("LCTW") <sup>(1)</sup>	Malaysia	Investment holding	27*	27*
Toyo (Viet)-Dofico Print Packaging Company Ltd ("TVDP") <sup>(2)</sup>	Vietnam	Manufacturing of printed cartons and labels	27*	27*
C & A Packaging Company Limited ("C & A") <sup>(2)</sup>	Vietnam	Production of paper packaging, printing packaging	27*	—
<b>Held by LCTW:</b>				
Gourmet Gateway Sdn. Bhd. ("GGSB") <sup>(1)</sup>	Malaysia	Investment holding	27*	—
<b>Held by GGSB:</b>				
Songngu Vietnamese Cuisine Sdn. Bhd. <sup>(2)</sup>	Malaysia	Food and beverages services	14*	—
Somboon Thai Cuisine Sdn. Bhd. <sup>(2)</sup>	Malaysia	Food and beverages services	14*	—
Angean Blue Cuisine Sdn. Bhd. <sup>(2)</sup>	Malaysia	Food and beverages services	14*	—
Eer Dun Hotpot Sdn. Bhd. <sup>(2)</sup>	Malaysia	Food and beverages services	14*	—

<sup>(1)</sup> Audited by member firm of EY Global, in Malaysia

<sup>(2)</sup> Audited by other accounting firm

\* The Group is considered to have joint control over the entities as it is able to exercise joint control over the financial and operating policies of the entities via shareholders' agreement.

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 15. Joint ventures (cont'd)

### ***Disposal of property and capital contribution to LCTW***

On 16 May 2016, Tien Wah Properties Sdn Bhd ("TWP"), a wholly-owned subsidiary of a 55% owned subsidiary of the Group, had entered into a Shareholders' Agreement with Kemensah Holdings Pte Ltd ("KHPL"), a wholly owned subsidiary of Lum Chang Holdings Limited, to form and operate a joint venture company known as LCTW, in Malaysia, with a total issued and paid-up share capital of \$3,346,000 (\$1,673,000 each held by TWP and KHPL in equal proportion).

In 2016, TWP sold its leasehold land with a carrying amount of \$6,708,000 to LCTW for a sale consideration of \$21,264,000. The unrealised profit recognised by the Group of \$7,278,000 was only eliminated up to the extent of the Group's cost of investment of \$1,673,000 in LCTW.

In 2019, TWP and KHPL subscribed for additional ordinary shares for a total consideration of \$654,000 at \$327,000 each, held by TWP and KHPL in equal proportion.

### ***On-going termination of Joint Venture Agreement ("JVA") in relation to TVDP***

On 24 May 2015, TWPH entered into a strategic Joint Venture Agreement ("JVA") with Toyo (Viet) Paper Product Co., Ltd ("TVP") and Dong Nai Food Industrial Corporation Vietnam ("DOFICO") for sale of 50% of TVP to DOFICO. TVP was reclassified from a subsidiary to a joint venture as at 31 December 2015. TVP also changed its name to "Toyo (Viet)-Dofico Print Packaging Company Ltd" ("TVDP").

On 21 March 2018, the Company announced that the Parties (TWPH, DOFICO and TVDP are collectively referred to as "the Parties") entered into a termination agreement ("Termination Agreement") to mutually agree to terminate the JVA dated 24 May 2015 with effect from the date of the execution of the Termination Agreement and Transfer Contract. As part of the Termination Agreement, DOFICO shall transfer its 50% of the total charter capital of TVDP ("Capital Contribution") and all rights and interests thereof to TWPH; TWPH also agreed to acquire the 50% of the total charter capital of TVDP from DOFICO at a cash consideration of \$2,179,000 (equivalent to MYR6,372,000) ("Termination and Acquisition of Capital Contribution"). The completion of the termination of JVA with DOFICO and acquisition of the remaining 50% shares held by DOFICO in TVDP was pending the issuance of an investment certificate by the State of Authority of Vietnam.

On 14 July 2021, the investment registration certificate of TVDP expired. As at 31 December 2024, TVDP is in the process of liquidation.

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 15. Joint ventures (cont'd)

### ***Establishment of joint venture company, C&A Packaging Company Limited***

On 15 January 2024, Alliance Print Technologies Co., Ltd. ("APTV"), a wholly-owned subsidiary of New Toyo Investments Pte. Ltd., 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.

The Joint Venture operates through the JV Company, which APTV has subscribed for 50% of the charter capital of the JV Company for a total cash consideration of VND6,000,000,000 (equivalent to approximately \$335,000). The remaining 50% of the charter capital of the JV Company is held by CLC.

On 21 March 2024, all the terms and conditions as stipulated in the JVA have been fulfilled and the Proposed Joint Venture has been completed.

### ***Establishment of a subsidiary, Gourmet Gateway Sdn. Bhd. held by LCTW***

On 19 March 2024, the Group's joint venture, LCTW, established a wholly owned subsidiary, Gourmet Gateway Sdn. Bhd. ("GGSB"). Principal activity of GGSB is that of investment holding and general trading.

### ***Establishment of joint venture companies held by GGSB***

On 18 June 2024, Gourmet Gateway Sdn. Bhd. ("GGSB") and a related party, acquired four 50% joint venture companies namely Songngu Vietnamese Cuisine Sdn. Bhd., Somboon Thai Cuisine Sdn. Bhd., Angean Blue Cuisine Sdn. Bhd. and Eer Dun Hotpot Sdn. Bhd. ("JV Companies"). These JV Companies were incorporated in Malaysia and held by GGSB and the related party in equal proportion. Their principal activities are those of operation of food and beverages. GGSB had subscribed for ordinary and preference shares of the JV Companies for a total consideration of \$715,000 (equivalent to MYR2,500,000).

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 15. Joint ventures (cont'd)

### *Establishment of joint venture companies held by GGSB (cont'd)*

The following summarises the financial information of TVDP, LCTW and C & A, based on their financial statements prepared in accordance with SFRS(I).

	TVDP \$'000	LCTW \$'000	C & A \$'000	Intra- group elimination \$'000	Total \$'000
<b>31 December 2024</b>					
Revenue	–	–	2,397		
Operating expenses	(65)	(590)	(2,695)		
Depreciation and amortisation	–	(397)	–		
Other income	–	303	–		
Loss before tax	(65)	(684)	(298)		
Income tax expense	–	(88)	57		
Loss after tax	(65)	(772)	(241)		
Other comprehensive income	80	1,041	(29)		
<b>Total comprehensive income</b>	<b>15</b>	<b>269</b>	<b>(270)</b>		
Non-current assets	–	19,985	130		
Current assets	2,198	240	977		
Current liabilities	–	(85)	(940)		
Non-current liabilities	–	(1)	–		
Cash and cash equivalents	272	433	234		
<b>Net assets</b>	<b>2,470</b>	<b>20,572</b>	<b>401</b>		
<b>Carrying amount of interest in investee at beginning of the year</b>	<b>1,238</b>	<b>7,914</b>	<b>–</b>	<b>(95)</b>	<b>9,057</b>
Group's share of:					
- Loss after tax	(18)	(211)	(65)		
- Other comprehensive income	22	285	(8)		
NCI's share of:					
- Loss after tax	(15)	(175)	(55)		
- Other comprehensive income	18	236	(7)		
- Total comprehensive income	7	135	(135)	–	7
Capital injection	–	715	335	–	1,050
<b>Carrying amount of interest in investee at end of the year</b>	<b>1,245</b>	<b>8,764</b>	<b>200</b>	<b>(95)</b>	<b>10,114</b>



# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 15. Joint ventures (cont'd)

### *Establishment of joint venture companies held by GGSB (cont'd)*

	TVDP \$'000	LCTW \$'000	Intra-group elimination \$'000	Total \$'000
<b>31 December 2023</b>				
Revenue	–	297		
Operating expenses	(5,297)	(109)		
Depreciation and amortisation	–	(398)		
Other income	4,843	2		
Loss before tax	(454)	(208)		
Income tax expense	–	(79)		
Loss after tax	(454)	(287)		
Other comprehensive income	(41)	(934)		
<b>Total comprehensive income</b>	<b>(495)</b>	<b>(1,221)</b>		
Non-current assets	–	18,252		
Current assets	2,129	194		
Current liabilities	(4)	(63)		
Non-current liabilities	–	(4)		
Cash and cash equivalents	332	320		
<b>Net assets</b>	<b>2,457</b>	<b>18,699</b>		
<b>Carrying amount of interest in investee at beginning of the year</b>	<b>1,486</b>	<b>8,525</b>	<b>(95)</b>	<b>9,916</b>
Group's share of:				
- Loss after tax	(124)	(79)		
- Other comprehensive income	(11)	(255)		
NCI's share of:				
- Loss after tax	(103)	(65)		
- Other comprehensive income	(10)	(212)		
- Total comprehensive income	(248)	(611)	–	(859)
<b>Carrying amount of interest in investee at end of the year</b>	<b>1,238</b>	<b>7,914</b>	<b>(95)</b>	<b>9,057</b>

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 16. Investment securities/other investments

The Group classifies the investments shown below as equity investments as at FVTPL because these equity investments represent investments that the Group intends to hold for the long-term for strategic purposes.

	Group		Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
<b>Investment securities</b>				
Quoted equity securities, at fair value	51	58	–	–
Unquoted equity securities, at fair value	790	730	790	730
Financial assets carried at fair value	841	788	790	730
<b>Other investments</b>				
Club membership, at cost	1,349	1,349	693	693
<b>Accumulated amortisation</b>				
At 1 January	84	81	–	–
Amortisation	5	5	–	–
Exchange differences	(7)	(2)	–	–
At 31 December	82	84	–	–
<b>Total other investments, at carrying amount</b>	<b>1,267</b>	<b>1,265</b>	<b>693</b>	<b>693</b>

The fair value information related to FVTPL – equity instrument is disclosed in Note 31.

## 17. Inventories

	Group	
	2024	2023
	\$'000	\$'000
Raw materials	36,836	27,836
Consumables	2,595	2,293
Work-in-progress	2,943	2,486
Finished goods	7,836	6,450
	<b>50,210</b>	<b>39,065</b>
Less:		
Allowance for inventory obsolescence:		
At 1 January	1,937	1,945
Allowance made during the year	387	264
Utilisation of allowance	(471)	(251)
Exchange differences	22	(21)
At 31 December	<b>1,875</b>	<b>1,937</b>
Carrying amount of inventories	<b>48,335</b>	<b>37,128</b>

During the year, raw materials, consumables and changes in finished goods and work-in-progress recognised as cost of sales amounted to \$263,246,000 (2023: \$243,167,000).

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 18. Trade and other receivables

		Group		Company	
		2024	2023	2024	2023
		\$'000	\$'000	\$'000	\$'000
<b>Non-current</b>					
Amounts due from subsidiaries					
- trade	(a)	–	–	276	276
- non-trade	(b)	–	–	10,790	8,084
Other receivables	(c)	384	525	–	–
Tax recoverable	(d)	835	–	–	–
		1,219	525	11,066	8,360
<b>Current</b>					
Trade receivables	(a)	44,000	52,445	–	–
Impairment losses		(756)	(664)	–	–
		43,244	51,781	–	–
Deposits	(e)	1,969	1,156	30	33
Tax recoverable		229	20	–	–
Consideration receivable	(f)	1,268	1,229	–	–
GST/VAT input tax		1,353	560	–	10
Other receivables	(c)	2,125	1,598	–	–
Amounts due from subsidiaries, net					
- trade	(a)	–	–	1,483	921
- non-trade	(g)	–	–	1,213	550
Amounts due from joint ventures					
- trade	(a)	94	–	–	–
- non-trade		2	–	–	–
Amounts due from other related corporations*					
- trade	(a)	2,908	3,955	–	–
- non-trade	(g)	356	335	–	–
Loans to subsidiaries	(h)	–	–	7,100	8,245
		53,548	60,634	9,826	9,759
Deferred cost		26	18	–	–
Prepayments		1,209	3,230	64	48
		54,783	63,882	9,890	9,807
		56,002	64,407	20,956	18,167

\* The amounts due from other related corporations also include amounts receivable from entities which are partially-owned by a substantial shareholder.

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 18. Trade and other receivables (cont'd)

- (a) Trade receivables are non-interest bearing and are generally on 30 to 60 day's terms.

The trade amounts due from subsidiaries and other related corporations are unsecured, interest-free and not expected to be repaid within the 12 months.

- (b) Amounts due from subsidiaries are unsecured and bear fixed interest rates ranging from 3.28% to 6.90% (2023: 3.28% to 5.06%) per annum.
- (c) Other receivables comprise import duty and sundry receivables. The non-current portion pertains to advances paid for equipment purchases at the Group level.
- (d) This amount is related to a tax recoverable amount pertaining to a subsidiary in Indonesia.
- (e) Deposits include rental, utilities deposits and refundable deposit paid for property, plant and equipment.
- (f) Current consideration receivable is deferred payment of \$2,247,000 (2023: \$2,175,000) due from the Group's joint venture partner, DOFICO. This is as a result of the disposal of 50% of TVDP to DOFICO by TWPH in 2015, which is payable within the next 12 months. An impairment loss of \$32,000 (2023: \$229,000) was recognised in year 2024.
- (g) The non-trade amounts due from subsidiaries and other related corporations are unsecured, interest-free and repayable on demand.
- (h) Loans to subsidiaries of \$4,606,000 (2023: \$4,068,000) are unsecured, repayable on demand, and bear fixed interest rates ranging from 1.88% to 6.88% (2023: 1.88% to 6.36%) per annum. The remaining amount of \$2,494,000 (2023: \$4,177,000) is unsecured, interest-free and repayable on demand.

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 18. Trade and other receivables (cont'd)

The Group's customers are internationally dispersed and mainly engage in similar manufacturing and distribution activities. The maximum exposure to credit risk for trade and other receivables and contract assets (excluding prepayments and deferred cost) at the reporting date by geographical region was as follows:

	Group		Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
<b>Trade and other receivables:</b>				
Vietnam	10,111	9,482	488	86
Singapore	12,881	28,461	109	2,518
Indonesia	11,468	6,903	295	280
United Arab Emirates	5,715	3,628	13,734	9,966
Malaysia	5,397	4,702	3,344	3,186
Korea	1,546	2,269	–	–
Latin America	2,089	1,599	–	–
Europe	6	–	–	–
Philippines	427	659	–	–
Papua New Guinea	1,075	760	–	–
India	296	146	–	–
China	26	55	75	37
Hong Kong	528	128	2,847	2,046
Pakistan	1,464	172	–	–
Others	1,738	2,195	–	–
	<b>54,767</b>	<b>61,159</b>	<b>20,892</b>	<b>18,119</b>
<b>Contract assets:</b>				
Singapore	316	561	–	–
Indonesia	1,912	1,415	–	–
Malaysia	12	–	–	–
United Arab Emirates	1,603	1,772	–	–
Korea	21	71	–	–
	<b>3,864</b>	<b>3,819</b>	<b>–</b>	<b>–</b>
	<b>58,631</b>	<b>64,978</b>	<b>20,892</b>	<b>18,119</b>

The top five customers of the Group account for 56% (2023: 70%) of the trade and other receivables (excluding prepayments and deferred cost) carrying amount at 31 December 2024.

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 18. Trade and other receivables (cont'd)

The movement in the allowance for impairment loss for trade and other receivables and contract assets is as follows:

	Group		Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
At 1 January	1,610	1,124	–	54
Additions	115	504	–	–
Reversal of impairment loss	(1)	(2)	–	(54)
Exchange differences	10	(16)	–	–
At 31 December	1,734	1,610	–	–

Impairment loss recognised at Company level pertains to impairment loss from amount due from subsidiaries, trade.

A summary of the Group's exposures to credit risk for trade and other receivables and contract assets (excluding prepayments and deferred cost) is as follows:

	Group			
	2024		2023	
	Not credit impaired	Credit impaired	Not credit impaired	Credit impaired
	\$'000	\$'000	\$'000	\$'000
<b>Group</b>				
External credit ratings at least Baa3 from Moody's or BBB from Standard & Poor's	21,727	–	17,534	–
<b>Other customers:</b>				
- Four or more years' trading history with the Group*	18,227	–	30,615	–
- Less than four years' trading history with the Group*	3,964	–	4,216	–
- Higher risk	–	82	–	82
<b>Other receivables – Low risk</b>	12,501	–	10,322	–
<b>Contract assets:</b>				
- External credit ratings at least Baa3 from Moody's or BBB from Standard & Poor's	2,229	–	1,540	–
- Four or more years' trading history with the Group*	1,189	–	1,760	–
- Less than four years' trading history with the Group*	446	–	519	–
<b>Total gross carrying amount</b>	60,283	82	66,506	82
Less: loss allowance	(1,652)	(82)	(1,528)	(82)
	58,631	–	64,978	–

\* Exclude higher risk



# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 18. Trade and other receivables (cont'd)

	Company			
	2024		2023	
	Not credit impaired \$'000	Credit impaired \$'000	Not credit impaired \$'000	Credit impaired \$'000
<b>Company</b>				
Trade and other receivables	20,892	–	18,119	–
<b>Total gross carrying amount</b>	20,892	–	18,119	–
Less: loss allowance	–	–	–	–
	20,892	–	18,119	–

### Expected credit loss assessment for corporate customers

The Group uses an allowance matrix to measure the ECLs of trade receivables and contract assets from corporate customers. The allowance matrix is based on actual credit loss experience over the past three years. The ECL computed is derived from historical data which management is of the view that the historical conditions are representative of the conditions prevailing at the reporting date as well as consideration of forward looking factors.

The following table provides information about the exposure to credit risk and ECLs for trade receivables and contract assets:

	Weighted average loss rate %	Gross carrying amount \$'000	Loss allowance \$'000	Credit impaired
<b>Group</b>				
<b>2024</b>				
Current (not past due)	<1	36,382	–	No
Past due 0 – 30 days	<1	8,478	–	No
Past due 31 – 180 days	<1	2,039	–	No
More than 180 days	78	965	(756)	Yes
		47,864	(756)	
<b>2023</b>				
Current (not past due)	<1	44,849	–	No
Past due 0 – 30 days	<1	5,777	–	No
Past due 31 – 180 days	<1	3,827	–	No
More than 180 days	37	1,811	(664)	Yes
		56,264	(664)	

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 18. Trade and other receivables (cont'd)

*Other receivables (excluding prepayments and deferred cost)*

The Group's and Company's other receivables (excluding prepayments and deferred cost) as at 31 December 2024 and 2023 includes amounts due from related parties, consideration receivable from related parties, tax recoverable and deposits. The Group and Company uses general approach for assessment of ECLs for other receivables. Impairment on these balances has been measured on the 12-month expected loss basis which reflects the low credit risk of the exposure. The amount of the allowance on these balances is insignificant to the Group and Company.

*Amounts due from subsidiaries (trade)*

The Company use an allowance matrix to measure the ECLs of amounts due from subsidiaries (trade). The allowance matrix is based on actual credit loss experience over the past three years. The ECL computed is derived from historical data which management is of the view that the historical conditions are representative of the conditions prevailing at the reporting date as well as consideration of forward looking factors. The amount of the allowance on these balances is insignificant to the Company.

*Amounts due from subsidiaries (non-trade)/Loans to subsidiaries*

The Company uses general approach for assessment of ECLs for amounts due from subsidiaries (non-trade) and loans to subsidiaries. Impairment on these balances has been measured on the 12-month expected loss basis which reflects the low credit risk of the exposure. The amount of the allowance on these balances is insignificant to the Company.

## 19. Cash and bank balances

	Group		Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Cash and bank balances	12,513	21,497	3,167	7,665
Short-term deposits	7,613	8,949	–	–
Cash and bank balances	20,126	30,446	3,167	7,665
Less: Placement of deposit with maturity periods more than 3 months	(7,613)	(5,351)	–	–
Cash and cash equivalents in the statement of cash flows	12,513	25,095	3,167	7,665

Cash at banks earn interest at floating rate. Short-term deposits are made for varying periods of between one to twelve months (2023: one to twelve months), depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates. The details of interest rates are set out in Note 30.

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 20. Trade and other payables

		Group		Company	
	Note	2024	2023	2024	2023
		\$'000	\$'000	\$'000	\$'000
<b>Non-current</b>					
Employee benefits	23	700	642	–	–
Other payables		153	155	–	–
		853	797	–	–
<b>Current</b>					
Trade payables	(a)	40,176	43,585	–	–
Loans from subsidiaries	(b)	–	–	7,248	7,016
Amounts due to subsidiaries					
- non-trade	(b)	–	–	6,352	7,616
Amounts due to joint venture					
- non-trade	(b)	2,163	2,094	–	–
Amounts due to other related corporations					
- trade	(a)	109	28	–	–
Accrued operating expenses		4,223	3,816	805	720
Deferred income		15	–	–	–
Employee benefits	23	143	136	39	39
GST/VAT output tax		417	114	2	–
Other payables		4,381	5,605	10	34
		51,627	55,378	14,456	15,425
		52,480	56,175	14,456	15,425

(a) Trade payables are unsecured, non-interest bearing and normally settled between 30 to 60 days' (2023: 30 to 60 days) terms.

(b) The loans from subsidiaries and non-trade amounts due to subsidiaries and joint venture are unsecured, interest-free and repayable on demand.

The Group and the Company's exposures to liquidity and currency risk related to trade and other payables are disclosed in Note 30.

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 21. Share capital, treasury shares and reserves

### Share capital

	Group and Company	
	2024	2023
	\$'000	\$'000
<b>Issued and fully paid ordinary shares</b>		
At 1 January and 31 December 439,424,603 shares	132,102	132,102

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restriction and have no par value.

The Company's issued and fully paid-up shares as at 31 December 2024 comprised 438,707,803 (31 December 2023: 439,424,603) ordinary shares with voting rights and 716,800 (31 December 2023: Nil) treasury shares with no voting rights.

### Treasury shares

	Group and Company			
	2024		2023	
	No. of shares '000	\$'000	No. of shares '000	\$'000
At 1 January	–	–	–	–
Acquired during the year	717	183	–	–
At 31 December	717	183	–	–

Treasury shares relate to ordinary shares of the Company that are held by the Company. During the year, the Company acquired 716,800 (31 December 2023: Nil) of its ordinary shares by way of on-market purchases. The treasury shares held by the Company represented 0.16% (31 December 2023: Nil%) of the total number of issued shares.

There were no outstanding convertibles and subsidiary holdings as at 31 December 2024 and 31 December 2023.

### Reserves

The reserves of the Group and the Company comprise the following balances:

	Group		Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Capital reserve	874	874	–	–
Translation reserve	(10,387)	(12,999)	–	–
Other reserves	553	506	77	77
	(8,960)	(11,619)	77	77

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 21. Share capital, treasury shares and reserves (cont'd)

### **Capital reserve**

The capital reserve of the Group comprises statutory reserves transferred from retained earnings by certain foreign subsidiaries as required by statutory legislations in their countries of incorporation. The percentage of transfer of retained earnings is determined by the Board of Directors of these foreign subsidiaries based on the statutory requirements and these reserves can only be distributed upon approval by the relevant authorities.

### **Translation reserve**

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations and from the translation of financial liability designated as a hedge of net investment in the foreign operations, as well as foreign exchange differences on monetary items which form part of the Group's net investments in the foreign operations.

### **Other reserves**

Other reserves comprise the value of unexercised warrants of the Company which has been transferred from capital reserve to other reserve, the gain or loss on remeasurement of defined benefits plans of its subsidiaries and development reserve funds from one of its subsidiaries in Vietnam.

Remeasurements comprising actuarial gains or losses, return on plan assets and any change in the effect of the asset ceiling (excluding net interest on defined benefit liabilities) are recognised immediately in other comprehensive income in the period in which they arise. Remeasurements are recognised in retained earnings and are not reclassified to profit or loss in subsequent period.

Development reserve funds comprises the investment and development fund and bonus and welfare fund which are appropriated from a subsidiary's net profit. This appropriation is approved by the subsidiary's board of directors and the Company and is in accordance with the subsidiary's Charter and Vietnam's regulatory requirements.

## 22. Dividends

The following tax-exempt (one-tier) dividends were declared and paid by the Group and Company:

	<b>Group and Company</b>	
	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Declared and paid during the year:</b>		
Dividends paid on ordinary shares		
Tax-exempt (one-tier) final dividend of 1.00 cents per ordinary share for the year 2023 (2022: 0.90 cents)	4,394	3,955
Tax-exempt (one-tier) interim dividend of 0.90 cents per ordinary share for the year 2024 (2023: 0.90 cents)	3,955	3,955
	<b>8,349</b>	<b>7,910</b>
Paid by a subsidiary to NCI	<b>1,106</b>	<b>1,284</b>
<b>Proposed but not recognised as a liability as at 31 December:</b>		
Tax-exempt (one-tier) final dividend of 0.90 cents (2023: 1.00 cents) per ordinary share in respect of the year	<b>3,948</b>	<b>4,394</b>

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 23. Employee benefits

	Note	Group		Company	
		2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Defined benefit obligations	(a)	700	642	–	–
Provision for termination benefits	(b)	–	–	–	–
Accrual for annual leave		143	136	39	39
		<b>843</b>	<b>778</b>	<b>39</b>	<b>39</b>
Analysed as:					
- Non-current		700	642	–	–
- Current		143	136	39	39
		<b>843</b>	<b>778</b>	<b>39</b>	<b>39</b>

One of the Group's subsidiaries, BPJ makes contributions to non-contributory defined benefit plans that provides pension for eligible employees upon retirement. The plans entitle employees to receive payment for their years of services the employee provided up to the date of their retirement.

The estimated liabilities for defined benefit obligations have been determined using the following assumptions:

	Group	
	2024	2023
Discount rate	7.25%	6.75%
Salary increase rate	6.0%	6.0%
Mortality table	TMI4	TMI4
Retirement age	58 years old	58 years old

In addition, in accordance with the United Arab Emirates Labour Law, two of the Group's subsidiaries, APTF and NTG, make contribution to defined benefit plans for employees who complete one or more year of continuous services.

### (a) *Movement in the present value of the defined benefit obligations*

	Group	
	2024 \$'000	2023 \$'000
At 1 January	642	637
Benefits paid	(197)	(143)
Expense recognised in profit or loss	309	273
Actuarial gain on defined benefit plans	(39)	(103)
Exchange differences	(15)	(22)
At 31 December	<b>700</b>	<b>642</b>



# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 23. Employee benefits (cont'd)

### (b) *Movement in provision for termination benefits*

	Group	
	2024	2023
	\$'000	\$'000
At 1 January	–	–
Provision	–	97
Utilisation of provision	–	(97)
At 31 December	–	–

### (c) *Employee benefits expenses recognised in profit or loss*

	Group	
	2024	2023
	\$'000	\$'000
Defined benefit obligations	309	273
Additional/(reversal of) accrual for annual leave	7	(51)
	316	222

### (d) *Employee benefits expenses recognised in the following line items in profit or loss*

	Group	
	2024	2023
	\$'000	\$'000
Cost of sales	259	217
Administrative expenses	57	5
	316	222

## 24. Loans and borrowings

	Group		Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
<b>Current</b>				
Bank loan				
- unsecured	–	331	–	–

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 24. Loans and borrowings (cont'd)

The Group's secured bank loans are secured on the following assets, stated at their carrying amounts:

	Group	
	2024	2023
	\$'000	\$'000
Inventories	6,813	6,598

The details of interest rates are set out in Note 30.

The bank loan has been fully repaid during the year.

A reconciliation of movements of liabilities to cash flows arising from financing activities:

	Bank loans \$'000	Trust receipts \$'000	Total \$'000
<b>Balance at 1 January 2024</b>	331	–	331
<b>Changes from financing cash flows</b>			
Interest paid	(146)	(61)	(207)
Proceeds from bank borrowings and trust receipts	9,495	1,675	11,170
Repayments of bank borrowings and trust receipts	(9,820)	(1,675)	(11,495)
<b>Total changes from financing cash flows</b>	(471)	(61)	(532)
<b>The effect of changes in foreign exchange rates</b>	(6)	–	(6)
Interest expense	146	61	207
<b>At 31 December 2024</b>	–	–	–
<b>Balance at 1 January 2023</b>	2,426	–	2,426
<b>Changes from financing cash flows</b>			
Interest paid	(93)	(111)	(204)
Proceeds from bank borrowings and trust receipts	702	3,205	3,907
Repayments of bank borrowings and trust receipts	(2,778)	(3,205)	(5,983)
<b>Total changes from financing cash flows</b>	(2,169)	(111)	(2,280)
<b>The effect of changes in foreign exchange rates</b>	(19)	–	(19)
Interest expense	93	111	204
<b>At 31 December 2023</b>	331	–	331

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 25. Right-of-use assets/Lease liabilities

### Group as lessee

The Group leases land, offices, warehouses, factories, office equipment and motor vehicles. The leases typically run for a period of 2 to 32 years, with an option to renew the lease after that date. Lease payments are renegotiated upon renewal to reflect market rentals. For certain leases, the Group is restricted from entering into any sub-lease arrangements.

The Group leases premises, motor vehicles, factory equipment and office with contract terms of one year or less. These leases are short-term and/or leases of low-value items. The Group has elected not to recognise right-of-use assets and lease liabilities for these leases.

#### (a) Right-of-use assets

Set out below the carrying amounts of right-of-use assets recognised and the movements during the year:

	Land and buildings \$'000	Plant and machinery \$'000	Office equipment and computers \$'000	Total \$'000
<b>Group</b>				
At 1 January 2023	8,853	32	52	8,937
Depreciation	(1,981)	(26)	(24)	(2,031)
Additions	3,012	105	15	3,132
Disposal/write-off	(75)	(5)	–	(80)
Exchange differences	203	(5)	(1)	197
At 31 December 2023	10,012	101	42	10,155
Depreciation	(1,680)	(29)	(26)	(1,735)
Additions	2,082	–	3	2,085
Reversal of impairment loss (Note 11)	229	–	–	229
Exchange differences	238	(10)	–	228
At 31 December 2024	10,881	62	19	10,962

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 25. Right-of-use assets/Lease liabilities (cont'd)

### Group as lessee (cont'd)

#### (a) Right-of-use assets (cont'd)

	Land and buildings \$'000	Office equipment and computers \$'000	Total \$'000
<b>Company</b>			
At 1 January 2023	–	52	52
Additions to right-of-use assets	215	–	215
Depreciation	(81)	(20)	(101)
At 31 December 2023	134	32	166
Depreciation charge for the year	(107)	(21)	(128)
At 31 December 2024	27	11	38

A reversal of impairment loss of \$229,000 (2023: \$Nil) has been recognised for the financial year ended 31 December 2024 on the right-of-use assets to write back the carrying amount of the right-of-use assets to its recoverable amount.

#### (b) Lease liabilities

Set out below are the carrying amounts of lease liabilities and the movements during the year:

	Group		Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
At 1 January	10,357	9,190	184	86
Additions	2,085	3,132	–	215
Accretion of interest	662	627	5	9
Lease payments	(1,955)	(2,681)	(145)	(126)
Exchange differences	(65)	89	–	–
At 31 December	11,084	10,357	44	184
Non-current	9,571	8,827	7	45
Current	1,513	1,530	37	139
	11,084	10,357	44	184

The maturity analysis of lease liabilities is disclosed in Note 30.

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 25. Right-of-use assets/Lease liabilities (cont'd)

### Group as lessee (cont'd)

(c) Amounts recognised in profit or loss

	Group	
	2024	2023
	\$'000	\$'000
		(Restated)
Depreciation of right-of-use assets	1,735	2,031
Interest on lease liabilities	662	627
Expenses relating to short-term leases	308	770
Expenses relating to leases of low-value assets, excluding short-term leases of low-value assets	13	3
	<u>2,718</u>	<u>3,431</u>

(d) Total cash outflow

	Group	
	2024	2023
	\$'000	\$'000
Total cash outflow for leases	<u>(2,276)</u>	<u>(3,454)</u>

The Group had total cash outflow for leases of \$2,276,000 (2023: \$3,454,000) in 2024, of which \$1,955,000 (2023: \$2,681,000) pertains to cash flow in relation to the lease liabilities recognised.

(e) Extension options

Some property leases contain extension options exercisable by the Group up to one year before the end of the non-cancellable contract period. Where practicable, the Group seeks to include extension options in new leases to provide operational flexibility. The extension options held are exercisable only by the Group and not by the lessors. The Group assesses at lease commencement date whether it is reasonably certain to exercise the extension options. The Group reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant changes in circumstances within its control.

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 25. Right-of-use assets/Lease liabilities (cont'd)

### *Group as lessor*

The Group leases out its investment properties. The Group has classified these leases as operating leases, because they do not transfer substantially all of the risks and rewards incidental to the ownership of the assets. Information about the operating leases of investment properties is disclosed in Note 13 to the financial statements.

Rental income from investment properties recognised by the Group during 2024 was \$1,838,000 (2023: \$1,945,000).

The following table sets out a maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date.

	Group	
	2024	2023
	\$'000	\$'000
<u>Operating leases under SFRS(I) 16</u>		
Less than one year	1,832	1,777
Between one year to five years	1,419	1,866
	<u>3,251</u>	<u>3,643</u>

## 26. Deferred tax assets and liabilities

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets against current income tax liabilities and when the deferred income taxes relate to the same tax authority. The amounts determined after the appropriate offsetting are included in the statement of financial position as follows:

	Group		Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Deferred tax assets	1,122	1,184	–	–
Deferred tax liabilities	<u>1,241</u>	<u>1,250</u>	<u>11</u>	<u>11</u>



# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 26. Deferred tax assets and liabilities (cont'd)

### *Unrecognised deferred tax liabilities*

At 31 December 2024, deferred tax liabilities of \$1,455,000 (2023: \$1,283,000) for temporary differences of \$8,499,000 (2023: \$7,548,000) related to investments in subsidiaries were not recognised because the Group is able to control the timing of reversal of the related taxable temporary differences and is satisfied that they will not be incurred in the foreseeable future.

### *Unrecognised deferred tax assets*

Deferred tax assets have not been recognised in respect of the following items:

	Group	
	2024	2023
	\$'000	\$'000
Deductible temporary differences	1,170	1,107
Tax losses	12,360	22,311
	13,530	23,418

### *Unrecognised tax losses*

As at 31 December 2024, the Group has tax losses of approximately \$12,360,000 (2023: \$22,311,000) that are available for offset against future taxable profits of the companies in which the losses arose, for which no deferred tax asset is recognised due to uncertainty of its recoverability. The use of these tax losses is subject to the agreement by the relevant tax authority and provisions of the tax legislations of the respective countries in which the Group operates. The tax losses have no expiry date except for an amount of \$348,000 (2023: \$9,093,000) which will expire in 5 years period. During the year, tax losses of approximately \$5,996,000 (2023: \$1,117,000) has expired.

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 26. Deferred tax assets and liabilities (cont'd)

### Recognised deferred tax assets and liabilities

Movements in deferred tax assets and liabilities (prior to offsetting of balances) during the year are as follows:

Group	At 1 January 2023 \$'000	Recognised in profit or loss (Note 9) \$'000	Recognised in other comprehensive income \$'000	Exchange differences \$'000	At 31 December 2023 \$'000	Recognised in profit or loss (Note 9) \$'000	Recognised in other comprehensive income \$'000	Exchange differences \$'000	At 31 December 2024 \$'000
<b>Deferred tax assets</b>									
Property, plant and equipment	316	(24)	-	(2)	290	15	-	2	307
Inventories	137	(41)	-	(2)	94	47	-	-	141
Trade and other payables	151	(12)	(26)	(1)	112	33	(10)	(2)	133
Others	465	(14)	-	(7)	444	(16)	-	14	442
	1,069	(91)	(26)	(12)	940	79	(10)	14	1,023
<b>Deferred tax liabilities</b>									
Property, plant and equipment	(1,020)	59	-	55	(906)	(92)	-	(67)	(1,065)
Others	(61)	(43)	-	4	(100)	27	-	(4)	(77)
	(1,081)	16	-	59	(1,006)	(65)	-	(71)	(1,142)

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 27. Related party transactions

In addition to the information disclosed elsewhere in the financial statements, the following significant transactions took place between the Group and related parties at terms agreed between the parties:

### (a) *Related party transactions*

	Group	
	2024	2023
	\$'000	\$'000
<i>With companies in which certain directors and substantial shareholders have significant influence</i>		
Sale of raw materials/finished goods	6,280	10,436
Purchase of raw materials/finished goods	(9)	(30)
Sale of scrap	437	546
Rental paid/payable	(428)	(85)
Rental received/receivable	98	70
Purchase of plant and equipment	(55)	–
Purchase of tissue papers	(4)	(4)
Recharge of demurrage fee paid/payable	–	(9)
Management fee paid/payable	(92)	–
Utilities paid/payable	(55)	–
Sale of plant and equipment	30	6
Transportation fee received/receivable	13	–
<i>With companies in which certain directors have significant influence</i>		
Professional fees paid/payable	(6)	(6)
<i>With companies in which certain directors of subsidiaries have significant influence</i>		
Sale of raw materials/finished goods	149	161
Purchase of finished goods	(77)	(74)
Processing fee received/receivable	18	19
Rental received/receivable	48	49
Sale of plant and equipment	–	1
<i>With joint ventures</i>		
Sale of raw materials/finished goods	291	–
Purchase of plant and equipment	–	(3,225)
Rental received/receivable	–	335

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 27. Related party transactions (cont'd)

### (b) *Compensation of key management personnel*

Key management personnel of the Group are those persons having the authority and responsibility for planning, directing and controlling the activities of the Group. The directors and certain key executives of the management team are considered as key management personnel of the Group.

In addition to their salaries, the Group also contributes to post-employment defined benefits plans on their behalf.

Key management personnel compensation comprise remuneration of directors and other key executives as follows:

	Group	
	2024	2023
	\$'000	\$'000
Short-term employment benefits		
- Directors	1,503	1,549
- Key executives	3,232	3,157
Post-employment benefits (including contribution to Central Provident Fund)	145	164
	<u>4,880</u>	<u>4,870</u>

### *Key management personnel and director transactions*

A number of key management personnel, or their related parties, hold positions in other entities that result in them having a significant influence over the financial or operating policies of these entities. A number of these entities transacted with the Group during the year.

## 28. Commitments

At the end of the reporting period, the Group has the following commitment:

### *Capital commitment*

	Group	
	2024	2023
	\$'000	\$'000
Contracted but not provided for		
- Property, plant and equipment	<u>2,739</u>	<u>1,567</u>

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 29. Contingent liabilities

The Company has given undertakings to provide continuing financial support to certain subsidiaries (2023: a subsidiary), to enable these subsidiaries to continue its operations for at least the next twelve months. At reporting date, the subsidiaries were in a net current liabilities and net assets position of \$2,908,000 and \$39,130,000 (2023: net current liabilities and net assets position of \$9,443 and \$28,101,159) respectively.

## 30. Financial risk management policies and objectives

The key financial risks arising from the Group's financial instruments are credit risk, liquidity risk, interest rate risk and foreign currency risk.

### *Risk management framework*

Risk management is integral to the whole business of the Group. The management continually monitors the Group's risk management process to ensure that an appropriate balance between risk and control is achieved. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

The Group Audit Committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Group Audit Committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes regular reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

There has been no change to the Group's exposure to these financial risks or the manner in which it manages and measures the risks during the years ended 31 December 2024 and 2023.

### (a) **Credit risk**

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers.

Concentrations of credit risk exist when economic or industry factors similarly affect groups of counterparties and when the aggregate amount of this exposure is significant in relation to the Group's total credit exposure. Details of credit risk by different factors, including geographical region, can be found in Note 18.

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit facilities. Each new customer is analysed individually for creditworthiness before the Group's standard payment, delivery terms and conditions are offered. Purchase limits are established for each customer. These limits are reviewed regularly. Customers failing to meet the Group's benchmark creditworthiness may transact with the Group only on a prepayment basis.

In monitoring customer credit risk, customers are grouped according to their credit characteristics, including whether they are an individual or legal entity, geographical location, industry, aging profile, maturity and existence of previous financial difficulties.

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 30. Financial risk management policies and objectives (cont'd)

### (a) *Credit risk (cont'd)*

The Group does not require collateral in respect of trade and other receivables. The Group does not have trade receivables and contract assets for which no loss allowance is recognised because of collateral.

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statements of financial position.

To assess whether there is a significant increase in credit risk, the Group compares the risk of default occurring on the asset as at reporting date with the risk of default as at the date of initial recognition.

The Group considers available reasonable and supportive forward-looking information which includes the following indicators:

- External credit rating
- Actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the borrower's ability to meet its obligations
- Actual or expected significant changes in the operating results of the borrower
- Significant increases in credit risk on other financial instruments of the same borrower
- Significant changes in the expected performance and behaviour of the borrower including changes in the payment status of borrowers in the group and changes in the operating results of the borrower

The Group determined that its financial assets are credit-impaired when:

- There is a significant difficulty of the issuer or the borrower
- A breach of contract, such as a default or past event
- It is becoming probable that the borrower will enter bankruptcy or other financial reorganisation
- There is a disappearance of an active market for that financial asset because of financial difficulty.

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group. When loans and receivables have been written off, the Group continues to engage enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

#### *Exposure to credit risk*

At the end of the reporting period, the Group's and the Company's maximum exposure to credit risk is represented by:

### (i) *Cash and bank balances*

The Group and the Company held cash and bank balances of \$20,126,000 (2023: \$30,446,000) and \$3,167,000 (2023: \$7,665,000) as at 31 December 2024. The cash and bank balances are held with bank and financial institution counterparties, which are rated B2 to Aa1, based on Moody's ratings.

Impairment on cash and bank balances has been measured on the 12-month expected loss basis and reflects the short maturities of the exposures. The Group considers that its cash and bank balances have low credit risk based on the external credit ratings of the counterparties. The amount of the allowance on cash and bank balances is negligible.



# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 30. Financial risk management policies and objectives (cont'd)

### (a) **Credit risk (cont'd)**

#### *Exposure to credit risk (cont'd)*

#### (ii) *Financial guarantees*

Intra-group financial guarantees comprise guarantees granted by the Company to banks of \$20,820,000 (2023: \$17,813,000) in respect of banking facilities extended to subsidiaries. In the event of a default of those banking facilities by the subsidiaries, the Company would be responsible for the repayment of the amount owing to the bank.

An unsecured guarantee of \$5,995,000 (2023: \$4,487,000) was issued to suppliers by the Company for credit terms granted to its subsidiaries.

At the reporting date, the Company does not consider it probable that a claim will be made against the Company under the above guarantees.

#### *Excessive risk concentration*

Concentrations of credit risk exist when economic or industry factors similarly affect groups of counterparties and when the aggregate amount of this exposure is significant in relation to the Group's total credit exposure.

Details of credit risk by different factors, including geographical region, can be found in Note 18.

### (b) **Liquidity risk**

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. Short-term funding is obtained from bank borrowings. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of credit facilities.

#### *Working capital management*

The Group manages its working capital requirements with the view to ensure smooth operations and minimise interest costs. There are credit facilities available to the Group to support part of the working capital requirements. The credit facilities are regularly reviewed by the directors to ensure that they meet the objectives of the Group.

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 30. Financial risk management policies and objectives (cont'd)

### (b) *Liquidity risk (cont'd)*

*Analysis of financial instruments by remaining contractual maturities*

The table below summarises the maturity profile of the Group's and the Company's financial assets and liabilities at the statement of financial position date based on contractual undiscounted repayment obligations.

			Cash flows		
	Note	Carrying amount \$'000	Contractual cash flows \$'000	Within one year \$'000	One to five years \$'000
Group					
31 December 2024					
Financial assets					
Equity instruments at FVTPL	16	841	841	–	841
Trade and other receivables*	18	51,966	51,966	51,966	–
Cash and bank balances	19	20,126	20,404	20,404	–
Contract assets	4	3,864	3,864	3,864	–
Total undiscounted financial assets		76,797	77,075	76,234	841
Non-derivative financial liabilities					
Lease liabilities	25	(11,084)	(13,860)	(1,891)	(11,969)
Trade and other payables**	20	(51,205)	(51,205)	(51,052)	(153)
Total undiscounted financial liabilities		(62,289)	(65,065)	(52,943)	(12,122)
Total net undiscounted financial assets/(liabilities)		14,508	12,010	23,291	(11,281)

\* Excludes prepayments, tax recoverable, deferred cost, GST/VAT input tax and non-current other receivables

\*\* Excludes employee benefits, deferred income and GST/VAT output tax

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 30. Financial risk management policies and objectives (cont'd)

### (b) Liquidity risk (cont'd)

Analysis of financial instruments by remaining contractual maturities (cont'd)

			Cash flows		
	Note	Carrying amount \$'000	Contractual cash flows \$'000	Within one year \$'000	One to five years \$'000
Group					
31 December 2023					
Financial assets					
Equity instruments at FVTPL	16	788	788	–	788
Trade and other receivables*	18	60,054	60,054	60,054	–
Cash and bank balances	19	30,446	30,805	30,805	–
Contract assets	4	3,819	3,819	3,819	–
Total undiscounted financial assets		95,107	95,466	94,678	788
Non-derivative financial liabilities					
Unsecured bank loans	24	(331)	(341)	(341)	–
Lease liabilities	25	(10,357)	(13,876)	(2,048)	(11,828)
Trade and other payables**	20	(55,283)	(55,283)	(55,128)	(155)
Total undiscounted financial liabilities		(65,971)	(69,500)	(57,517)	(11,983)
Total net undiscounted financial assets/(liabilities)		29,136	25,966	37,161	(11,195)

\* Excludes prepayments, tax recoverable, deferred cost, GST/VAT input tax and non-current other receivables

\*\* Excludes employee benefits and GST/VAT output tax

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 30. Financial risk management policies and objectives (cont'd)

### (b) *Liquidity risk (cont'd)*

Cash flows due within one year include secured and unsecured revolving credit facilities amounting to \$Nil (2023: \$341,000).

			Cash flows		
	Note	Carrying amount \$'000	Contractual cash flows \$'000	Within one year \$'000	One to five years \$'000
Company					
31 December 2024					
Financial assets					
Equity instruments at FVTPL	16	790	790	–	790
Trade and other receivables*	18	20,892	23,166	10,880	12,286
Cash and bank balances	19	3,167	3,167	3,167	–
<b>Total undiscounted financial assets</b>		24,849	27,123	14,047	13,076
Non-derivative financial liabilities					
Lease liabilities	25	(44)	(45)	(38)	(7)
Trade and other payables**	20	(14,415)	(14,415)	(14,415)	–
Financial guarantees		–	(26,815)	(26,815)	–
<b>Total undiscounted financial liabilities</b>		(14,459)	(41,275)	(41,268)	(7)
<b>Total net undiscounted financial assets/(liabilities)</b>		10,390	(14,152)	(27,221)	13,069

\* Excludes prepayments and GST/VAT input tax

\*\* Excludes employee benefits and GST/VAT output tax

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 30. Financial risk management policies and objectives (cont'd)

### (b) Liquidity risk (cont'd)

			Cash flows		
	Note	Carrying amount	Contractual cash flows	Within one year	One to five years
		\$'000	\$'000	\$'000	\$'000
Company					
31 December 2023					
Financial assets					
Equity instruments at FVTPL	16	730	730	–	730
Trade and other receivables*	18	18,109	19,577	10,298	9,279
Cash and bank balances	19	7,665	7,665	7,665	–
<b>Total undiscounted financial assets</b>		26,504	27,972	17,963	10,009
Non-derivative financial liabilities					
Lease liabilities	25	(184)	(189)	(144)	(45)
Trade and other payables**	20	(15,386)	(15,386)	(15,386)	–
Financial guarantees		–	(22,300)	(22,300)	–
<b>Total undiscounted financial liabilities</b>		(15,570)	(37,875)	(37,830)	(45)
<b>Total net undiscounted financial assets/(liabilities)</b>		10,934	(9,903)	(19,867)	9,964

\* Excludes prepayments and GST/VAT input tax

\*\* Excludes employee benefits and GST/VAT output tax

The maturity analyses show the contractual undiscounted cash flows of the Group and the Company's financial liabilities and guarantees on the basis of their earliest possible contractual maturity.

Except for the cash flow arising from the intra-group financial guarantees, it is not expected that the cash flows included in the maturity analyses of the Group and the Company could occur significantly earlier, or at significantly different amounts.

### (c) Interest rate risk

The Group's exposure to changes in interest rates relates primarily to its interest-earning financial assets and interest-bearing financial liabilities. Interest rate risk is managed by the Group on an ongoing basis with the primary objective of limiting the extent to which net interest expense could be affected by an adverse movement in interest rates.

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 30. Financial risk management policies and objectives (cont'd)

### (c) *Interest rate risk (cont'd)*

*Effective interest rates and repricing/maturity analysis*

At the reporting date, the interest rate profile of the Group's interest-bearing financial instruments, as reported to the management, was as follows:

	Average interest rate %	Floating interest \$'000	Fixed interest rate maturing		Total \$'000
			Within 1 year \$'000	1 to 5 years \$'000	
<b>Group</b>					
<b>2024</b>					
<b>Asset</b>					
Short-term deposits	2.4 – 4.4	–	7,613	–	7,613
<b>Liability</b>					
Lease liabilities	1.9 – 11.8	–	(1,513)	(9,571)	(11,084)
<b>2023</b>					
<b>Asset</b>					
Short-term deposits	2.4 – 7.5	–	8,949	–	8,949
<b>Liabilities</b>					
Bank loans	6.0	(331)	–	–	(331)
Lease liabilities	1.9 – 11.8	–	(1,530)	(8,827)	(10,357)
		(331)	(1,530)	(8,827)	(10,688)
<b>Company</b>					
<b>2024</b>					
<b>Asset</b>					
Loans to subsidiaries	1.9 – 6.9	–	4,606	21,903	26,509
<b>Liability</b>					
Lease liabilities	1.9 – 5.4	–	(37)	(7)	(44)
<b>2023</b>					
<b>Asset</b>					
Loans to subsidiaries	1.8 – 6.4	–	4,068	18,847	22,915
<b>Liability</b>					
Lease liabilities	1.9 – 5.4	–	(139)	(45)	(184)

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 30. Financial risk management policies and objectives (cont'd)

### (c) Interest rate risk (cont'd)

#### *Fair value sensitivity analysis for fixed rate instruments*

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

#### *Cash flow sensitivity analysis for variable rate instruments*

For variable rate financial assets and liabilities, a change of 50 basis points in interest rates at the reporting date would have increased/(decreased) profit before tax by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

	Profit before tax			
	Group		Company	
	50 bp increase	50 bp decrease	50 bp increase	50 bp decrease
	\$'000	\$'000	\$'000	\$'000
<b>2024</b>				
Variable rate instruments	–	–	–	–
<b>2023</b>				
Variable rate instruments	(2)	2	–	–

### (d) Foreign currency risk

The Group is exposed to currency risk on sales, purchases and borrowings that are denominated in a currency other than the respective functional currencies of the Group entities. The currencies in which these transactions primarily are denominated are the Singapore dollar ("SGD"), United Arab Emirates dirham ("AED"), United States dollar ("USD"), Vietnamese dong ("VND"), Australian dollar ("AUD") and Malaysia ringgit ("MYR").

The Group has a policy that governs the hedging of foreign currency risk exposure. The Group's policy is to enter into "Plain Vanilla" foreign exchange forwards to hedge its foreign currency risks. The policy prescribes guidelines as to the duration and the risks limits to foreign currency exposures. Exposures to currency risk are monitored on an ongoing basis and the Group endeavours to keep the net exposures at an acceptable level.

At the reporting date, the Group and Company do not have any outstanding forward exchange contracts (2023: \$Nil).



# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 30. Financial risk management policies and objectives (cont'd)

### (d) Foreign currency risk (cont'd)

The summary of quantitative data about the Group's exposure to currency risk as reported to the management of the Group is as follows:

	AED \$'000	USD \$'000	VND \$'000	AUD \$'000	MYR \$'000
<b>Group</b>					
<b>2024</b>					
Trade and other receivables	3,485	2,409	989	114	171
Cash and bank balances	1,510	2,685	281	5	244
Lease liabilities	(5,747)	–	(3)	–	(588)
Trade and other payables	(1,355)	(2,703)	(3,186)	(18)	(1,291)
Net exposure	(2,107)	2,391	(1,919)	101	(1,464)
<b>2023</b>					
Trade and other receivables	2,477	1,664	2,102	121	127
Cash and bank balances	758	6,945	87	12	189
Lease liabilities	(5,768)	–	(13)	–	(779)
Trade and other payables	(1,983)	(317)	(2,887)	(7)	(1,031)
Net exposure	(4,516)	8,292	(711)	126	(1,494)

	<b>Company</b>	
	USD 2024 \$'000	USD 2023 \$'000
Loans to subsidiaries	29,459	27,532
Trade and other receivables	1,117	507
Cash and bank balances	1,937	5,164
Trade and other payables	(12,961)	(13,999)
	19,552	19,204

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 30. Financial risk management policies and objectives (cont'd)

### (d) Foreign currency risk (cont'd)

#### Sensitivity analysis

A 2% strengthening of SGD against the AED, USD, VND, AUD and MYR at the reporting date would have increased/(decreased) profit before tax by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecasted sales and purchases. The analysis is performed on the same basis for 2023.

	Group		Company	
	Profit before tax			
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
AED	42	90	–	–
USD	(48)	(166)	(391)	(384)
VND	38	14	–	–
AUD	(2)	(3)	–	–
MYR	29	30	–	–

A 2% weakening of SGD against the AED, USD, VND, AUD and MYR at the reporting date would have the equal but opposite effect on the amounts shown above, on the basis that all other variables remain constant.

## 31. Fair value of financial assets and liabilities

The fair value of a financial instrument is the amount at which the instrument could be exchanged or settled between knowledgeable and willing parties in an arm's length transaction, other than in a forced or liquidation sale.

### (a) Fair value hierarchy

The Group categorises fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date,
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, and
- Level 3: Unobservable inputs for the asset and liability.

Fair value measurement that use inputs of different hierarchy levels are categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 31. Fair value of financial assets and liabilities (cont'd)

### (b) *Financial assets and liabilities measured at fair value*

The carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy are as follows. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	Fair value			
	Level 1	Level 2	Level 3	Total
	\$'000	\$'000	\$'000	\$'000
<b>Group</b>				
<b>2024</b>				
<b>Assets</b>				
Equity investments – at FVTPL				
Quoted equity securities	51	–	–	51
Unquoted equity securities	–	–	790	790
	<u>51</u>	<u>–</u>	<u>790</u>	<u>841</u>
<b>2023</b>				
<b>Assets</b>				
Equity investments – at FVTPL				
Quoted equity securities	58	–	–	58
Unquoted equity securities	–	–	730	730
	<u>58</u>	<u>–</u>	<u>730</u>	<u>788</u>

### *Estimation of fair values*

The following summarises the significant methods and assumptions used in estimating the fair values of financial instruments of the Group and Company.

*Equity investments – at FVTPL (2023: Equity investments – at FVTPL)*

The fair value of quoted securities is determined by reference to their quoted prices (unadjusted) in active markets for identical assets.

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 31. Fair value of financial assets and liabilities (cont'd)

### (b) Financial assets and liabilities measured at fair value (cont'd)

#### Estimation of fair values (cont'd)

Unquoted equity securities (2023: Unquoted equity securities)

#### Information about significant unobservable inputs used in Level 3 fair value measurements

The fair value of unquoted equity securities is determined based on the net tangible assets (excluding property), which approximate fair value, of the investees. The net tangible assets are then adjusted for the fair value of the property held which is based on independent valuations obtained by property valuers on an open market value basis.

The following table presents the valuation technique and key inputs that were used to determine the fair value of the property held categorized under Level 3 of the fair value hierarchy which involves significant unobservable inputs:

Financial year	Fair value of unquoted equity securities \$'000	Valuation technique	Unobservable input	Range
2024	790	Market comparable approach	Yield adjustments based on management's assumptions*	Land: Land value + RM10psf  Building: depreciation expenses + 3%
2023	730	Market comparable approach	Yield adjustments based on management's assumptions*	Land: Land value + RM10psf  Building: depreciation expenses + 3%

\* The yield adjustments are made for any differences in the nature, location or condition of the specified property.

A significant increase/(decrease) in yield adjustments based on management's assumptions would result in a significantly lower/(higher) fair value measurement.

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 31. Fair value of financial assets and liabilities (cont'd)

### (b) *Financial assets and liabilities measured at fair value (cont'd)*

#### Movement in Level 3 assets and liabilities measured at fair value

The following table presents the reconciliation for assets measured at fair value based on significant unobservable inputs (Level 3):

	Financial assets at FVTPL Unquoted equity securities	
	2024 \$'000	2023 \$'000
<b>Group</b>		
At 1 January	730	755
Additional subscription of shares	60	–
Total losses for the year included in profit or loss	–	(25)
Balance at 31 December	790	730

#### Valuation policies and procedures

The directors of the Company decide which external valuer to be responsible for the external valuations of the Group's property. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. Management has discussion with the valuer on the valuation assumptions and valuation results when the valuation is performed at each annual reporting date, on an alternate year basis. For financial years which no valuation is performed, management corroborates the previous fair value obtained with recent transaction prices of properties in the same vicinity.

### (c) *Assets and liabilities not carried at fair value but for which fair value is disclosed*

The following table shows an analysis of the Group's assets not measured at fair value but for which fair value is disclosed:

	Significant unobservable inputs (Level 3) \$'000	Carrying amount \$'000
<b>Group</b>		
<b>2024</b>		
Investment properties	20,290	2,526
<b>2023</b>		
Investment properties	22,065	2,638

Determination of fair value is disclosed in Note 13.

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 31. Fair value of financial assets and liabilities (cont'd)

### (d) *Assets and liabilities not measured at fair value*

The carrying amounts of financial assets and liabilities with a maturity of or reprice within one year (including trade and other receivables, cash and bank balances, financial liabilities and trade and other payables) are assumed to approximate their fair values because of the short period to maturity or repricing.

The fair value of loan to subsidiaries is not materially different from its carrying values.

## 32. Financial instruments by category

	FVTPL \$'000	Amortised cost \$'000	Total carrying amount \$'000
<b>Group</b>			
<b>2024</b>			
<b>Financial assets</b>			
Equity investments at FVTPL	841	–	841
Trade and other receivables*	–	51,966	51,966
Cash and bank balances	–	20,126	20,126
Contract assets	–	3,864	3,864
	<b>841</b>	<b>75,956</b>	<b>76,797</b>
<b>Financial liability</b>			
Trade and other payables**	–	(51,205)	(51,205)
	<b>–</b>	<b>(51,205)</b>	<b>(51,205)</b>
<b>2023</b>			
<b>Financial assets</b>			
Equity investments at FVTPL	788	–	788
Trade and other receivables*	–	60,054	60,054
Cash and bank balances	–	30,446	30,446
Contract assets	–	3,819	3,819
	<b>788</b>	<b>94,319</b>	<b>95,107</b>
<b>Financial liabilities</b>			
Trade and other payables**	–	(55,283)	(55,283)
Loans and borrowings	–	(331)	(331)
	<b>–</b>	<b>(55,614)</b>	<b>(55,614)</b>

\* Excludes prepayments, tax recoverable, deferred cost, GST/VAT input tax and non-current other receivables

\*\* Excludes deferred income, employee benefits and GST/VAT output tax

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 32. Financial instruments by category (cont'd)

	FVTPL \$'000	Amortised cost \$'000	Total carrying amount \$'000
<b>Company</b>			
<b>2024</b>			
<b>Financial assets</b>			
Equity investments at FVTPL	790	–	790
Trade and other receivables*	–	20,892	20,892
Cash and bank balances	–	3,167	3,167
	<u>790</u>	<u>24,059</u>	<u>24,849</u>
<b>Financial liability</b>			
Trade and other payables**	<u>–</u>	<u>(14,415)</u>	<u>(14,415)</u>
<b>2023</b>			
<b>Financial assets</b>			
Equity investments at FVTPL	730	–	730
Trade and other receivables*	–	18,109	18,109
Cash and bank balances	–	7,665	7,665
	<u>730</u>	<u>25,774</u>	<u>26,504</u>
<b>Financial liability</b>			
Trade and other payables**	<u>–</u>	<u>(15,386)</u>	<u>(15,386)</u>

\* Excludes prepayments and GST/VAT input tax

\*\* Excludes employee benefits and GST/VAT output tax

## 33. Segment information

The Group's reportable segments as described below are the Group's strategic business units. The management has determined the reportable segments based on the reports reviewed by the Group's CEO and senior management that are used to make strategic decisions. Performance is measured based on segment results as included in the internal management reports reviewed by the Group's CEO and senior management.

For management purposes, the Group is organised into business segments based on their products and services, and has five reportable segments as follows:

- Specialty papers: The manufacture and sale of coated, printed and laminated paper products and other packaging products.
- Printed cartons and labels: The printing and sale of paper packaging materials.
- Trading: The sale of raw materials, paper products equipment and tissue paper related products.
- Food and beverages: The operation and management of restaurants.
- Investment holding: Investing activities, including investment in investment properties.

Other segment includes the corrugated containers business. This is not included within the reportable operating segments. The results of the operation is included in "other segment".

Inter-segment pricing is determined on a commercial basis. Segment capital expenditure is the total cost incurred during the year to acquire property, plant and equipment.



# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 33. Segment information (cont'd)

### Information about reportable segments

Group	Specialty papers		Printed cartons and labels		Trading		Food and beverages		Investment holding		Total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
External revenue	105,594	102,758	76,301	74,144	127,804	123,087	525	-	-	-	310,224	299,989
Inter-segment revenue	18,958	20,248	16,339	33,840	3,210	561	20	-	-	-	38,527	54,649
Interest income	93	152	260	254	47	97	-	-	1,115	1,083	1,515	1,586
Interest expense	(447)	(571)	(859)	(1,257)	(97)	(128)	(78)	-	(55)	(9)	(1,536)	(1,965)
Reportable segment profit before tax	10,254	13,185	6,451	4,084	143	997	(1,013)	-	1,205	1,535	17,040	19,801
Segment results	10,254	13,185	6,451	4,084	143	997	(1,013)	-	1,205	1,535	17,040	19,801
Share of loss of equity-accounted investees	-	-	-	-	-	-	-	-	(539)	(371)	(539)	(371)
Other material non-cash items:												
- Amortisation	5	5	399	406	-	-	-	-	-	-	404	411
- Depreciation	1,880	2,038	9,770	10,090	138	16	465	-	431	487	12,684	12,631
- Reversal of impairment loss on property, plant and equipment	-	(2,052)	(2,457)	(486)	-	-	-	-	-	-	(2,457)	(2,538)
- Change in fair value of equity shares	7	17	-	-	-	-	-	-	-	25	7	42
Capital expenditure	1,315	2,276	11,713	14,741	248	-	2,664	-	-	23	15,940	17,040
Investments in equity-accounted investees	-	-	-	-	-	-	-	-	10,114	9,057	10,114	9,057
Reportable segment assets	74,099	67,669	138,007	125,578	15,208	31,726	3,845	-	4,117	3,521	235,276	228,494
Reportable segment liabilities	24,613	22,546	25,731	23,566	9,589	18,622	1,993	-	237	94	62,163	64,828

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 33. Segment information (cont'd)

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

	2024 \$'000	2023 \$'000
<b>Revenue</b>		
Total revenue for reportable segments	348,751	354,638
Revenue for other segment	7,319	6,408
Elimination of inter-segment revenue	(38,527)	(54,649)
Consolidated revenue	317,543	306,397
<b>Profit or loss</b>		
Total profit before tax for reportable segments	17,040	19,801
Profit before tax for other segment	232	93
	17,272	19,894
Elimination of inter-segment profits	2,228	2,872
Share of loss of equity-accounted investees	(539)	(371)
Unallocated amounts:		
- other corporate expenses	(5,135)	(5,065)
Consolidated profit before tax	13,826	17,330
<b>Assets</b>		
Total assets for reportable segments	235,276	228,494
Assets for other segment	3,412	3,942
Investments in equity-accounted investees	10,114	9,057
Unallocated amounts:		
- other corporate assets	5,684	10,904
- income tax assets	1,351	1,204
Consolidated total assets	255,837	253,601
<b>Liabilities</b>		
Total liabilities for reportable segments	62,163	64,828
Liabilities for other segment	502	1,065
Unallocated amounts:		
- other corporate liabilities	899	970
- income tax payable	2,657	2,441
Consolidated total liabilities	66,221	69,304
<b>Depreciation</b>		
Total depreciation for reportable segments	12,684	12,631
Others	152	139
Consolidated depreciation	12,836	12,770
<b>Capital expenditure</b>		
Total capital expenditure for reportable segments	15,940	17,040
Others	30	280
Consolidated capital expenditure	15,970	17,320

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 33. Segment information (cont'd)

	2024			2023		
	Reportable Segments	Adjustments	Consolidated	Reportable Segments	Adjustments	Consolidated
	Total		Total	Total		Total
	\$'000		\$'000	\$'000		\$'000
Group						
Interest income and expense						
Interest income	1,515	(1,173)	342	1,586	(1,072)	514
Interest expense	(1,536)	667	(869)	(1,965)	1,134	(831)
Consolidated net interest expense	(21)	(506)	(527)	(379)	62	(317)

### Geographical information

The specialty papers, printed cartons and labels, trading, food and beverages, and investment holding segments operate in a number of principal countries. For specialty papers, the Group has plants in Singapore, Vietnam, Malaysia and Dubai, while for printed cartons and labels, the Group has plants in Vietnam, Indonesia and Dubai. For trading, the Group has sales offices in Singapore and Hong Kong. For food and beverages, the Group has a restaurant in Malaysia.

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of business operations and segment non-current assets are based on the geographical location of the assets.

	2024	2024	2023	2023
	External revenues	Non-current assets*	External revenues	Non-current assets*
	\$'000	\$'000	\$'000	\$'000
Hong Kong	133,423	18,051	129,380	17,663
Vietnam	64,303	19,250	51,664	20,544
Malaysia	23,514	26,548	24,311	17,131
Indonesia	19,773	23,936	17,936	22,323
Singapore	46,051	9,124	56,478	9,764
Dubai	30,479	28,341	26,628	27,244
China	–	1,510	–	1,632
Australia	–	6	–	53
	317,543	126,766	306,397	116,354

\* Excludes deferred tax assets and non-current financial assets

### Major customer

Revenue of \$94,311,000 (2023: \$98,759,000) is derived from two external customers (2023: two external customers), attributable to the specialty papers and printed cartons and labels segments.

## 34. Capital management

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors monitors the return on capital, which the Group defines as net operating income divided by total equity. The Board also monitors the level of dividends to ordinary shareholders. Capital consists of ordinary shares and retained earnings of the Group.

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 34. Capital management (cont'd)

The Board monitors the capital position of the Group to ensure a sufficiently strong capital base so as to maintain investor, creditor and market confidence. This is also a platform to sustain the existing business and for future growth. Concurrently, the Board of Directors reviews the capital to debt ratio to achieve the dual objective of a strong capital base and an acceptable level on the return on capital.

	Group	
	2024	2023
	\$'000	\$'000
Loans and borrowings (Note 24)	–	331
Lease liabilities (Note 25)	11,084	10,357
Total finance liabilities	11,084	10,688
Total equity	189,616	184,297
Total capital and financial liabilities	200,700	194,985
<b>Gearing ratio</b>	5.5%	5.5%

There were no changes in the Group's approach to capital management during the year.

Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

## 35. Comparative figures

Certain reclassifications have been made to the prior year's financial statements to enhance comparability with the current year's financial statements. As a result, certain line items have been amended on the face of the statements of financial position and related notes to the financial statements.

The effects of prior year reclassification on the Group's statement of financial position are as follows:

	As previously reported	Adjustment	As restated
	\$'000	\$'000	\$'000
<b>Group</b>			
<b>Statement of financial position as at 1 January 2023</b>			
<b>Non-current assets</b>			
Property, plant and equipment	63,561	(871)	62,690
Right-of-use assets	8,066	871	8,937
<b>Statement of financial position as at 31 December 2023</b>			
<b>Non-current assets</b>			
Property, plant and equipment	70,893	(831)	70,062
Right-of-use assets	9,324	831	10,155

## 36. Authorisation of financial statements for issue

The financial statements for the year ended 31 December 2024 were authorised for issue in accordance with a resolution of the directors on 14 April 2025.

# GROUP PROPERTIES

List of Major Properties

Location	Description	Tenure
<b>Lot 15,17,19 &amp; 21 – Road 3 Industrial Zone Linh Trung II EPZ Thu Duc District Ho Chi Minh City, Vietnam</b>	One office, two factories and two warehouses used by a subsidiary for its operations	Leasehold 48.5 years from 3 December 2001 to 22 May 2050
<b>Lot 24 – Road 3 Industrial Zone Linh Trung II EPZ Thu Duc District Ho Chi Minh City, Vietnam</b>	Office and factory used by a subsidiary for its operations	Leasehold 40 years from 7 June 2010 to 22 May 2050
<b>No. 16 Soon Lee Road Singapore 628079</b>	Office, factory with ancillary structures used by a subsidiary for its operations	Leasehold 60 years commencing from 16 November 1969
<b>38 Huu Nghi Street Vietnam – Singapore Industrial Park Thuan An, Binh Duong Ho Chi Minh City, Vietnam</b>	Two-storey office, two factories and two warehouses used by a subsidiary for its operations	Leasehold 49 years expiring on 8 August 2054
<b>No. 79 Section 14/20 46100 Petaling Jaya Selangor Darul Ehsan, Malaysia</b>	Residential quarters for staff of a subsidiary	Leasehold 99 years expiring on 22 July 2074
<b>No. 8, Lorong 19/1 A 46300 Petaling Jaya Selangor Darul Ehsan, Malaysia</b>	Office, factory and warehouse used by a subsidiary for its operations	Leasehold 99 years from 24 July 1963
<b>Forest Hills, Block B-210 Mission Hill Golf Club Tangxia Town, Dongguan City Guangdong Province, PRC</b>	Studio apartment	Leasehold 40 years expiring on 6 July 2049
<b>Plot No. S30605, PO Box 263919 Jebel Ali, Dubai United Arab Emirates</b>	Office and factory used by a subsidiary for its operations	Leasehold 20 years expiring 5 August 2036
<b>Plot No. S40404, PO Box 263505 Jebel Ali, Dubai United Arab Emirates</b>	Office and factory used by a subsidiary for its operations	Leasehold 20 years expiring on 9 October 2036
<b>Plot No. S40313, PO Box 263919 Jebel Ali, Dubai United Arab Emirates</b>	Office and factory used by a subsidiary for its operations	Leasehold 20 years expiring on 4 April 2043

# GROUP PROPERTIES

List of Investment Properties

Location	Description	Tenure
<b>No. 190, 191, 210 and 211 Shanghai Ma Lu Industrial Park No. 58 Chan Bo Road, Ma Lu District Jia Ding County, Shanghai, PRC</b>	Four similar semi-detached single-storey industrial/warehouse buildings	Leasehold 48 years expiring on 12 November 2043
<b>No. 2461, Bao An Road JiaDing District, Shanghai, PRC</b>	Office, factory and warehouse	Leasehold 50 years from 7 July 1997
<b>No. 5 &amp; 6 Yue Hai Industrial Area Nan Yu Road West, Nan Shan District, Shenzhen, PRC</b>	Two adjoining ground floor units of twin six-storey factory buildings	Leasehold 50 years from 1 March 1996
<b>No. 78 Xin Hua Dong Road Inner Mongolia, PRC</b>	2 units of residential apartments	Leasehold 70 years from 25 January 2006
<b>No. 35 Gang Wan Road Wuhu Economic Technology Development Park Wuhu City, Anhui Province, PRC</b>	Office, factory and warehouse	Leasehold period from 13 December 2000 to 1 December 2047
<b>Workshop B, 1/F., Block 1 Koon Wah Mirror Factory (6th) Industrial Building Nos. 7 – 9 Ho Tin Street, Tuen Mun New Territories, Hong Kong</b>	Industrial premises	Leasehold 99 years from 1 July 1898, extended by the New Territories Leases (Extension) Ordinance until the expiry of 30 June 2047
<b>No. 8, Section 14/28 46100 Petaling Jaya Selangor Darul Ehsan, Malaysia</b>	Residential premises	Leasehold 99 years expiring on 10 January 2063

# OTHER INFORMATION REQUIRED UNDER THE SGX-ST LISTING MANUAL

## Code of Conduct

The Group has a code of conduct that sets the principles of the code of conduct and business ethics which applies to all employees of the Group. The Group's employees are expected to observe and uphold high standards of integrity and comply with applicable laws and regulations as well as the Group's policies.

## Dealings in Securities

In line with Rule 1207(19) of the SGX-ST Listing Manual on dealings in securities, the Company provides guidance to its officers with regard to dealings by the Company and its officers in its securities including reminding its officers to observe the laws on insider dealing at all times. In addition, the Company advises its officers not to deal in its securities on short-term considerations and during the period commencing one month before the announcement of the Company's financial statements for the half financial year and full financial year, and ending on the date of the announcement of the relevant results.

## Material Contracts Involving the Interests of the Chief Executive Officer, Director or Controlling Shareholder

The Company and its subsidiaries do not have any material contract involving the interest of the Chief Executive Officer, Director or controlling shareholder that was still subsisting as at 31 December 2024 or entered into since 31 December 2023.

## Employee Share Option Scheme

The Group currently does not have any employee share option scheme.

## Interested Person Transactions

The aggregate value of transactions entered into by the Group with interested persons, as defined in the SGX-ST Listing Manual, is as follow:

Interested person	Aggregate value of all transactions (excluding transactions less than S\$100,000 and transactions conducted under a shareholders' mandate pursuant to Rule 920) S\$'000	Aggregate value of all transactions conducted under a shareholders' mandate pursuant to Rule 920 of the SGX-ST Listing Manual (excluding transactions less than S\$100,000) S\$'000
<b>New Toyo Pulppy (Vietnam) Co., Ltd</b>		
- Sale of jumbo reels	–	2,298
- Sale of chipboard, duplex board and core	239	–
- Sale of virgin pulp	–	2,230
<b>New Toyo Pulppy (Hong Kong) Ltd</b>		
- Leasing of warehouse	200	–
<b>New Ocean World Fine Food City Sdn Bhd and its joint ventures</b>		
- Leasing of retail food outlet and utilities	2,369	–
- Sale of food and beverages supplies and equipment	328	–
<b>Toyoma Aluminium Foil Packaging Sdn Bhd and Miss Ao Dai Ice Cream &amp; Coffee Sdn Bhd</b>		
- Sale of food and beverages supplies, equipment and signboard	328	–

## Risk Management

The Group's risk management controls are outlined on pages 34 to 35 and pages 120 to 130 of this Annual Report.



# OTHER INFORMATION REQUIRED UNDER THE SGX-ST LISTING MANUAL

## DISCLOSURE OF INFORMATION ON DIRECTORS SEEKING RE-ELECTION – APPENDIX 7.4.1 TO THE LISTING MANUAL

Mr Yen Wen Hwa, Tengku Tan Sri Dr Mahaleel Bin Tengku Ariff, Mr Phua Tin How, Mr Ooi Hoe Seong and Mr James Yu Sin Giap are the Directors seeking re-election at the forthcoming Annual General Meeting of the Company to be convened on 30 April 2025 (“AGM”) (collectively, the “Retiring Directors”) and each a “Retiring Director”).

Pursuant to Rule 720(6) of the Listing Manual of the Singapore Exchange Securities Trading Limited (“SGX-ST”), the following is the information relating to the Director seeking re-election as set out in Appendix 7.4.1 to the Listing Manual of the SGX-ST:

Name of Director	MR YEN WEN HWA	TENGKU TAN SRI DR MAHALEEL BIN TENGKU ARIFF	MR PHUA TIN HOW	MR OOI HOE SEONG	MR JAMES YU SIN GIAP
Date of appointment	1 September 2016	1 March 2007	27 February 2020	1 July 2024	1 July 2024
Date of last re-appointment	28 April 2022	28 April 2022	27 April 2023	Not applicable	Not applicable
Age	76	78	74	74	72
Country of principal residence	Singapore	Malaysia	Singapore	Singapore	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The Board had considered, among others, the recommendation of the Nominating Committee (“NC”) and has reviewed and considered the contribution, performance, expertise, diversity of skillsets, work experience and suitability of Mr Yen Wen Hwa (“Mr Yen”) for re-election as Executive Chairman of the Company, as well as the overall size, composition and diversity of skillsets of the Board, concluded that Mr Yen will continue to contribute towards the core competencies of the Board.	The Board had considered, among others, the recommendation of the NC and has reviewed and considered the contribution, performance, expertise, diversity of skillsets, work experience and suitability of Tengku Tan Sri Dr Mahaleel Bin Tengku Ariff (“Tengku Mahaleel”) for re-election as Non-Executive Independent Director of the Company, as well as the overall size, composition and diversity of skillsets of the Board, concluded that Tengku Mahaleel will continue to contribute towards the core competencies of the Board.	The Board had considered, among others, the recommendation of the NC and has reviewed and considered the contribution, performance, expertise, diversity of skillsets, work experience and suitability of Mr Phua Tin How (“Mr Phua”) for re-election as Independent Director of the Company, as well as the overall size, composition and diversity of skillsets of the Board, concluded that Mr Phua will continue to contribute towards the core competencies of the Board.	The Board had considered, among others, the recommendation of the NC and has reviewed and considered the contribution, performance, expertise, diversity of skillsets, work experience and suitability of Mr Ooi Hoe Seong (“Mr Ooi”) for re-election as Independent Director of the Company, as well as the overall size, composition and diversity of skillsets of the Board, concluded that Mr Ooi will continue to contribute towards the core competencies of the Board.	The Board had considered, among others, the recommendation of the NC and has reviewed and considered the contribution, performance, expertise, diversity of skillsets, work experience and suitability of Mr James Yu Sin Giap (“Mr Yu”) for re-election as Independent Director of the Company, as well as the overall size, composition and diversity of skillsets of the Board, concluded that Mr Yu will continue to contribute towards the core competencies of the Board.

# OTHER INFORMATION REQUIRED UNDER THE SGX-ST LISTING MANUAL

Name of Director	MR YEN WEN HWA	TENGKU TAN SRI DR MAHALEEL BIN TENGKU ARIFF	MR PHUA TIN HOW	MR OOI HOE SEONG	MR JAMES YU SIN GIAP
Whether appointment is executive, and if so, the area of responsibility	Executive, responsible for the overall planning and development of the Company.	Non-Executive.	Non-Executive.	Non-Executive.	Non-Executive.
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Director and Executive Chairman.	Non-Executive and Non-Independent Director, a member of the Audit Committee and Remuneration Committee.	Non-Executive and Independent Director, Chairman of the Remuneration Committee and a member of the Audit Committee.	Non-Executive and Independent Director and a member of the Audit Committee.	Non-Executive and Independent Director and a member of the Nominating Committee.
Professional qualifications	High School	Bachelor of Arts (Honours), University of Malaya	Master in Business Administration Degree from INSEAD, France  Bachelor of Science (Hons) Degree, University of Singapore	Bachelor of Science, University of Singapore	Advocate & Solicitor (Lawyer)
Working experience and occupation(s) during the past 10 years	Mr Yen is the founder of New Toyo International Holdings Ltd ("NTIH") Group and serves as the Executive Chairman of NTIH.  He was appointed as the Executive Chairman of Tien Wah Press Holdings Berhad ("TWPH") on 16 February 2015.	Tengku Mahaleel has a diverse career and has over 40 years of experience in the food, paper, cigarette, oil, marine, aviation, car and motorcycle industries and has represented Malaysia in the Asia Pacific Economic Council and the Asean Business Advisory Council.	Executive Director of TranSil Corporation Pte. Ltd.	Dec 2011 to Feb 2022 – AnAn International Limited, Independent Non-Executive Director	Yu & Co LLC
Shareholding interest in the listed issuer and its subsidiaries	Direct Interest - 139,959,164 ordinary shares Deemed Interest - 87,910,517 ordinary shares	None	None	None	None

# OTHER INFORMATION REQUIRED UNDER THE SGX-ST LISTING MANUAL

Name of Director	MR YEN WEN HWA	TENGKU TAN SRI DR MAHALEEL BIN TENGKU ARIFF	MR PHUA TIN HOW	MR OOI HOE SEONG	MR JAMES YU SIN GIAP
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	Mr Yen is the controlling shareholder with his 51.94% equity interest in the Company.	None	None	None	None
Conflict of interest (including any competing business)	None	None	None	None	None
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes	Yes	Yes	Yes
<b>Other Principal Commitments including Directorships</b>					
Past (for the last 5 years)	<ol style="list-style-type: none"> <li>1. Full Chain Limited</li> <li>2. New Toyo Adelaide Pty Ltd</li> <li>3. E Moto Sdn Bhd</li> <li>4. Pulpny Professional (Macau) Co Limited</li> </ol>	<ol style="list-style-type: none"> <li>1. Majlis Amanah Rakyat (MARA)</li> <li>2. Standard Businesslink Sdn Bhd</li> <li>3. Y M Enterprises (M) Sdn Bhd</li> <li>4. E Moto Sdn Bhd</li> <li>5. University Sains Malaysia</li> <li>6. Usains Sdn Bhd</li> </ol>	Valuemax Group Limited	AnAn International Limited	Nil

# OTHER INFORMATION REQUIRED UNDER THE SGX-ST LISTING MANUAL

Name of Director	MR YEN WEN HWA	TENGKU TAN SRI DR MAHALEEL BIN TENGKU ARIFF	MR PHUA TIN HOW	MR OOI HOE SEONG	MR JAMES YU SIN GIAP
Present	<ol style="list-style-type: none"> <li>1. New Toyo International Holdings Ltd</li> <li>2. Yen &amp; Son Holdings Pte Ltd</li> <li>3. Tien Wah Press Holdings Berhad</li> <li>4. Toyoma Aluminium Foil Packaging Sdn Bhd</li> <li>5. Wan Bao Sdn Bhd</li> <li>6. Penthouse Club &amp; Karaoke Sdn Bhd</li> <li>7. Benline Enterprise Sdn Bhd</li> <li>8. Lum Chang Tien Wah Property Sdn Bhd</li> <li>9. New Ocean World Fine Food City Sdn Bhd</li> <li>10. Tien Wah Properties Sdn Bhd</li> <li>11. Jing Cheng Beijing Duck Restaurant Sdn Bhd</li> <li>12. Songngu Vietnamese Cuisine Sdn Bhd</li> <li>13. Somboon Thai Cuisine Sdn Bhd</li> <li>14. Aegean Blue Cuisine Sdn Bhd</li> <li>15. Eer Dun Hotpot Sdn Bhd</li> <li>16. Anzpac Services (Australia) Pty Limited</li> <li>17. Vina Toyo Co., Ltd</li> <li>18. New Toyo Pulppy (Vietnam) Co. Ltd</li> <li>19. Greeting Tomt Limited</li> <li>20. New Toyo Pulppy (Hong Kong) Ltd</li> <li>21. Pulppy International (Hong Kong) Ltd</li> </ol>	<ol style="list-style-type: none"> <li>1. New Toyo International Holdings Ltd</li> <li>2. Toyoma Aluminium Foil Packaging Sdn Bhd</li> </ol>	<ol style="list-style-type: none"> <li>1. New Toyo International Holdings Ltd</li> <li>2. Beijing Yinjian Industry Co. Ltd.</li> <li>3. Hao Hua Holdings Pte. Ltd.</li> <li>4. TranSil Corporation Pte. Ltd.</li> </ol>	<ol style="list-style-type: none"> <li>1. New Toyo International Holdings Ltd</li> </ol>	<ol style="list-style-type: none"> <li>1. New Toyo International Holdings Ltd</li> <li>2. Yu &amp; Co LLC</li> <li>3. Jamesville Development Pte Ltd</li> <li>4. Jamesville Investments (SL) Pte Ltd</li> <li>5. Fruits &amp; Fruits Pte Ltd</li> </ol>

# OTHER INFORMATION REQUIRED UNDER THE SGX-ST LISTING MANUAL

Name of Director	MR YEN WEN HWA	TENGKU TAN SRI DR MAHALEEL BIN TENGKU ARIFF	MR PHUA TIN HOW	MR OOI HOE SEONG	MR JAMES YU SIN GIAP
Information required under items (a) to (k) of the Appendix 7.4.1 of the SGX-ST Listing Manual	There is no change to the declaration, which was disclosed in the Company's Annual Report 2022 under the sub-section entitled "Other Information Required under the SGX-ST Listing Manual: Disclosure of Information on Director Seeking Re-election", issued on 7 April 2022.	There is no change to the declaration, which was disclosed in the Company's Annual Report 2022 under the sub-section entitled "Other Information Required under the SGX-ST Listing Manual: Disclosure of Information on Director Seeking Re-election", issued on 7 April 2022.	There is no change to the declaration, which was disclosed in the Company's Annual Report 2023 under the sub-section entitled "Other Information Required under the SGX-ST Listing Manual: Disclosure of Information on Director Seeking Re-election", issued on 12 April 2023.	There is no change to the response previously disclosed by Mr Ooi under items (a) to (k) of Appendix 7.4.1 of the SGX-ST Listing Manual which were all "No".  The Appendix 7.4.1 information in respect of Mr Ooi's appointment as Director was announced on 28 June 2024.	There is no change to the response previously disclosed by Mr Yu under items (a) to (k) of Appendix 7.4.1 of the SGX-ST Listing Manual which were all "No".  The Appendix 7.4.1 information in respect of Mr Yu's appointment as Director was announced on 28 June 2024.

# STATISTICS OF SHAREHOLDINGS

As at 21 March 2025

Number of Issued Shares	:	439,424,603
Number of Issued Shares (excluding Treasury Shares)	:	438,707,803
Number / Percentage of Treasury Shares	:	716,800 / 0.16%
Number of Shares / Percentage held by Subsidiary Holdings	:	Nil
Class of Share	:	Ordinary share
Voting Rights	:	One vote per ordinary share

## DISTRIBUTION OF SHAREHOLDERS BY SIZE OF SHAREHOLDINGS AS AT 21 MARCH 2025

Size of Shareholdings	No. of Shareholders	%	No. of Shares (excluding treasury shares)	%
1 - 99	10	0.23	99	0.00
100 - 1,000	1,106	25.66	1,089,250	0.25
1,001 - 10,000	1,938	44.95	8,974,513	2.05
10,001 - 1,000,000	1,222	28.35	89,907,413	20.49
1,000,001 AND ABOVE	35	0.81	338,736,528	77.21
<b>TOTAL</b>	<b>4,311</b>	<b>100.00</b>	<b>438,707,803</b>	<b>100.00</b>

As at 21 March 2025, approximately 47.40% of the issued shares of the Company (excluding treasury shares) is held by the public and thus Rule 723 of the SGX-ST Listing Manual is complied with.

## TWENTY LARGEST SHAREHOLDERS

	Shareholder's Name	No. of Shares	%
1	YEN WEN HWA	139,959,164	31.90
2	YEN & SON HOLDINGS PTE LTD	58,817,940	13.41
3	LU LE NHI MRS YEN WEN HWA	29,092,577	6.63
4	CHIA KEE KOON	21,098,300	4.81
5	DBS NOMINEES (PRIVATE) LIMITED	17,657,229	4.02
6	WUTHELAM HOLDINGS LTD	7,000,000	1.60
7	CHUA KUAN LIM CHARLES	6,736,300	1.54
8	MAYBANK SECURITIES PTE. LTD.	4,834,700	1.10
9	PHILLIP SECURITIES PTE LTD	3,752,400	0.86
10	NG KEE SENG	3,653,400	0.83
11	YEO KHEE CHYE	3,250,000	0.74
12	GOH LEH HONG	3,109,400	0.71
13	LEE WOON KIAT	2,928,036	0.67
14	OCBC SECURITIES PRIVATE LIMITED	2,913,800	0.66
15	KUAN BON HENG	2,774,900	0.63
16	WEE HIAN KOK	2,614,100	0.60
17	RAFFLES NOMINEES (PTE) LIMITED	2,488,900	0.57
18	CITIBANK NOMINEES SINGAPORE PTE LTD	2,408,902	0.55
19	FUNG KOON YAU	2,321,280	0.53
20	GOH KIAN SOON (WU JIANSHUN)	2,176,400	0.50
	<b>TOTAL</b>	<b>319,587,728</b>	<b>72.86</b>

# STATISTICS OF SHAREHOLDINGS

As at 21 March 2025

## SUBSTANTIAL SHAREHOLDERS AS AT 21 MARCH 2025

(as shown in the Register of Substantial Shareholders)

	Name	Direct Interest	Deemed Interest
1	Yen Wen Hwa	139,959,164	87,910,517 <sup>(a)</sup>
2	Lu Le Nhi Mrs Yen Wen Hwa	29,092,577	198,777,104 <sup>(b)</sup>
3	Gary Yen	41,939	58,817,940 <sup>(c)</sup>
4	Yen & Son Holdings Pte Ltd	58,817,940	–

### Note

(a)	Inclusive of interests of:		
	Lu Le Nhi Mrs Yen Wen Hwa		29,092,577
	Yen & Son Holdings Pte Ltd		58,817,940
		Total:	87,910,517
(b)	Inclusive of interests of:		
	Yen Wen Hwa		139,959,164
	Yen & Son Holdings Pte Ltd		58,817,940
		Total:	198,777,104
(c)	Inclusive of interests of:		
	Yen & Son Holdings Pte Ltd		58,817,940



# NOTICE OF 29<sup>th</sup> ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the 29<sup>th</sup> Annual General Meeting (“**AGM**”) of the Company will be held at 39 Scotts Road, Ballrooms 3 & 4, Level 2, Sheraton Towers, Singapore 228230 on Wednesday, 30 April 2025 at 11.00 a.m. to transact the following business:

## AS ORDINARY BUSINESS

1. To receive and adopt the Directors’ Statement and Audited Financial Statements for the financial year ended 31 December 2024 and the Reports of the Auditors thereon.  
**(Resolution 1)**
2. To declare a final tax exempt (1-tier) dividend of 0.9 Singapore cent per ordinary share for the financial year ended 31 December 2024.  
**(Resolution 2)**
3. To approve the Directors’ fees of S\$470,000 for the financial year ending 31 December 2025, to be paid quarterly in arrears.  
**(Resolution 3)**
4. To re-elect Mr Yen Wen Hwa who is retiring by rotation pursuant to Regulation 109 of the Company’s Constitution.  
**(Resolution 4)**
5. To re-elect Tengku Tan Sri Dr Mahaleel Bin Tengku Ariff who is retiring by rotation pursuant to Regulation 109 of the Company’s Constitution.  
*[refer to explanatory note (i)]*  
**(Resolution 5)**
6. To re-elect Mr Phua Tin How who is retiring by rotation pursuant to Regulation 109 of the Company’s Constitution.  
*[refer to explanatory note (ii)]*  
**(Resolution 6)**
7. To re-elect Mr Ooi Hoe Seong who is retiring pursuant to Regulation 119 of the Company’s Constitution.  
*[refer to explanatory note (iii)]*  
**(Resolution 7)**
8. To re-elect Mr James Yu Sin Giap who is retiring pursuant to Regulation 119 of the Company’s Constitution.  
*[refer to explanatory note (iv)]*  
**(Resolution 8)**
9. To re-appoint Ernst & Young LLP as Auditors of the Company and to authorise the Directors to fix their remuneration.  
**(Resolution 9)**

## AS SPECIAL BUSINESS

To consider and, if thought fit, to pass the following ordinary resolutions with or without modifications:

10. **Authority to issue shares and convertible securities** **(Resolution 10)**

That, pursuant to Section 161 of the Companies Act 1967 and the listing rules of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”), approval be and is hereby given to the directors of the Company (“**Directors**”) to:

- (A) (i) issue shares in the capital of the Company whether by way of rights, bonus or otherwise; and/or
- (ii) make or grant offers, agreements or options (collectively, “**Instruments**”) that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures, or other instruments convertible into shares,

at any time to such persons and upon such terms and for such purposes as the Directors may in their absolute discretion deem fit; and

# NOTICE OF 29<sup>th</sup> ANNUAL GENERAL MEETING

- (B) (notwithstanding the authority conferred by the shareholders may have ceased to be in force) issue shares in pursuance of any Instrument made or granted by the Directors while the authority was in force,

provided always that:

- (a) the aggregate number of shares to be issued pursuant to this resolution (including shares to be issued in pursuance of Instruments made or granted pursuant to this resolution) does not exceed 50% of the total number of issued shares (excluding treasury shares and subsidiary holdings, if any) of the Company (as calculated in accordance with sub-paragraph (b) below), of which the aggregate number of shares (including shares to be issued in pursuance of Instruments made or granted pursuant to this resolution) to be issued other than on a pro rata basis to shareholders of the Company does not exceed 20% of the total number of issued shares (excluding treasury shares and subsidiary holdings, if any) of the Company (as calculated in accordance with sub-paragraph (b) below);
- (b) (subject to such manner of calculation and adjustments as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of shares that may be issued under sub-paragraph (a) above, the percentage of issued shares shall be based on the total number of issued shares (excluding treasury shares and subsidiary holdings, if any) of the Company at the time this resolution is passed, after adjusting for:
  - (i) new shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which were issued and are outstanding or subsisting at the time this resolution is passed; and
  - (ii) any subsequent bonus issue, consolidation or subdivision of shares,

and, in sub-paragraph (a) above and this sub-paragraph (b), “subsidiary holdings” has the meaning given to it in the Listing Manual of the SGX-ST; and

- (c) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual for the time being in force (unless such compliance has been waived by the SGX-ST) and the Constitution for the time being of the Company; and unless revoked or varied by the Company in general meeting, such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier.

*[refer to explanatory note (v)]*

## 11. Proposed Renewal of Share Buy-Back Mandate

(Resolution 11)

That:

- (1) for the purposes of and in accordance with Sections 76C and 76E of the Companies Act 1967 (“**Companies Act**”), the listing rules of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) and such other laws and regulations as may for the time being be applicable, the exercise by the Directors of the Company of all the powers of the Company to purchase or otherwise acquire from time to time issued ordinary shares in the capital of the Company (“**Shares**”) not exceeding in aggregate the Maximum Limit (as hereafter defined), at such price or prices as may be determined by the Directors from time to time up to the Maximum Price (as hereafter defined), whether by way of:
  - a) market purchases transacted on the SGX-ST through the SGX-ST’s trading system through one or more duly licensed stockbrokers appointed by the Company for the purpose (each a “**Market Purchase**”); and/or

# NOTICE OF 29<sup>th</sup> ANNUAL GENERAL MEETING

- b) off-market purchases (if effected otherwise than on the SGX-ST) in accordance with any equal access scheme(s) as may be determined or formulated by the Directors as they consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Companies Act and the listing rules of the SGX-ST (each an “**Off-Market Purchase**”),

on the terms set out in Appendix to the Notice of Annual General Meeting dated 15 April 2025 be and is hereby authorised and approved generally and unconditionally (“**Share Buy-Back Mandate**”);

- (2) unless varied or revoked by the Company in general meeting, the authority conferred on the Directors pursuant to the Share Buy-Back Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the date of the passing of this resolution and expiring on the earlier of:

- a) the date on which the next annual general meeting of the Company is held or required by law to be held, and
- b) the date on which the purchases or acquisitions of Shares by the Company pursuant to the Share Buy-Back Mandate are carried out to the full extent authorised;
- c) the date on which the authority conferred by the Share Buy-Back Mandate is revoked or varied;

- (3) in this resolution:

“**Average Closing Price**” means the average of the closing market prices of a Share over the last five Market Days (as defined below), on which transactions in the Shares were recorded, immediately preceding the date of the Market Purchase by the Company or the date of the making of the offer pursuant to the Off-Market Purchase, as the case may be, and deemed to be adjusted in accordance with the listing rules of the SGX-ST for any corporate action that occurs after the relevant five-day period;

“**date of the making of the offer**” means the date on which the Company announces its intention to make an offer for the purchase or acquisition of Shares from shareholders of the Company, stating therein the purchase price (which shall not be more than the Maximum Price for an Off-Market Purchase calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase;

“**Market Day**” means a day on which the SGX-ST is open for securities trading;

“**Maximum Limit**” means that number of issued Shares representing 10% of the total number of issued Shares as at the date of the passing of this resolution (excluding any treasury shares and subsidiary holdings as at that date);

“**Maximum Price**”, in relation to a Share to be purchased or acquired, means the purchase price (excluding brokerage, commission, applicable goods and services tax and other related expenses) which shall not exceed, in the case of a Market Purchase, 105% of the Average Closing Price and, in the case of an Off-Market Purchase pursuant to an equal access scheme, 120% of the Average Closing Price; and

- (4) the Directors and each of them be and are hereby authorised to complete and do all such acts and things (including executing all such documents as may be required) as they or each of them may consider expedient or necessary to give effect to the transactions contemplated or authorised by this resolution.

*[refer to explanatory note (vi)]*

# NOTICE OF 29<sup>th</sup> ANNUAL GENERAL MEETING

## 12. Proposed Renewal of Shareholders' Mandate for Interested Person Transactions

(Resolution 12)

That:

- (i) Pursuant to Chapter 9 of the Listing Manual, approval be and is hereby given for each of the Company and its subsidiaries and associated companies that is an "entity at risk" (as defined in Chapter 9 of the Listing Manual) to enter into any of the Interested Person Transactions as defined in the Appendix to the Notice of Annual General Meeting dated 15 April 2025 ("**Appendix**") with any of the Interested Persons (as defined in the Appendix), provided that such transactions are carried out on normal commercial terms and are not prejudicial to the interests of the Company and its minority Shareholders and are conducted in accordance with the guidelines and procedures for the Interested Person Transactions as set out in the Appendix;
- (ii) the directors of the Company and each of them be and are hereby authorised to do all such acts and things (including but not limited to negotiating, amending, signing, executing and delivering all documents) as they or he may consider necessary, desirable or expedient to give effect to this resolution; and
- (iii) the authority conferred by this resolution shall, unless revoked or varied by the Company in a general meeting, continue to be in force until the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required by law to be held, whichever is earlier.  
*[refer to explanatory note (vii)]*

13. To transact any other business which may be transacted at an AGM.

## RECORD DATE AND PAYMENT DATE

**NOTICE IS HEREBY GIVEN** that the Share Transfer Books and the Register of Members of the Company will be closed at **5.00 p.m. on 6 May 2025** for the purpose of determining shareholders' entitlements to the proposed final dividend at the Annual General Meeting of the Company to be held on 30 April 2025.

Duly completed registrable transfers in respect of the shares in the Company received up to the close of business at **5.00 p.m. on 6 May 2025** by the Company's Share Registrar, In.Corp Corporate Services Pte. Ltd., 36 Robinson Road, #20-01 City House, Singapore 068877, will be registered to determine shareholders' entitlements to such dividend. Shareholders whose Securities Accounts with The Central Depository (Pte) Ltd are credited with shares in the Company as at **5.00 p.m. on 6 May 2025** will be entitled to such proposed dividend.

The proposed final dividend, if approved at the 29<sup>th</sup> Annual General Meeting, will be paid on 15 May 2025.

By Order of the Board

Lee Wei Hsiung  
Company Secretary  
15 April 2025

# NOTICE OF 29<sup>th</sup> ANNUAL GENERAL MEETING

## Explanatory Notes:

- (i) Tengku Tan Sri Dr Mahaleel Bin Tengku Ariff, if re-elected, will continue to serve as a Non-Independent Non-Executive Director, remain as a member of the Audit Committee and a member of the Remuneration Committee. He is considered to be non-independent for the purpose of Rule 704(8) of the Listing Manual of the SGX-ST. Detailed information pursuant to Rule 720(6) of the Listing Manual of SGX-ST on Tengku Tan Sri Dr Mahaleel Bin Tengku Ariff can be found under the section entitled “Information on Directors seeking Re-election” of the Annual Report.
- (ii) Mr Phua Tin How, if re-elected, will continue to serve as an Independent Director, remain as Chairman of the Remuneration Committee and a member of the Audit Committee. He is considered to be independent for the purpose of Rule 704(8) of the Listing Manual of the SGX-ST. Detailed information pursuant to Rule 720(6) of the Listing Manual of SGX-ST on Mr Phua Tin How can be found under the section entitled “Information on Directors seeking Re-election” of the Annual Report.
- (iii) Mr Ooi Hoe Seong, if re-elected, will continue to serve as an Independent Director and remain as a member of the Audit Committee. He is considered to be independent for the purpose of Rule 704(8) of the Listing Manual of the SGX-ST. Detailed information pursuant to Rule 720(6) of the Listing Manual of SGX-ST on Mr Ooi Hoe Seong can be found under the section entitled “Information on Directors seeking Re-election” of the Annual Report.
- (iv) Mr James Yu Sin Giap, if re-elected, will continue to serve as an Independent Director of the Company and remain as a member of the Nominating Committee. Detailed information pursuant to Rule 720(6) of the Listing Manual of SGX-ST on Mr James Yu Sin Giap can be found under the section entitled “Information on Directors seeking Re-election” of the Annual Report.
- (v) Ordinary Resolution 10, if passed, will authorise and empower the Directors from the date of this Meeting until the next Annual General Meeting, or the date by which the next Annual General Meeting of the Company is required by law to be held, or when revoked or varied by the Company in general meeting, whichever is earlier, to allot and issue shares in the Company. The maximum number of shares which the Directors may issue under this resolution shall not exceed the quantum as set out in the resolution.
- (vi) Ordinary Resolution 11, if passed, will empower the Directors of the Company to purchase or otherwise acquire ordinary shares of the Company by way of Market Purchases or Off-market Purchases of up to 10% of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company as at the date of the annual general meeting of the Company at which this Ordinary Resolution is passed. The rationale for, the authority and limitation on, the sources of the funds to be used for the purchase or acquisition and the financial effects of the purchase or acquisition of the ordinary shares by the Company pursuant to the Share Buyback Mandate are set out in greater detail in the Appendix to the notice of Annual General Meeting dated 15 April 2025.
- (vii) Ordinary Resolution 12, if passed, will renew the existing Shareholders’ Mandate to allow each of the Company and its subsidiaries and associated companies or any of them to enter into any of the Interested Persons Transactions with any of the Interested Persons in accordance with the terms set out in the Appendix to the Notice of Annual General Meeting dated 15 April 2025.

## Notes:

- 1. The AGM will be held, in a wholly physical format, at the venue, date and time stated above. Members, including CPF and SRS investors, and (where applicable) duly appointed proxies or representatives will be able to ask questions and vote at the AGM by attending the AGM in person. **There will be no option for the members to participate virtually.** The member must bring along his/her NRIC/Passport so as to enable the Company to verify his/her identity.
- 2. Printed copies of this Notice and the accompanying proxy form will be sent by post to the members. These documents will also be published on the SGX website at <https://www.sgx.com/securities/company-announcements> and on the Company’s website at <http://www.newtoyo.com/stockrelease.htm>.
- 3.
  - (a) A member who is not a relevant intermediary is entitled to appoint not more than two (2) proxies to attend, speak and vote at the AGM. Where such member appoints two (2) proxies, he/she should specify the proportion of his/her shareholding (expressed as a percentage of the whole) to be presented by each proxy in the instrument appointing a proxy or proxies.
  - (b) A member who is a relevant intermediary is entitled to appoint more than two (2) proxies to attend, speak and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the instrument appointing a proxy or proxies.

“Relevant intermediary” has the meaning ascribed to it in Section 181 of the Companies Act 1967.

# NOTICE OF 29<sup>th</sup> ANNUAL GENERAL MEETING

4. A proxy need not be a member of the Company. A member may choose to appoint the Chairman of the Meeting as his/her/its proxy.
5. The instrument appointing a proxy(ies) must be submitted to the Company in the following manner:
  - (a) if submitted by post, be lodged with the Company's Share Registrar, In.Corp Corporate Services Pte. Ltd., at 36 Robinson Road, #20-01 City House, Singapore 068877; or
  - (b) if submitted electronically, be submitted via email to the Company's Share Registrar at [shareregistry@incorp.asia](mailto:shareregistry@incorp.asia)in either case, by **11.00 a.m. on 27 April 2025** (being 72 hours before the time fixed for the AGM).
6. CPF and SRS investors:
  - (a) may vote at the AGM if they are appointed as proxies by their respective CPF Agent Banks or SRS Operators, and should contact their respective CPF Agent Banks or SRS Operations if they have any queries regarding their appointment as proxies; or
  - (b) may appoint the Chairman of the Meeting as proxy to vote on their behalf at the AGM, in which case they should approach their respective CPF Agent Banks or SRS Operators to submit their votes by **5.00 p.m. on 17 April 2025**.
7. The instrument of proxy must be signed by the appointer or his attorney duly authorised in writing. In the case of joint shareholders, all holders must sign the instrument of proxy.
8. Members may submit questions related to the resolutions to be tabled for approval for the AGM in advance of the AGM no later than **5.00 p.m. on 22 April 2025**:
  - (a) by post to the Company's Share Registrar, In.Corp Corporate Services Pte. Ltd., at 36 Robinson Road, #20-01 City House, Singapore 068877; or
  - (b) by email to the Company's Share Registrar at [shareregistry@incorp.asia](mailto:shareregistry@incorp.asia)When submitting questions by post or by email, members should provide the following details; (a) the member's full name; and (b) his/her/its identification/registration number, (c) contact for verification purposes; and (d) the manner in which the member holds shares in the Company (e.g. via CDP, CPF, SRS and/or scrip), for verification purposes.
9. The Company will address all substantial and relevant questions received from members by publishing its responses to such questions on the Company's website and the SGX website either by 24 April 2025, being at least 48 hours prior to the closing date and time for the lodgement of instruments appointing a proxy(ies), or at the AGM. Should there be subsequent clarification sought or follow-up comments and queries received after the deadline for the submission of questions on 22 April 2025, the Company will address those substantial and relevant comments and queries prior to the AGM either through publication on the Company's corporate website and the SGX website, or at the AGM.
10. Members, including CPF and SRS investors, and (where applicable) duly appointed proxies or representatives can also ask the Chairman of the Meeting substantial and relevant questions related to the resolutions to be tabled for approval at the AGM, at the AGM itself.
11. The Annual Report 2024, Request Form, Notice of AGM, Proxy Form and Appendix to the Notice of AGM dated 15 April 2025 (in relation to the proposed renewal of Share Buy-Back Mandate and the proposed renewal of shareholders' mandate for Interested Person Transactions) may be assessed at the Company's corporate website at <http://www.newtoyo.com/stockrelease.htm>. These documents will also be made available on the SGX website at <https://www.sgx.com/securities/company-announcements>. Members may request for printed copies of the Annual Report 2024 and the Appendix to the Notice of AGM dated 15 April 2025 by completing and submitting the Request Form available on the Company's corporate website and on the SGX website.

# NOTICE OF 29<sup>th</sup> ANNUAL GENERAL MEETING

## PERSONAL DATA PRIVACY

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM of the Company and/or any adjournment thereof and/or submitting any question to the Company in advance of the AGM in accordance with this Notice, 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 or service providers) for the purpose of the processing and administration by the Company (or its agents or service providers) of proxies and representatives appointed for the AGM of the Company (including any adjournment thereof) and the preparation and compilation of the attendance lists, proxy lists, minutes and other documents relating to the AGM of the Company (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines and (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 or service providers), 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 or service providers) 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.



NEW TOYO INTERNATIONAL HOLDINGS LTD

Registration No.: 199601387D  
(Incorporated in the Republic of Singapore)

ANNUAL GENERAL MEETING  
PROXY FORM

IMPORTANT:

- 1. Relevant intermediaries (as defined in Section 181 of the Companies Act 1967 of Singapore) may appoint more than (2) proxies to attend, speak and vote at the AGM.
- 2. This Proxy Form is not valid and shall be ineffective for all intents and purposes if used or purported to be used by Central Provident Fund Investment Scheme ("CPF")/Supplementary Retirement Scheme ("SRS") investors who hold the Company's Shares through CPF Agent Banks/ SRS Operators.

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 set out in the Notice of Annual General Meeting dated 15 April 2025.

\*I/We \_\_\_\_\_ (Name) \_\_\_\_\_ (\*NRIC/Passport No./Company Registration No.)

of \_\_\_\_\_ (Address)

being a \*member/members of NEW TOYO INTERNATIONAL HOLDINGS LTD (the "Company"), hereby appoint:

Name	Address	NRIC/Passport Number	Proportion of Shareholdings	
			No. of Shares	%

\*and/or

Name	Address	NRIC/Passport Number	Proportion of Shareholdings	
			No. of Shares	%

or failing the person, or either both the persons, referred to above, the Chairman of the Annual General Meeting of the Company (the "AGM"), as \*my/our \*proxy/proxies to vote for \*me/us on \*my/our behalf at the AGM to be held at 39 Scotts Road, Ballrooms 3 & 4, Level 2, Sheraton Towers, Singapore 228230 on Wednesday, 30 April 2025 at 11.00 a.m. and at any adjournment thereof.

\*I/we direct \*my/our \*proxy/proxies to vote for or against the resolutions to be proposed at the AGM as indicated hereunder. If no specific directions as to voting are given, the \*proxy/proxies will vote or abstain from voting at \*his/her/their discretion, as \*he/she/they will on any other matter arising at the AGM.

Voting would be conducted by poll. Please indicate your vote "For" or "Against" with an "X" or a tick [✓] within the box provided.

No.	Resolution	For	Against	Abstain
ORDINARY BUSINESS				
1	Adoption of the Directors' Statement, Audited Financial Statements and Auditors' Report for the financial year ended 31 December 2024.			
2	Declaration of a final tax-exempt (1-tier) dividend of 0.9 Singapore cent per share for the financial year ended 31 December 2024.			
3	Approval of the Directors' fees of S\$470,000 for the financial year ending 31 December 2025, to be paid quarterly in arrears.			
4	Re-election of Mr Yen Wen Hwa as Director retiring under Regulation 109.			
5	Re-election of Tengku Tan Sri Dr Mahaleel Bin Tengku Ariff as Director retiring under Regulation 109.			
6	Re-election of Mr Phua Tin How as Director retiring under Regulation 109.			
7	Re-election of Mr Ooi Hoe Seong as Director retiring under Regulation 119.			
8	Re-election of Mr James Yu Sin Giap as Director retiring under Regulation 119.			
9	Re-appointment of Ernst & Young LLP as Auditors of the Company and to authorise the Directors to fix their remuneration.			
SPECIAL BUSINESS				
10	Authority to issue shares and convertible securities.			
11	Renewal of Share Buy-Back Mandate.			
12	Renewal of shareholders' mandate for Interested Person Transactions.			

In the absence of specific directions in respect of a resolution, the appointment of Chairman of the AGM as your proxy for that resolution will be treated as invalid.

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2025

Total number of Shares held in:	
CDP Register	
Register of Members	

Signature(s) of Member(s) / Common Seal of Corporate Member

IMPORTANT: PLEASE READ NOTES OVERLEAF BEFORE COMPLETING THIS PROXY FORM



**Notes:**

1. A member who is unable to attend the AGM and wishes to appoint proxy(ies) to attend, speak and vote at the AGM on his/her/its behalf should complete, sign and return the instrument of proxy in accordance with the instructions printed thereon.
2. A proxy need not to be a member of the Company.
3. Please insert the total number of shares held by you. If you have shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act 2001 of Singapore), you should insert that number of shares. If you have shares registered in your name in the Register of Members of the Company, you should insert that number of shares. If you have shares entered against your name in the Depository Register and shares registered in your name in the Register of Members, you should insert the aggregate number of shares. If no number is inserted, this form of proxy will be deemed to relate to all the shares held by you.
4. In relation to the appointment of proxy(ies) to attend, speak and vote on his/her/its behalf at the AGM, a member (whether individual or corporate) appointing his/her/its proxy(ies) should give specific instructions as to his/her/its manner of voting, or abstentions from voting, in respect of a resolution in the instrument of proxy. If no specific instructions as to voting are given, or in the event of any other matter arising at the AGM and at any adjournment thereof, the proxy(ies) will vote or abstain from voting at his/her/their discretion.
5. The instrument appointing a proxy or proxies must be under the hand of the appointer or of his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its seal, executed as a deed in accordance with the Companies Act 1967 or under the hand of an attorney or an officer duly authorised, or in some other manner approved by the Directors. Where the instrument appointing a proxy or proxies is executed by an attorney on behalf of the appointer, the letter or power of attorney or a duly certified copy thereof must be lodged with the instrument of proxy.
6. The instrument appointing the proxy, together with the letter or power of attorney or other authority under which it is signed or a duly certified copy thereof (if applicable), must be submitted either:
  - (a) if submitted by post, the proxy form must be lodged at the Company's Share Registrar, In.Corp Corporate Services Pte. Ltd. at 36 Robinson Road, #20-01 City House, Singapore 068877; or
  - (b) if by email, the proxy form must be received at [shareregistry@incorp.asia](mailto:shareregistry@incorp.asia)in either case, by 11.00 a.m. on 27 April 2025 (being 72 hours before the time fixed for the AGM), and in default the instrument of proxy shall not be treated as valid.

A member can appoint the Chairman of the Meeting as his/her/its proxy, but this is not mandatory.

The proxy must bring along his/her NRIC/passport so as to enable the Company to verify his/her identity.

*First fold*

AFFIX  
POSTAGE  
STAMP

**The Share Registrar**  
**New Toyo International Holdings Ltd**  
36 Robinson Road  
#20-01 City House  
Singapore 068877

*Second fold*

7.
    - (a) A member who is not a relevant intermediary is entitled to appoint not more than two (2) proxies to attend, speak and vote on his/her/its behalf at the AGM. A member of the corporation is entitled to appoint its authorised representative or proxy to vote on its behalf.
    - (b) A member who is a relevant intermediary is entitled to appoint more than two (2) proxies to attend, speak and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's form of proxy appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the instrument appointing a proxy or proxies.
- "Relevant intermediary"** has the meaning ascribed to it in Section 181 of the Companies Act 1967.
8. For shareholders who hold shares through relevant intermediaries, including Central Provident Fund Investment Schemes ("**CPF Investors**") and/or Supplementary Retirement Schemes ("**SRS Investors**") should approach their respective CPF Agents Banks or SRS Operators to submit their votes at least 7 working days before the AGM. CPF/SRS Investors should contact their respective CPF Agent Banks or SRS Operators for any queries they may have with regard to the appointment of proxy for the AGM.

**GENERAL:**

The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible, or where the true intentions of the appointer are not ascertainable from the instructions of the appointer specified in the instrument appointing a proxy or proxies. In addition, in the case of shares entered in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if the shareholder, being the appointer, is not shown to have shares entered against his name in the Depository Register as at 72 hours before the time appointed for holding the AGM, as certified by The Central Depository (Pte) Limited to the Company.

**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 set out in the Notice of Annual General Meeting dated 15 April 2025.

# NEW TOYO

International Holdings Ltd

10 Anson Road  
#18-25 International Plaza  
Singapore 079903