



# TIONG NAM LOGISTICS HOLDINGS BERHAD

198901005177 (182485-V)



ANNUAL  
REPORT  
2024





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## CORPORATE PROFILE



**Founded in 1975, Tiong Nam began as a small-scale cargo business handling consolidated cargo and micro-distribution within Peninsular Malaysia. We have since evolved into one of the largest total logistics service providers in the region, with a reputation for efficiency, innovation and most importantly, service par excellence.**

The Group's expansion began in 1978, when Tiong Nam became an incorporated enterprise. In 1992, we extended our reach across Malaysia's borders into Singapore and Thailand. Since then, Myanmar, Laos, Vietnam and China, the new economic centre of the world, have been added to our trucking and warehousing network. At present, we are proud to have a fleet of over 1,500 trucks and a workforce of over 3,000 employees to meet the needs of our customers across the region.

We have also embraced the power of integration to enhance our development. This simple yet effective idea has seen us grow from a mere transportation business to one that now provides fully integrated logistics services, which includes provision of warehouse space coupled with warehouse management services, trucking delivery, cross border transfers, container haulage, heavy transportation, as well as last mile delivery for e-commerce companies.

Ever since our listing on the Bursa Malaysia in 1992, Tiong Nam Logistics Holdings Berhad has consistently ridden high on Bursa Malaysia. This is testament to the confidence we have successfully instilled in both our customers and investors, and is a distinction we seek to preserve in the years to come. At Tiong Nam, we are driven by the company motto of "You Call, We Deliver". We go the extra mile to ensure that distance, or complexity, is never an obstacle to efficient delivery.

## FIVE YEARS FINANCIAL HIGHLIGHTS

### Consolidated Statements of Profit or Loss and Other Comprehensive Income for the Year Ended 31 March (RM'000)

Year	2020	2021	2022	2023	2024
REVENUE	604,248	602,120	689,825	725,692	758,617
PROFIT BEFORE TAXATION	12,517	20,946	16,768	39,460	67,857
PROFIT AFTER TAXATION	2,183	11,882	6,291	28,068	57,725
BASIC EARNINGS PER SHARE (SEN)*	0.15	2.42	1.01	5.42	11.14
DILUTED EARNINGS PER SHARE (SEN)	0.15	2.42	1.01	5.42	11.14
DIVIDENDS PER SHARE (SEN)#	-	-	1.00	-	-
NET ASSET PER SHARE (RM)@	1.56	1.56	1.55	1.75	1.86

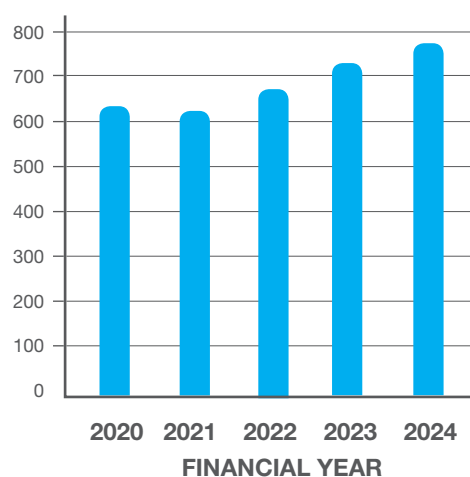
\* The basic earnings per share are computed based on weighted average number of ordinary shares for the financial year under review.

# Dividends per share are computed based on number of ordinary shares of 448,499,891 for year 2020, 514,050,191 for year 2021, 514,048,191 for year 2022, 514,046,191 for year 2023 and 514,044,191 for year 2024 after set off treasury shares.

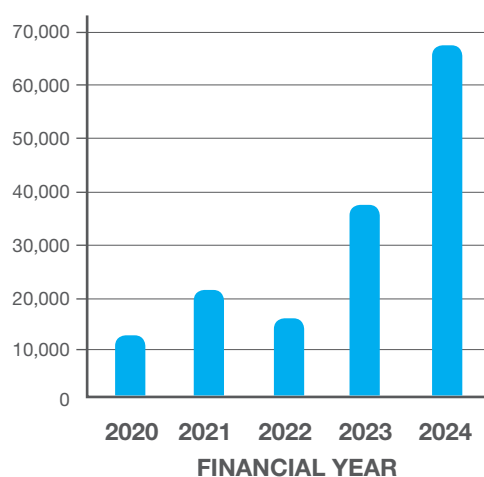
@ Net asset per share are computed based on number of ordinary shares of 448,499,891 for year 2020, 514,050,191 for year 2021, 514,048,191 for year 2022, 514,046,191 for year 2023 and 514,044,191 for year 2024 after set off treasury shares.

### SIMPLIFIED GROUP STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

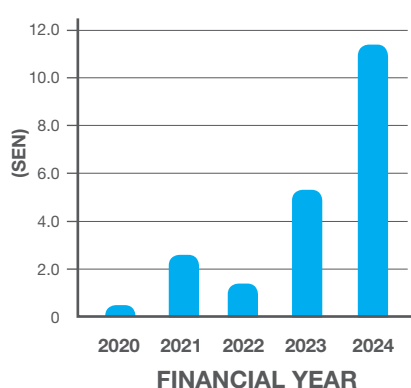
REVENUE (RM'000)



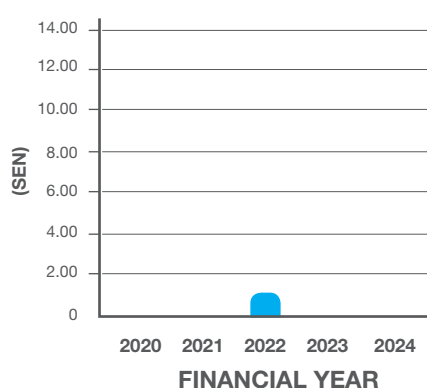
PROFIT BEFORE TAXATION  
(RM'000)



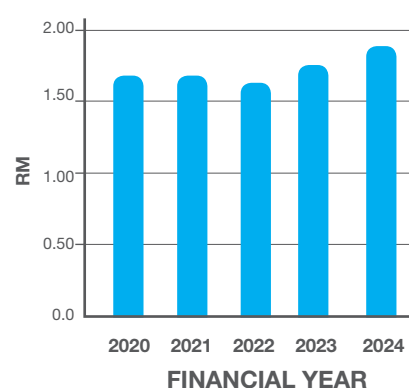
EARNINGS PER SHARE  
(SEN)\*



DIVIDENDS PER SHARE  
(SEN)#



NET ASSET PER SHARE  
(RM)@

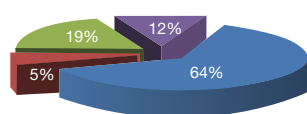


## FIVE YEARS FINANCIAL HIGHLIGHTS (CONT'D)

### Consolidated Statements of Financial Position as at 31 March (RM'000)

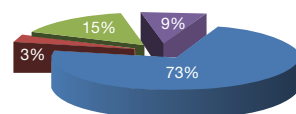
Year	2020	2021	2022	2023	2024
PROPERTY, PLANT AND EQUIPMENT, INVESTMENT PROPERTIES, AND RIGHT-OF-USE-ASSETS	1,331,572	1,445,625	1,353,074	1,895,414	2,330,507
INVESTMENTS	9,351	35,770	111,202	88,402	81,382
CURRENT ASSETS	409,121	459,610	395,865	394,007	371,426
OTHER NON CURRENT ASSETS	201,343	181,342	244,376	223,374	206,307
<b>TOTAL ASSETS</b>	<b>1,951,387</b>	<b>2,122,347</b>	<b>2,104,517</b>	<b>2,601,197</b>	<b>2,989,622</b>
LONG TERM AND DEFERRED LIABILITIES	777,878	876,081	862,551	1,130,840	1,392,072
CURRENT LIABILITIES	475,949	445,230	442,646	570,337	638,904
<b>TOTAL EQUITY</b>	<b>697,560</b>	<b>801,036</b>	<b>799,320</b>	<b>900,020</b>	<b>958,646</b>

**TOTAL ASSETS  
FINANCIAL YEAR 2022**



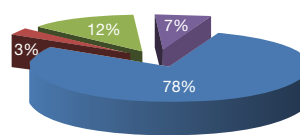
■ PROPERTY, PLANT AND EQUIPMENT, INVESTMENT PROPERTIES, AND RIGHT-OF-USE ASSETS  
■ INVESTMENTS  
■ CURRENT ASSETS  
■ OTHER NON CURRENT ASSETS

**TOTAL ASSETS  
FINANCIAL YEAR 2023**



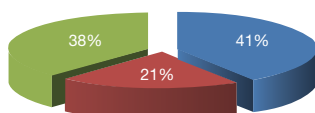
■ PROPERTY, PLANT AND EQUIPMENT, INVESTMENT PROPERTIES, AND RIGHT-OF-USE ASSETS  
■ INVESTMENTS  
■ CURRENT ASSETS  
■ OTHER NON CURRENT ASSETS

**TOTAL ASSETS  
FINANCIAL YEAR 2024**



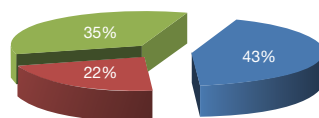
■ PROPERTY, PLANT AND EQUIPMENT, INVESTMENT PROPERTIES, AND RIGHT-OF-USE ASSETS  
■ INVESTMENTS  
■ CURRENT ASSETS  
■ OTHER NON CURRENT ASSETS

**TOTAL EQUITY AND LIABILITIES  
FINANCIAL YEAR 2022**



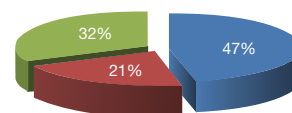
■ LONG TERM AND DEFERRED LIABILITIES  
■ CURRENT LIABILITIES  
■ TOTAL EQUITY

**TOTAL EQUITY AND LIABILITIES  
FINANCIAL YEAR 2023**



■ LONG TERM AND DEFERRED LIABILITIES  
■ CURRENT LIABILITIES  
■ TOTAL EQUITY

**TOTAL EQUITY AND LIABILITIES  
FINANCIAL YEAR 2024**



■ LONG TERM AND DEFERRED LIABILITIES  
■ CURRENT LIABILITIES  
■ TOTAL EQUITY

## CHAIRMAN'S STATEMENT



Dear valued  
**shareholders,**

On behalf of Tiong Nam Logistics Holdings Berhad (“TNLHB” or “the Company”) and its subsidiaries (“the Group” or “Tiong Nam Group”), it is my privilege to present our Annual Report and Audited Financial Statements of TNLHB and the Group for the financial year ended 31 March 2024 (“FY2024”). Tiong Nam has demonstrated resilience, achieving record revenue and making significant progress on strategic initiatives.



## CHAIRMAN'S STATEMENT (CONT'D)



## ECONOMIC REVIEW

In 2023, the global economy experienced moderate expansion of 3.2%, a slight decrease from 3.4% in the previous year, amidst challenges such as inflation, rising interest rates, and geopolitical tensions.

Malaysia's economy normalised to 3.7% in 2023 after posting a substantial growth of 8.7% in the previous year. The first quarter of 2024 showed encouraging acceleration, with the Malaysian economy expanding by 4.2%, driven by heightened household spending and a rise in exports. The logistics and warehousing sector plays a crucial role in supporting this resilience by ensuring supply chain robustness, underscoring the importance of our services.

As businesses continue to prioritize efficient logistics, the demand for integrated logistics solutions is escalating. The growing complexity of supply chains necessitates advanced warehousing and distribution networks, a trend that Tiong Nam is well-positioned to leverage.

## BUSINESS REVIEW

In FY2024, Tiong Nam reached a significant milestone, generating our highest-ever revenue of RM758.6 million, a 4.5% increase from RM725.7 million the previous year. This accomplishment highlights our leadership in providing top-tier integrated logistics and warehousing services across diverse industries.

Our logistics and warehousing services segment, contributing 95.1% of total revenue, climbed to RM721.4 million from RM706.8 million previously. Our reputation for reliability and comprehensive nationwide network attracted a wider clientele of multinational corporations and prominent domestic enterprises.

Notably, we successfully completed and commenced leasing our 1.1 million square feet (sq. ft.) mega-warehouse in Senai Airport City, Johor, to Mercedes-Benz Parts Logistics Asia Pacific. This purpose-built, GBI-certified facility, serving as their regional parts distribution centre, showcases our dedication to delivering high-quality, sustainable solutions, and reinforces our role as a trusted partner to leading corporations.

Furthermore, our property development segment saw revenue rise to RM32.8 million in FY2024 from RM14.9 million previously, driven by healthy demand for our residential project in Kota Masai, Johor. Leveraging this success, we have launched new projects in Johor for FY2025 to seize emerging opportunities.

The Group's net profit rose to RM57.7 million in FY2024 compared to RM28.1 million in the previous year. The substantial improvement was primarily due to significant fair value gain on several warehousing assets in Johor, including the Senai Airport City mega warehouse.

**CHAIRMAN'S STATEMENT  
(CONT'D)****CAPACITY EXPANSIONS**

We are actively enhancing our logistics and warehousing infrastructure to accommodate growing demand. As at 31 March 2024, construction is underway for four new warehouses in Johor Bahru, Kedah, Sabah, and Singapore, totalling 1.3 million sq. ft. These facilities are expected to be operational in stages throughout FY2025 and FY2026.

Looking ahead, we are planning the development of five additional warehouses in Kedah, Johor, Selangor, and Penang, with a total area of 1.1 million sq. ft., slated for completion between FY2026 and FY2028. These initiatives will boost our capacity and enable us to more effectively address the varied requirements of our clientele. We also remain focused on optimising our logistics network for greater efficiency and cost-effectiveness.

**OUTLOOK**

The global economy is projected to maintain a steady pace of 3.2% in 2024. Domestically, Malaysia's economy is forecasted to expand between 4.0% and 5.0% in 2024, buoyed by rising domestic and external demand.

Despite global economic uncertainties, Tiong Nam is well-prepared to navigate this dynamic market. Our extensive network, seasoned leadership, and focus on operational efficiency position us advantageously for sustained progress.

**APPRECIATION**

On behalf of the Board of Directors, I extend sincere appreciation to our management team and employees for their commitment to excellence. Their dedication has been instrumental in driving Tiong Nam's success, and we are confident that their efforts will propel the Group to even greater achievements.

We also express our gratitude to our valued customers, business partners, and shareholders for their trust and support.

Sincerely,

**Dato' Fu Ah Kiow**  
Non-Independent Non-Executive Chairman





## MANAGEMENT DISCUSSION AND ANALYSIS (“MD&A”)

***Tiong Nam delivered robust performance in FY2024, underscored by record revenue driven by the sustained resilience of our logistics and warehousing services segment and significant contribution from our property development segment.***

### BUSINESS OVERVIEW

Tiong Nam is a leading provider of integrated logistics and warehousing services. Our core competency lies in offering comprehensive solutions, including warehouse space and management, trucking, cross-border transportation, container haulage, heavy transportation, and last-mile delivery for e-commerce businesses.

We operate an extensive logistics and warehousing network in Southeast Asia, comprising 97 warehouses and distribution centres located across Malaysia, Singapore, and Laos, with a total warehousing capacity of 7.7 million sq. ft. as at 31 March 2024. Our integrated delivery network extends into China, facilitating increasing trade activity in the region.

Our diverse fleet of over 2,000 transportation vehicles, including prime movers, container trailers, box and refrigerated trucks, lorry cranes, low-loaders, delivery vans, and more, enables us to meet the multifaceted supply chain requirements of our clientele.

Our integrated solutions cater to a diverse range of industries, serving prominent domestic enterprises and multinational corporations (MNCs) in sectors such as food and beverage (F&B), information technology (IT), electrical and electronics (E&E), and many others.

Beyond logistics, Tiong Nam has a proven track record in property development since 2011, having completed industrial, commercial, and residential projects with a total gross development value (GDV) of RM1.5 billion.

### FINANCIAL HIGHLIGHTS

Income Statement	FY2024 RM'000	FY2023 RM'000
Revenue	758,617	725,692
Profit before taxation	67,857	39,460
Profit after taxation	57,725	28,068

Statement of Financial Position	FY2024 RM'000	FY2023 RM'000
Total assets	2,989,622	2,601,197
Total liabilities	2,030,976	1,701,177
Total equity	958,646	900,020

Financial Indicators	FY2024	FY2023
Earnings per share (sen)	11.1	5.4
Return on equity	6.2%	3.3%
Return on total assets	2.1%	1.2%
Net Gearing ratio	1.6	1.4
Net assets per share (RM)	1.9	1.7

**MANAGEMENT DISCUSSION AND ANALYSIS (“MD&A”)  
(CONT'D)****1) Revenue**

Group revenue reached a record RM758.6 million in FY2024, increasing 4.5% from RM725.7 million in the previous year. This growth was primarily driven by sustained strength in logistics and warehousing services and a notable contribution from property development.

Logistics and warehousing services, which account for 95.1% of total revenue, rose 2.1% to a record RM721.4 million from RM706.8 million last year. This performance was supported by continued demand across diverse industries, an expanding clientele, and the commencement of leasing operations for our 1.1 million sq. ft. mega-warehouse in Johor to Mercedes-Benz Parts Logistics Asia Pacific in November 2023.

Revenue from property development increased significantly to RM32.8 million from RM14.9 million previously, driven by successful launch and healthy take-up of our Kota Masai project in Johor.

Revenue from investments reached RM3.9 million, marginally higher than RM3.4 million previously. Revenue from the hotel and dormitory segment amounted to RM0.5 million, relatively unchanged from RM0.6 million in the prior year.

**2) Profit/Loss Before Taxation (P/LBT)**

Group PBT improved significantly by 72.0% to RM67.9 million in FY2024, compared to RM39.5 million in the previous year. This was primarily attributed to fair value gain on several warehousing assets in the logistics and warehousing services segment, reflecting the growing demand and appreciating value of logistics infrastructure.

The logistics and warehousing services segment reported PBT of RM68.9 million, up 51.1% from RM45.6 million previously. This growth was driven by fair value gain on 4 warehouse assets in Johor with a total built-up area of 1.3 million sq.ft., with the majority attributable to the 1.1 million sq. ft. mega-warehouse in Senai Airport City, Johor which was completed and leased in November 2023.

The property development segment reported PBT of RM0.05 million compared to PBT of RM4.2 million previously, primarily due to the timing of revenue recognition and costs incurred related to ongoing phases of the Kota Masai development project.

The investment segment posted a PBT of RM2.5 million, reversing the prior year's LBT of RM7.2 million, due to gain on quoted securities.

The hotel and dormitory segment recorded LBT of RM3.6 million compared to the RM3.2 million LBT in the previous year, primarily due to increased operating costs.

**3) Profit After Taxation and Minority Interests (“PATMI”)**

Group PATMI expanded 105.5% to RM57.3 million in FY2024, compared to RM27.9 million in the prior year, primarily due to the increase in group PBT.

**4) Total Assets**

In FY2024, the Group's total assets increased to RM3.0 billion from RM2.6 billion in the previous year.

Non-current assets rose to RM2.6 billion in FY2024 from RM2.2 billion previously, mainly due to the acquisition of additional property, plant, and equipment, along with increased investment properties. Current assets reduced to RM385.5 million from RM410.3 million previously, primarily due to reduced inventories related to the ongoing property development projects and the sale of completed property unit.

## MANAGEMENT DISCUSSION AND ANALYSIS (“MD&A”) (CONT'D)

### 5) Total Liabilities

The Group's total liabilities increased to RM2.0 billion in FY2024 from RM1.7 billion in the previous year.

Non-current liabilities expanded to RM1.4 billion from RM1.1 billion previously, predominantly due to increased borrowings to finance the expansion of our warehousing capabilities.

Meanwhile, current liabilities rose to RM638.9 million compared to RM570.3 million in the prior year, mainly on increased short-term loans to fund working capital requirements and trade and other payables.

### 6) Total Equity

The Group's total equity increased to RM958.6 million at the end of FY2024 from RM900.0 million in the previous year due to higher retained earnings.

## OPERATIONAL HIGHLIGHTS & PROSPECTS

Despite challenges in the global economic landscape, Tiong Nam remains optimistic about our prospects for FY2025 and beyond.

The Group's strategic focus on expanding our warehousing capacity and enhancing operational efficiency is expected to yield significant long-term returns, as the logistics and warehousing sector plays an increasingly vital role in ensuring supply chain reliability and resilience across diverse industries. Our strong market presence and established reputation enable us to capitalize on emerging opportunities in this evolving landscape.

### Logistics and Warehousing Services

Our logistics and warehousing services segment continues to be the primary driver of our growth, driven by robust demand from both domestic enterprises and MNCs. In FY2024, MNCs contributed 41% of segment revenue, and we anticipate this will reach 50% in the next few years. This upward trend demonstrates the increasing trust our clients place in our ability to deliver reliable integrated solutions.

A key highlight of FY2024 was the completion and commencement of leasing operations for our 1.1 million sq. ft. mega-warehouse in Senai Airport City, Johor. This state-of-the-art, purpose-built facility serves as the regional parts distribution centre for Mercedes-Benz Parts Logistics Asia Pacific. The warehouse's Green Building Index (GBI) certification underscores our commitment to sustainable practices and reinforces our ability to deliver tailored solutions that meet the unique requirements across different industries.

Industry reports indicate that the Malaysian freight and logistics market is projected to grow at a CAGR of 5.3% from 2024 to 2030, reaching a value of USD38.3 billion by 2030 (Mordor Intelligence). To capitalize on this growth and maintain our leadership position, we are committed to further strengthening our network through strategic investments.

### *Expansion Projects: Building for the Future*

We continue to invest in enhancing our logistics infrastructure to cater to the increasingly complex needs of our clientele.

As at 31 March 2024, four new warehouses are under construction in Johor Bahru, Kedah, Sabah, and Singapore, totalling 1.3 million sq. ft. These facilities are expected to be operational in stages between FY2025 and FY2026, increasing our total warehousing capacity to 9.0 million sq.ft..

Our expansion plans extend beyond these current projects. We are planning the development of five additional warehouses across Kedah, Johor, Selangor, and Penang, with a total area of 1.1 million sq. ft.. Construction on the first of these warehouses is targeted to commence in FY2025, with phased completion expected between FY2026 and FY2028.



## MANAGEMENT DISCUSSION AND ANALYSIS (“MD&A”) (CONT'D)

Upon completion of all projects, our total warehousing capacity is projected to reach 10 million sq. ft. by FY2028, significantly bolstering our network and enabling us to provide greater flexibility and scalability to our clients.

These strategic investments, coupled with our commitment to operational excellence, will strengthen our position as a leading integrated logistics provider. We continue to leverage data-driven insights to optimize our operations, streamline processes, and enhance our solutions to consistently exceed our customer expectations.

### PROPERTY DEVELOPMENT

The Malaysian property market is demonstrating resilience and poised for sustained growth, driven by favorable demographics, urbanization trends, and supportive government initiatives. In particular, Johor's property market continues to attract significant interest due to its strategic location, improving infrastructure, and growing economic activity.

Tiong Nam Group is strategically positioned to capitalize on this growth with our substantial 215.7-acre landbank as at 31 March 2024, primarily concentrated in Johor. The ongoing development of the Iskandar Malaysia economic zone and major infrastructure projects like the Rapid Transit System (RTS) Link connecting Johor Bahru to Singapore are expected to support economic expansion and drive demand for properties.

#### Kota Masai Development

Our development project in Kota Masai, Johor has demonstrated strong traction. Phase 1A1, comprising 91 double-storey terrace houses with a gross development value (GDV) of RM43.8 million, achieved a 93.4% take-up rate as of 31 March 2024. Phase 1B1, encompassing 58 double and triple-storey shop lots with a GDV of RM61.5 million, is under construction and anticipated to complete in FY2025. In response to the robust demand for residential properties, we have also commenced construction on Phase 1B2 in March 2024. This phase will consist of 83 double-storey terrace houses and has a GDV of RM45.1 million, with expected completion in FY2027.

#### Kota Masai Development Overview

Phase	Description	GDV (RM'mil)	Land Area (acres)	Project Commencement	Expected Completion
1A1	91 double-storey terrace houses	43.8	11	FY2022	Completed
1B1	58 double and triple-storey shop lots	61.5	11	FY2023	FY2025
1B2	83 double-storey terrace houses	45.1	14	FY2024	FY2027

Our landbank in Johor provides opportunities to unlock value through future development projects. We will continue to evaluate opportunities in line with market dynamics.

### HOTEL & DORMITORY

Our hotel and dormitory segment remains a minor contributor to overall performance of Tiong Nam. The segment currently captures contribution from a dormitory operation in Pengerang, Johor. We will continue to monitor market conditions and evaluate potential opportunities to enhance the segment.

# SUSTAINABILITY STATEMENT

## SUSTAINABILITY GOVERNANCE

Tiong Nam is dedicated to upholding rigorous governance standards, ensuring integrity, transparency, and accountability in our operations.

Our Board of Directors oversees sustainability performance, integrating environmental, social, and governance (ESG) factors into strategic decision-making, and monitors the implementation and effectiveness of sustainability initiatives.

Our management team, collaborating closely with the Board, embeds sustainability principles into our operations and executes our sustainability strategy. The management team also engages stakeholders and drives continuous improvement.

## STAKEHOLDER ENGAGEMENT

We recognize that strong and enduring relationships with our stakeholders are essential for long-term success. We proactively engage with stakeholders to understand their perspectives and incorporate their feedback into our decision-making. These engagements are regularly reviewed for alignment with our business strategy and sustainability goals.

Stakeholder group	Material Issues	Type of engagement
Employees	<ul style="list-style-type: none"><li>• Training and development</li><li>• Health and safety</li></ul>	<ul style="list-style-type: none"><li>• Training programme and briefings</li><li>• Safety assessments</li><li>• Regular education via email and memos</li></ul>
Customers	<ul style="list-style-type: none"><li>• Service quality</li><li>• Knowledge sharing</li></ul>	<ul style="list-style-type: none"><li>• Customer surveys</li><li>• Engagement via customer support centre</li></ul>
Vendors/Suppliers	<ul style="list-style-type: none"><li>• Supplier compliance</li></ul>	<ul style="list-style-type: none"><li>• Supplier Assessment</li><li>• Meetings</li></ul>
Shareholders	<ul style="list-style-type: none"><li>• Key corporate developments</li><li>• Financial performance</li><li>• Business strategies</li></ul>	<ul style="list-style-type: none"><li>• Annual General Meeting</li><li>• Annual Report</li><li>• Filings with Bursa Malaysia</li><li>• Corporate website</li><li>• Investor Briefings</li></ul>
Regulators	<ul style="list-style-type: none"><li>• Regulatory compliance</li><li>• Corporate governance</li></ul>	<ul style="list-style-type: none"><li>• Meetings</li><li>• Presentations</li></ul>
Community	<ul style="list-style-type: none"><li>• Employment opportunity</li><li>• Community welfare</li></ul>	<ul style="list-style-type: none"><li>• Internships</li><li>• Charity/community events</li></ul>

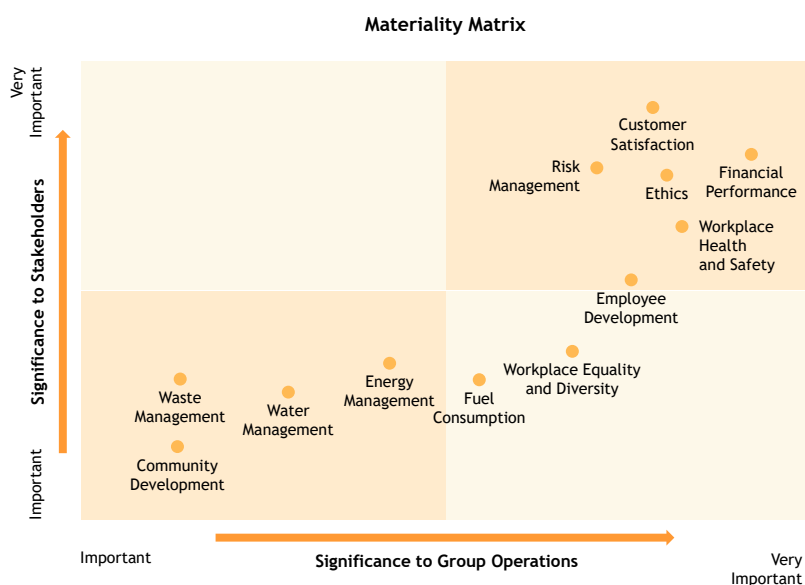
## SUSTAINABILITY STATEMENT (CONT'D)

### Material Matters

Understanding our stakeholders' perspectives is key to our sustainability. We engage with stakeholders to identify ESG issues that are most important to our business and their interests. These material issues are integrated into our sustainability strategy, goals, and reporting. This ongoing process ensures that our sustainability efforts are focused on the areas that matter most, and that our reporting is transparent and relevant.

Material Matters		Sustainable Development Goals			
ECONOMIC					
Financial Performance					
Customer Satisfaction					
ENVIRONMENT					
Fuel Consumption					
Energy Management					
Water Management					
Waste Management					
SOCIAL					
Workplace Health and Safety					
Workplace Equality and Diversity					
Employee Development					
Community Development					
GOVERNANCE					
Ethics					
Risk Management					

### Materiality Matrix





SUSTAINABILITY STATEMENT  
(CONT'D)

ECONOMIC

As an integrated logistics solutions provider, Tiong Nam strives to drive sustainable business growth and deliver value to stakeholders.

Financial Performance

We provide reliable integrated logistics and warehousing solutions that support the efficient flow of goods to businesses and households across Malaysia. Our operations are essential to maintaining resilient supply chains across diverse industries, benefiting our customers, vendors, business partners, employees, and local communities.

In FY2024, our revenue grew by 4.5% to RM758.6 million from RM725.7 million in FY2023. This growth highlights the resilience of our logistics and warehousing services segment, along with increased contributions from our property development segment. Our profit after tax and minority interest (PATMI) rose to RM57.3 million in FY2024 from RM27.9 million previously.

We aim to positively impact the broader economic landscape while maintaining our leadership in the logistics and warehousing industry. We achieve this through a balanced approach that aligns with the diverse objectives of our stakeholders.

Customer Satisfaction

We provide exceptional service quality and build lasting relationships with our customers, placing emphasis on understanding and anticipating their rigorous requirements.

We actively engage with our customers through various channels, including surveys, dedicated support channels, and proactive communication for seamless planning and coordination. Their feedback is invaluable in helping us continuously improve our services.

To uphold consistently high standards, we track key performance indicators (KPIs) such as on-time delivery, order accuracy, customer satisfaction, and complaint resolution to ensure we meet customer expectations and identify areas for improvement.

By focusing on customer-centricity and continuous improvement, we aim to strengthen our relationships with our customers and maintain our position as a leading provider of integrated logistics solutions.

ENVIRONMENT

We are committed to environmental preservation and adopt sustainable practices to minimize our environmental impact.

We prioritize responsible fuel consumption and reducing carbon emissions, and the majority of our trucks are equipped with environmentally friendly Euro 2 engines. We have also converted some of our trucks to run on natural gas, further reducing our carbon footprint.

We actively explore opportunities to reduce our greenhouse gas (GHG) emissions through initiatives such as:

- Optimizing energy use and exploring renewable energy sources.
- Investing in energy-efficient equipment.
- Promoting eco-friendly practices across our operations.

Fuel Consumption

In FY2024, our fleet fuel consumption amounted to 20,056.0 kilolitres (kL) diesel fuel, resulting in 53,936.0 tonnes of carbon dioxide equivalent (tCO<sub>2</sub>e) of Scope 1 emissions. The increase reflects higher activity in our logistics and warehousing services operations.

FY	Diesel Use (Kilolitres)	tCO <sub>2</sub> e (tonnes)
2024	20,056.0	53,936.0
2023	19,603.0	52,717.6
2022	19,900.0	53,515.4

**SUSTAINABILITY STATEMENT  
(CONT'D)****Energy Management**

We began reporting our electricity usage in FY2024, totalling 8,240.6 megawatt hours (MWh) of purchased electricity across our operations. Simultaneously, we initiated tracking of Scope 2 emissions, amounting to 6,246.3 tCO<sub>2</sub>e from our electricity consumption.

To reduce excessive energy use, we practice efficient lighting and air conditioning in our premises. We invest in eco-friendly lamps and fixtures to minimize heat generation. Additionally, our rooftop solar photovoltaic (PV) system at our Shah Alam warehousing facilities, with a rated capacity of 2,163 kWp, allows us to utilize cleaner energy sources, thereby reducing our environmental impact.

Moreover, our newly constructed 1.1 million square feet mega-warehouse, leased for Mercedes-Benz's Regional After Sales Logistics Centre, is Green Building Index certified. It incorporates energy-efficient LED lighting and ventilation systems, promoting efficiency, potential energy savings, and lower GHG emissions. This underscores our capabilities in providing green solutions that help our clients achieve their sustainability objectives.

**Water Management**

We commenced reporting of our water usage in FY2024, recording 466.0 megalitres of purchased water across our operations. We aim to reduce our water consumption intensity through ongoing awareness campaigns that promote responsible water use and foster a culture of conservation among our employees.

**Fleet Management**

Our fleet management practices emphasize safety and emissions reduction. Regular vehicle servicing and inspections by Puspakom maintain operational efficiency and minimize air pollution. Our Haulage Management System helps monitor and remind drivers about vehicle inspection dates, reducing downtime and environmental impact.

**Waste Management**

We engage a licensed waste management service provider to handle all waste generated by our operations, including packaging materials, obsolete or unsellable inventory, vehicle maintenance waste, and general waste. This provider ensures that waste is collected and disposed of in compliance with government regulations.

We are committed to improving our waste management practices and are actively exploring options to implement an enhanced waste management tracking and reporting system.

**SOCIAL**

We are committed to improving employee well-being, training and development, eliminating workplace accidents, and contributing to local communities.

**Workplace Health and Safety**

We prioritize a safe and healthy work environment for all employees and contractors. In FY2024, we maintained zero work-related fatalities.

We delivered comprehensive safety training for 694 employees, consisting of in-house training by EHS officer and sessions by certified external trainers, covering various topics such as hazard identification, risk assessment, emergency response, forklift operations, halal awareness, BOMBA training, defensive driving, Emergency Response Team (ERT) roles, and first aid. Regular training sessions and briefings ensure our workforce is well-prepared, contributing to a minimal lost time incident rate of 3.19 in FY2024. We also held a company-wide safety competition, with Shah Alam warehouse team emerging as the winner.

## SUSTAINABILITY STATEMENT (CONT'D)



*Fire Department Safety and Response Training*



*Environment, Health and Safety Training*



*Shah Alam Warehouse - 6S Champions*



*Spill Response Readiness*



*CICM Safe Road Award 2022 (August 2023)*



*First Aid Training*

Furthermore, we prioritize the welfare of our employees by ensuring fair and equitable compensation, in compliance with Malaysian laws, including contributions to the Employees' Provident Fund and Social Security Organization. Comprehensive medical, health care, and insurance coverage further improve the financial security and well-being of our workforce.

Our dedication to safety extends to safeguarding our fleet through insurance coverage for replacement or repair costs. We implement rigorous security measures, including convoyed trips, digital tracking devices, and closed-circuit surveillance systems, enhancing safety across our operations and minimizing risks such as cargo hijacking and theft.



**SUSTAINABILITY STATEMENT  
(CONT'D)**

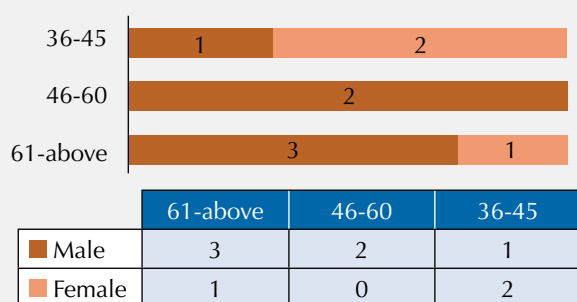
**Workplace Equality and Diversity**

We foster a diverse, inclusive, and equitable workplace where all employees are treated with fairness, dignity, and respect. We strive to attract, develop, and retain a talented workforce that reflects the diversity of the communities we serve.

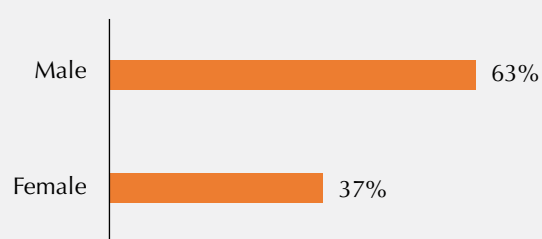
We uphold equity and equality in our employment practices and policies. We recruit, develop, reward, and retain people based on merit, ability, and performance. Discrimination against any employee or person with whom we conduct business with is strictly prohibited.

Our board and workforce composition demonstrates our commitment to diversity:

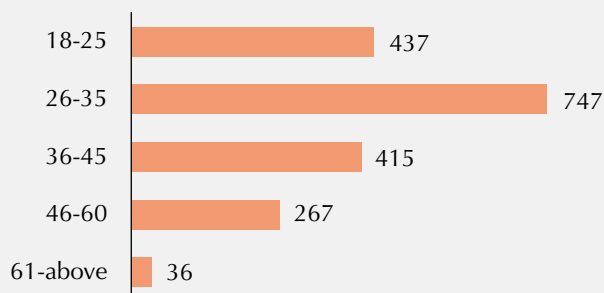
**Board Gender and Age Distribution**



**Employees Gender Distribution**



**Employees Age Distribution**



**Employees by Category**



- In FY2024, our workforce comprised 1,910 employees, with a gender distribution of 63.1% male and 36.9% female. The largest age group within our workforce is 26-35 (39.3%), followed by 18-25 (23.0%) and 36-45 (21.8%).
- Our Board of Directors also reflects a commitment to diversity with a female representation of 33.3%.

We recognize the importance of continued efforts to enhance gender diversity and are committed to promoting equal opportunities for all.

**Employee Training and Development**

We emphasize human capital and talent management to ensure that every employee is equipped with the necessary skills and opportunities. We support the professional growth of our employees through enriching learning experiences and training opportunities that help them achieve their career objectives and advancement.

By nurturing talent and providing comprehensive professional training and certifications, we aim to maintain skill relevance, enhance organizational value, and foster career progression. In FY2024, we invested in 7,586 hours of training and development programs.

## SUSTAINABILITY STATEMENT (CONT'D)

This focus on employee development underscores our dedication to empowering employees with the capabilities to succeed and contribute effectively.

### Community Engagement and Development

The Group is actively involved in nurturing the local communities. We seek to bring a positive impact to the community, particularly in areas such as advancing education and supporting charitable organizations.

To support educational development, we offer internship training programs that provide practical experience to undergraduate students, offering valuable opportunities for students to acquire skills and competencies for professional growth and industry readiness.

In FY2024, a total of 129 students and recent graduates joined us as interns. As at the end of FY2024, 69 individuals have completed their internships, while 60 individuals are still undergoing their internship experience.

We also invested RM210,809 in the community in FY2024, benefiting 11 beneficiaries. A notable contribution was a donation of RM200,000 to the My Starfish Foundation. Additionally, our engagement with charitable organizations focuses on improving the quality of life for marginalized groups, including senior citizens and children with special needs.

#### Supporting Our Senior Citizens



## SUSTAINABILITY STATEMENT (CONT'D)

### GOVERNANCE

We uphold high standards of ethical conduct and integrity across our operations. Transparency and honesty define our relationships with stakeholders, supported by regular training sessions and communications with employees and external partners. Our commitment to integrity is reinforced by robust policies that enforce stringent standards against bribery, corruption, and unethical practices.

Key policies such as our Code of Conduct and Ethics, Anti-Bribery and Anti-Corruption Policy, and Whistleblowing Policy are accessible on our website at <https://tiongnam.com/investor/corporategovernance>

#### Ethics

##### Code of Conduct and Ethics

Our Code of Conduct and Ethics is fundamental to delivering value to customers, stakeholders, and communities, setting consistent standards and guidelines for all employees. We prioritize integrity, loyalty, and diligence, ensuring actions are in the company's best interests and building trust with clients.

We have zero tolerance for unlawful and unethical practices, and we prioritize compliance with applicable laws and regulations. We strive to uphold integrity, ethical behaviour, respect, and environmental stewardship, guiding transparent and accountable business practices.

Additionally, through comprehensive training, our employees uphold rigorous ethical standards, reinforcing our commitment to responsible business conduct.

##### Anti-Corruption and Anti-Bribery

We perform all our business activities in an honest and ethical manner, maintaining a zero-tolerance approach to bribery and corruption. We commit to act professionally, fairly, and with integrity in our relationships and business dealings, supported by systems to prevent and counter bribery.

Our Anti-Corruption and Anti-Bribery Policy aligns with Malaysia's Anti-Corruption laws, including the Malaysia Anti-Corruption Commission (MACC) Act 2009, outlining our responsibilities and those of our employees in observing and upholding our stance on bribery and corruption. We provide comprehensive guidance to our workforce on identifying, preventing, and addressing incidents of bribery and corruption, ensuring compliance with ethical standards and legal obligations across our operations.

In FY2024, 100% of our management employees received anti-corruption training, each undergoing on average 6.5 hours of training, while executive and supervisory employees reached 97.7% with average 6.1 hours of training per employee. There were zero reported incidents of corruption.

#### Whistleblowing

Our Whistle-Blowing Policy guides our business conduct, ensuring lawful and ethically responsible interactions with all stakeholders, including employees, suppliers, and customers. We expect reports on wrongdoings such as fraud, corruption, financial impropriety, or mismanagement and commit to addressing them promptly and fairly.

The policy, endorsed by the Board, supports a transparent and accountable environment. Stakeholders can confidentially report concerns, ensuring consistent responses and protecting their rights. Oversight by the Board prevents misconduct, fostering integrity across our organization as well as third-party representatives and external stakeholders.



## SUSTAINABILITY STATEMENT (CONT'D)

### Risk Management

We maintain a robust governance and compliance framework to safeguard stakeholder trust and operational resilience. Our Board of Directors, through the Risk Committee, provides oversight and ensures adherence to ethical standards and regulatory requirements. The Risk Working Committee, comprised of department heads, identifies, evaluates, and mitigates operational risks to ensure business continuity and operational resilience.

Through rigorous assessments, internal audits, and strong internal controls, we systematically identify and address potential risks. This approach strengthens governance standards, anticipate challenges, and maximizes opportunities for sustainable growth. Cultivating a culture of risk awareness and ethical conduct through training initiatives empowers employees to proactively manage risks and uphold operational integrity.

### Data Security & Privacy

Safeguarding sensitive customer data is fundamental to our operations. We maintain strict confidentiality measures and employ robust security protocols to protect data against unauthorized access, breaches, and other potential threats. In FY2024, we had zero incidents of customer data breaches or privacy complaints.

Our approach to data privacy includes stringent measures to prevent the loss, misuse, or alteration of personal information collected from employees and customers. All personal data is stored on secure systems with protection measures, ensuring compliance with privacy regulations and our commitment to maintaining confidentiality.

### Supply Chain Management

Our supply chain management strategy integrates sustainability and resilience. In FY2024, 97% of our suppliers were local, supporting the domestic economy, enhancing operational efficiency, and reducing our environmental footprint.

We prioritize partnerships with suppliers who uphold our ethical values, ensuring reliability and ethical conduct throughout our supply chain.

### Data Source and Verification

The information presented in this Sustainability Statement is based on internal sources and has been verified by the relevant internal stakeholders.



## SUSTAINABILITY STATEMENT (CONT'D)

Indicator	Measurement Unit	2024
<b>Bursa (Anti-corruption)</b>		
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category		
Management	Percentage	100.00
Executive	Percentage	98.25
Non-executive/Technical Staff	Percentage	94.78
General Workers	Percentage	81.85
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	0.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0
<b>Bursa (Community/Society)</b>		
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	210,808.60
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	12
<b>Bursa (Diversity)</b>		
Bursa C3(a) Percentage of employees by gender and age group, for each employee category		
Age Group by Employee Category		
Management Under 30	Percentage	0.16
Management Between 30-50	Percentage	5.71
Management Above 50	Percentage	3.19
Executive Under 30	Percentage	3.87
Executive Between 30-50	Percentage	11.78
Executive Above 50	Percentage	2.30
Non-executive/Technical Staff Under 30	Percentage	25.92
Non-executive/Technical Staff Between 30-50	Percentage	22.05
Non-executive/Technical Staff Above 50	Percentage	3.19
General Workers Under 30	Percentage	11.05
General Workers Between 30-50	Percentage	11.78
General Workers Above 50	Percentage	2.30
Gender Group by Employee Category		
Management Male	Percentage	6.18
Management Female	Percentage	2.88
Executive Male	Percentage	9.01
Executive Female	Percentage	8.95
Non-executive/Technical Staff Male	Percentage	27.28
Non-executive/Technical Staff Female	Percentage	23.93
General Workers Male	Percentage	20.21
General Workers Female	Percentage	1.57
Bursa C3(b) Percentage of directors by gender and age group		
Male	Percentage	66.67
Female	Percentage	33.33
Under 30	Percentage	0.00
Between 30-50	Percentage	30.00
Above 50	Percentage	70.00
<b>Bursa (Energy management)</b>		
Bursa C4(a) Total energy consumption	Megawatt	8,240.58
<b>Bursa (Health and safety)</b>		
Bursa C5(a) Number of work-related fatalities	Number	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	3.19
Bursa C5(c) Number of employees trained on health and safety standards	Number	694
<b>Bursa (Labour practices and standards)</b>		
Bursa C6(a) Total hours of training by employee category		
Management	Hours	1,022
Executive	Hours	2,544
Non-executive/Technical Staff	Hours	3,288
General Workers	Hours	732
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	0.00

SUSTAINABILITY STATEMENT  
 (CONT'D)

Indicator	Measurement Unit	2024
<b>Bursa (Labour practices and standards)</b>		
Bursa C6(c) Total number of employee turnover by employee category		
Management	Number	5
Executive	Number	13
Non-executive/Technical Staff	Number	95
General Workers	Number	3
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0
<b>Bursa (Supply chain management)</b>		
Bursa C7(ii) Proportion of spending on local suppliers	Percentage	97.08
<b>Bursa (Data privacy and security)</b>		
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0
<b>Bursa (Water)</b>		
Bursa C9(a) Total volume of water used	Megalitres	466,003,000

## CORPORATE INFORMATION

### DIRECTORS

**Dato' Fu Ah Kiow**

*Non-Independent Non-Executive Chairman*

**Ong Yoong Nyock**

*Non-Independent Managing Director*

**Yong Kwee Lian**

*Non-Independent Executive Director*

**Chang Chu Shien**

*Non-Independent Non-Executive Director*

**Datuk Haji Muhamad Shapiae bin Mat Ali**

*(Resigned on 6 February 2024)  
Independent Non-Executive Director*

**Ong Wei Kuan**

*Non-Independent Executive Director*

**Christina Ong Chu Voon**

*Non-Independent Executive Director*

**Chen Kuok Chin**

*Independent Non-Executive Director*

**Tan Chuan Gor**

*Independent Non-Executive Director*

**Law Tik Long**

*Non-Independent Executive Director*

**Mok Juan Chek**

*(Appointed on 1 April 2024)  
Independent Non-Executive Director*

### AUDIT COMMITTEE

**Tan Chuan Gor**

*Chairperson*

**Datuk Haji Muhamad Shapiae bin Mat Ali**

*(Resigned on 6 February 2024)*

*Member*

**Chen Kuok Chin**

*Member*

**Chang Chu Shien**

*(Appointed on 7 February 2024 and resigned on 1 April 2024)*

*Member*

**Mok Juan Chek**

*(Appointed on 1 April 2024)*

*Member*

### NOMINATION COMMITTEE

**Mok Juan Chek**

*(Appointed on 1 April 2024)*

*Chairman*

**Datuk Haji Muhamad Shapiae bin Mat Ali**

*(Resigned on 6 February 2024)*

*Chairman*

**Tan Chuan Gor**

*Member*

**Chen Kuok Chin**

*Member*

**Chang Chu Shien**

*(Appointed on 7 February 2024 and*

*resigned on 1 April 2024)*

*Member*

### REMUNERATION COMMITTEE

**Chang Chu Shien**

*Chairman*

**Datuk Haji Muhamad Shapiae bin Mat Ali**

*(Resigned on 6 February 2024)*

*Member*

**Chen Kuok Chin**

*Member*

**Tan Chuan Gor**

*(Appointed on 7 February 2024)*

*Member*

### RISK COMMITTEE

**Tan Chuan Gor**

*Chairperson*

**Datuk Haji Muhamad Shapiae bin Mat Ali**

*(Resigned on 6 February 2024)*

**Christina Ong Chu Voon**

*Member*

**Law Tik Long**

*Member*



## CORPORATE INFORMATION (CONT'D)

### COMPANY SECRETARIES

**Tai Yit Chan**

(MAICSA 7009143)

SSM Practicing Certificate No: 202008001023

**Santhi A/P Saminathan**

(MAICSA 7069709)

SSM Practicing Certificate No: 201908002933

**Law Tik Long**

(MIA 18452)

SSM Practicing Certificate No: 201909003258

### REGISTERED OFFICE

Suite 9D, Level 9, Menara Ansar,  
65 Jalan Trus,  
80000 Johor Bahru,  
Johor Darul Takzim.  
Tel: 07-224 1035  
Fax: 07-221 0891

### AUDITORS

KPMG PLT  
Level 3, CIMB Leadership Academy  
No. 3, Jalan Medini Utara 1,  
Medini Iskandar,  
79200 Iskandar Puteri,  
Johor Darul Takzim, Malaysia  
Tel: 07-266 2213  
Fax: 07-266 2214

### REGISTRAR

Tricor Investor & Issuing House Services Sdn Bhd  
Unit 32-01, Level 32, Tower A,  
Vertical Business Suite, Avenue 3,  
Bangsar South, No. 8, Jalan Kerinchi,  
59200 Kuala Lumpur  
Tel: 03-2783 9299  
Fax: 03-2783 9222

### SOLICITORS

**KV Lim & Voo**

Level 7, Suite 7.3 Menara Pelangi  
2 Jalan Kuning, Taman Pelangi  
80400 Johor Bahru,  
Johor Darul Takzim  
Tel: 07-334 5811  
Fax: 07-334 6693

**Lee & Tengku Azrina**

Unit 13-01, Level 13, Menara Landmark,  
12, Jalan Ngee Heng,  
80000 Johor Bahru, Johor Darul Takzim  
Tel: 07-223 8828  
Fax: 07-223 1828

### PRINCIPAL BANKERS

AmBank (M) Berhad  
Hong Leong Bank Berhad  
Public Bank Berhad  
Affin Bank Berhad  
Malayan Banking Berhad

### STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia Securities Berhad

## BOARD OF DIRECTORS



**Top from left to right:**

Mok Juan Chek, Law Tik Long, Tan Chuan Gor, Yong Kwee Lian, Christina Ong Chu Voon, Chen Kuok Chin, Chang Chu Shien, Ong Wei Kuan

**Bottom from left to right:**

Ong Yoong Nyock, Dato' Fu Ah Kiow

## PROFILE OF THE DIRECTORS

**DATO' FU AH KIW** (Chairman)  
Non-Independent Non-Executive Director

Malaysian | Aged 75 | Male

Dato' Fu Ah Kiow was appointed to the Board of Directors of TNLHB on 30 April 2008. He has more than thirteen (13) years of distinguished service in the Malaysian Government. He was elected a Member of Parliament in 1995 and was a Deputy Minister in several ministries prior to his retirement in 2008. Before joining the government, Dato' Fu had worked, as an engineer and in various managerial roles, with multinational companies, and later founded and successfully managed companies engaged in construction and M&E engineering services. Dato' Fu was also the Board Chairman of public listed Star Media Group Bhd and Fitters Diversified Bhd.

Dato' Fu holds a Bachelor of Science (Honours) degree in Physics and a Master's degree in Industrial Engineering and Management Science.

Dato' Fu does not have any family relationship with any director and/or major shareholder of Tiong Nam Logistics Holdings Berhad ("TNLHB"). He does not have any conflict of interest in any business arrangement involving the Company or its subsidiaries. He has no convictions for any offences within the past five (5) years.

Dato' Fu has attended all the four (4) Board meetings held during the financial year ended 31 March 2024.

Dato' Fu's equity interest in the Company's ordinary share is disclosed in page 150. He does not have any direct equity interest in the Company's subsidiaries.

PROFILE OF THE DIRECTORS  
(CONT'D)**MR ONG YOONG NYOCK**  
Non-Independent Managing Director

Malaysian | Aged 71 | Male

Mr Ong Yoong Nyock was appointed to the Board of Directors of TNLHB on 31 January 1990. He has more than forty (40) years of experience in the logistics industry. He started the transportation business in 1975 with a small fleet of lorries transporting general cargo in Johor which has since expanded to become a well-established total logistics company covering all the major routes of Peninsular Malaysia and East Malaysia. He also sits on the Board of Directors of several subsidiaries of the Company and other unrelated private companies.

Mr Ong Yoong Nyock's spouse Madam Yong Kwee Lian and his daughter Ms Christina Ong Chu Voon are Executive Directors of TNLHB. His son Mr Ong Wei Kuan is the Deputy Managing Director of TNLHB. He has no conflict of interest with the Company. He has abstained from deliberations and voting in respect of transactions between the Group and related parties of which he has interest. He has no convictions of any offences within the past five (5) years.

Mr Ong Yoong Nyock attended three (3) Board meetings held during the financial year ended 31 March 2024.

Mr Ong Yoong Nyock, by virtue of his substantial shareholdings (direct and indirect) in the Company as disclosed in page 150, he is deemed to have interest in the ordinary shares held by the Company in its subsidiaries.

Mr Ong Yoong Nyock is deemed interested in the transactions entered into by the Group in the ordinary course of business with companies in which he and his close family members have substantial financial interest as disclosed in note 29 to the financial statements.



PROFILE OF THE DIRECTORS  
(CONT'D)

**MADAM YONG KWEE LIAN**  
Non-Independent Executive Director

Malaysian | Aged 72 | Female

Madam Yong Kwee Lian was appointed to the Board of Directors of TNLHB on 31 January 1990. She has been in the logistics industry for more than thirty-five (35) years. She is responsible for building up of the Singapore-based customers as well as contributing substantially to the day-to-day administrative and operating procedures of the Group's logistics business. In addition, she sits on the Board of Directors of several subsidiaries of the Company and other unrelated private companies.

Madam Yong Kwee Lian's spouse, Mr Ong Yoong Nyock is the Managing Director of TNLHB, her son Mr Ong Wei Kuan is the Deputy Managing Director of TNLHB and her daughter Ms Christina Ong Chu Voon is the Executive Director of TNLHB. She has no conflict of interest with the Company. She has abstained from deliberations and voting in respect of transactions between the Group and related parties of which she has interest. She has no convictions of any offences within the past five (5) years.

Madam Yong Kwee Lian has attended all the four (4) Board meetings held during the financial year ended 31 March 2024.

Madam Yong Kwee Lian, by virtue of her substantial shareholdings (direct and indirect) in the Company as disclosed in page 150, she is deemed to have interest in the ordinary shares held by the Company in its subsidiaries.

Madam Yong Kwee Lian is deemed interested in the transactions entered into by the Group in the ordinary course of business with companies in which she and her close family members have substantial financial interest as disclosed in note 29 to the financial statements.

PROFILE OF THE DIRECTORS  
(CONT'D)

**MR CHANG CHU SHIEN**

Non-Independent Non-Executive Director

Malaysian | Aged 73 | Male

Mr Chang Chu Shien was appointed to the Board of Directors of TNLHB on 11 October 1991. He is the Chairman of the Remuneration Committee. He holds a Bachelor of Commerce degree from the University of New South Wales, Sydney, Australia. He was employed by Australian Consolidated Industries Ltd. in Sydney, Australia. He joined Pahang Enterprise Sdn Bhd and Asia Oil Palm Sdn Bhd in 1977 as Administrative/Financial Director and was the Managing Director of these companies since 1983. Both are oil palm plantation companies involved in production and trading of palm oil products.

Mr Chang is also the Managing Director of Carotino Sdn Bhd which is involved in palm oil downstream manufacturing. He is currently involved in plantation, manufacturing, property development, insurance, real estate and hotel operations. He is a registered Real Estate Agent with the Board of Valuers, Appraisers & Estate Agents, Malaysia and a registered General Insurance Agent with The Malaysian Insurance Institute.

Mr Chang Chu Shien has no family relationship with any of the Directors and/or major shareholders of TNLHB. He has abstained from deliberations and voting in respect of transactions between the Group and related parties of which he has interest. He has no convictions of any offences within the past five (5) years.

Mr Chang Chu Shien attended three (3) Board meetings held during the financial year ended 31 March 2024.

Mr Chang Chu Shien's equity interest in the Company's ordinary shares is disclosed in page 150 and he does not have any direct equity interest in the Company's subsidiaries.

PROFILE OF THE DIRECTORS  
(CONT'D)

**MR ONG WEI KUAN**  
Non-Independent Deputy Managing Director

Malaysian | Aged 44 | Male

Mr Ong Wei Kuan was appointed to the Board of Directors of TNLHB on 1 April 2011. He holds a Bachelor of Science in Information System from Leeds University of United Kingdom. He joined Tiong Nam Group of Companies in year 2005 as head of IT and cost management department. He also sits on the Board of Directors of several subsidiaries of the Company and other unrelated private companies.

His parents, Mr Ong Yoong Nyock and Madam Yong Kwee Lian are Managing Director and Executive Director of the Company respectively and hence are members of the Board. His sister, Ms Christina Ong Chu Voon is Executive Director of the Company and hence member of the Board. He has no conflict of interest with the Company. He has abstained from deliberations and voting in respect of transactions between the Group and related parties of which he has interest. He has no convictions of any offences within the past five (5) years.

Mr Ong Wei Kuan attended all the four (4) Board meetings held during the financial year ended 31 March 2024.

Mr Ong Wei Kuan's equity interest in the Company's ordinary shares is disclosed in page 150 and he does not have any equity interest in the Company's subsidiary.

Mr Ong Wei Kuan is deemed interested in the transactions entered into by the Group in the ordinary course of business with companies in which he and his close family members have substantial financial interest as disclosed in note 29 to the financial statements.

**PROFILE OF THE DIRECTORS  
(CONT'D)****MS CHRISTINA ONG CHU VOON**

Non-Independent Executive Director

Malaysian | Aged 36 | Female

Christina Ong Chu Voon was appointed to the Board of Directors of TNLHB on 22 June 2020. She holds a Master of Commerce in Business Finance from Macquarie University. She joined Tiong Nam Group in October 2016 and works closely with the Senior Executive Team to formulate operational and tactical initiatives to achieve the organisation's interim goals. She is also responsible for the Group's organisational restructuring and the strengthening of internal policies and controls. Prior to joining the Group, Ms Christina was a Management Consultant at PwC Consulting working with multinational corporations on supply chain and cost improvement projects.

Her parents, Mr Ong Yoong Nyock and Madam Yong Kwee Lian are Managing Director and Executive Director of the Company respectively and hence are members of the Board. Her brother, Mr Ong Wei Kuan is Deputy Managing Director of the Company and hence member of the Board. She has no conflict of interest with the Company. She has no convictions of any offences within the past five (5) years.

Ms Christina has attended all the four (4) Board meetings held during the financial year ended 31 March 2024.

Ms Christina does not have any equity interest in the Company or its subsidiary companies.



**PROFILE OF THE DIRECTORS**  
**(CONT'D)**

**MR CHEN KUOK CHIN**  
Independent Non-Executive Director

Malaysian | Aged 54 | Male

Mr Chen Kuok Chin was appointed to the Board of Directors of TNLHB on 22 June 2020. He is the member of Audit Committee and Nomination Committee. He holds a Bachelor of Accounting in Universiti Putra Malaysia. In 1994, he was employed by JB Securities S/B as Stock Market and Share Investment Analyst and was the Dealer and Head of Investment since 1999. He joined Hwang-DBS (Malaysia) Berhad in 2001 and Mercury Securities Sdn Bhd in 2007.

Mr Chen Kuok Chin has no family relationship with any of the Directors and/or major shareholders of TNLHB.

Mr Chen Kuok Chin has no conflict of interest with the Company. He has no convictions of any offences within the past five (5) years.

Mr Chen Kuok Chin has attended all the four (4) Board meetings held during the financial year ended 31 March 2024.

Mr Chen Kuok Chin's indirect interest in the Company's ordinary shares is disclosed in page 150 and he does not have any equity interest in the Company's subsidiaries.

PROFILE OF THE DIRECTORS  
(CONT'D)

**MADAM TAN CHUAN GOR**

Independent Non-Executive Director

Malaysian | Aged 39 | Female

Tan Chuan Gor was appointed to the Board of Directors of TNLHB on 15 January 2023. She is the Chair Person of Audit Committee and Risk Committee. She is also the member of Nomination Committee and Remuneration Committee. She holds a Bachelor of Accounting from Multimedia University. In 2007, she was employed by BDO Binder as Senior Associates. In 2008, she joined Tiong Nam Logistics Solutions Sdn Bhd as an Internal Auditor. She joined Accenture's (PMT) Holdings Consultancy LLP as Event Coordinator in 2015 and G-Force Sdn Bhd as a Manager of Internal Auditor in 2019. She is currently the Financial Controller of FGG Transportation Sdn Bhd. She is a member of the Malaysian Institute of Accountants.

Madam Tan Chuan Gor has no family relationship with any of the Directors and/or major shareholders of TNLHB.

Madam Tan Chuan Gor has no conflict of interest with the Company and has no convictions of any offences within the past five (5) years.

Madam Tan Chuan Gor has attended four (4) Board meeting held during the financial year ended 31 March 2024.

Madam Tan Chuan Gor does not have any equity interest in the Company or its subsidiary companies.

PROFILE OF THE DIRECTORS  
(CONT'D)

**MR LAW TIK LONG**  
Non-Independent Executive Director

Malaysian | Aged 50 | Male

Mr Law Tik Long was appointed to the Board of Directors of TNLHB on 1 April 2023. He is the member of the Risk Committee. He is a member for the Malaysian Institute of Accountant (MIA).

In September 2006, he joined Tiong Nam Group as a Finance Manager and thereafter promoted to Financial Controller in April 2009 and Chief Financial Officer in November 2022. His current responsibilities include overseeing the corporate finance, accounting and compliance with audit and statutory requirements of Tiong Nam Group. He is Joint Secretary of Tiong Nam Logistics Holdings Bhd and its subsidiaries since February 2014.

Mr Law Tik Long has more than ten (10) years of related working experience prior to joining Tiong Nam Group. He joined PNE Micron Engineering Sdn Bhd as an Accounts Officer in 1996 and served as its Accounts Manager in 1998. In 2002, he was promoted to Group Accounts Manager and Assistant to Group Chief Executive Officer in 2003. In 2004, he was appointed as an Executive Director of Hong Nam (M) Industry Sdn Bhd, a subsidiary of PNE Micron Holdings Ltd. He was responsible for the overall operations, sales and marketing of Hong Nam (M) Industry Sdn Bhd.

Mr Law Tik Long has no family relationship with any of the Directors and/or major shareholders of TNLHB.

Mr Law Tik Long has no conflict of interest with the Company. He has no convictions of any offences within the past five (5) years.

Mr Law Tik Long has attended all the four (4) Board meetings held during the financial year ended 31 March 2024.

Mr Law Tik Long's equity interest in the Company's ordinary shares is disclosed in page 150 and he does not have any direct equity interest in the Company's subsidiaries.

## PROFILE OF THE DIRECTORS (CONT'D)

### MR MOK JUAN CHEK Independent Non-Executive Director

Malaysian | Aged 68 | Male

Mok Juan Chek was appointed to the Board of Directors of TNLHB on 1 April 2024. He graduated with a Diploma in Agriculture from Universiti Pertanian Malaysia in May 1976. After completing his diploma, he joined Rubber Industry Smallholders Development Authority ("RISDA") as RISDA Officer in May 1976 and was promoted to Senior RISDA Officer in January 1980 where his roles include handling grants and loans to rubber smallholders in the state of Pahang. He subsequently obtained a Bachelor of Science (Agribusiness) from Universiti Pertanian Malaysia in September 1984.

Upon completing his degree, he joined the Melaka branch of Public Bank Berhad as Senior Operation Officer in May 1984 where he was responsible for marketing credit facilities and preparing credit proposals. In January 1986, he was transferred to the head office of Public Finance Berhad (then a wholly-owned subsidiary of Public Bank Berhad) where he was involved in evaluating credit proposals. He was promoted to Senior Administrative Officer in January 1990 where he was responsible for evaluating credit proposals.

In October 1990, he joined Chung Khiaw Bank Limited as Assistant Manager, where he was primarily responsible for marketing and processing business corporate loans. In January 1992, he was promoted to Deputy Manager and Assistant Vice President in January 1994. His roles include marketing credit facilities, preparing loan proposals and executing credit administration works.

In May 1995, he worked at Hong Leong Bank Berhad as Branch Manager where his role include overseeing the business operation of the branch. In May 2001, he was promoted as the General Manager for Credit Card Centre where he was responsible for the overall operation of bank's credit card business. He served as the General Manager, Business Banking, Southern Region from January 2003 to August 2008 where his roles include managing the business banking portfolio.

He worked at AmBank (M) Berhad as General Manager in September 2008 where he was responsible to manage the business banking portfolio for Southern and East Coast regions. He was promoted to Head for Mid Corporates Segment in April 2016 and Executive Vice President in April 2019 where he was responsible for overseeing the mid corporate segment of wholesale banking, and retired in June 2020. He was appointed as Strategic Adviser of Affin Hwang Asset Management Berhad from September 2020 to December 2022 where he was responsible to assist in securing and developing business relationships and opportunities for the company.

He is an Independent and Non-Executive Chairman of Axteria Group Berhad and Independent Non-Executive Director of ITMAX System Berhad, both of which are public listed companies on the Main Market of Bursa Securities. He is also an Independent Non-Executive Chairman of Synergy House Berhad which is a public listed company on the ACE Market of Bursa Securities.

He has no conflict of interest with the Company. He has no conviction of any offences within the past five (5) years.

Mr Mok Juan Chek's equity interest in the Company's ordinary shares is disclosed in page 150 and he does not have any direct equity interest in the Company's subsidiaries.



## PROFILES FOR KEY MANAGEMENT

### **MR ONG YOONG NYOCK**

Group Managing Director

Malaysian | Aged 71 | Male

Date of Appointment: 31 January 1990

Please refer to his profile in the Board of Directors' profile section on page 27.

### **MADAM YONG KWEE LIAN**

Executive Director

Malaysian | Aged 72 | Female

Date of Appointment: 31 January 1990

Please refer to her profile in the Board of Directors' profile section on page 28.

### **MR ONG WEI KUAN**

Deputy Managing Director, Head of Information Technology and Cost Management Department

Malaysian | Aged 44 | Male

Date of Joining: 1 April 2011

Please refer to his profile in the Board of Directors' profile section on page 30.

PROFILES FOR KEY MANAGEMENT  
(CONT'D)

**MS CHRISTINA ONG CHU VOON**

Executive Director, Corporate Strategic Planning Director

Malaysian | Aged 36 | Female

Date of Joining: October 2016

Please refer to her profile in the Board of Directors' profile section on page 31.

**MR LAW TIK LONG**

Executive Director, Chief Financial Officer, Company Secretary

Malaysian | Aged 50 | Male

Date of Joining: October 2006

Please refer to his profile in the Board of Directors' profile section on page 34.

**MR CHUAH KOON JIN**

Information Technology Director

Malaysian | Aged 55 | Male

Mr Chuan Koon Jin is the Information Technology (IT) Director of Tiong Nam Group. He graduated from University of Queensland, Brisbane Australia with Bachelor of Information Technology.

He commenced his career in the field of Information Technology since 1993. Over the years he had worked with industry such as Manufacturing, MNC Audit/Accounting firm Business Consulting division, local based IT Solutions and Services providers, Global Express Courier IT Services, European telco IT Solution and service provider, Japanese technology company and local based Logistics and Warehousing conglomerate.

He joined Tiong Nam Group in October 2017. As an IT Director, he primarily responsible for building the IT team, developing IT strategies, technology stacks and applications roadmap, overseeing network, server and security infrastructure and technical operations, developing and maintaining relevant IT policies and procedures. Lastly, overall responsible for IT Build and Run services delivery.

**PROFILES FOR KEY MANAGEMENT**  
**(CONT'D)**

**MS LIM MAY WAN**

Legal Manager

Malaysian | Aged 39 | Female

Ms Lim May Wan graduated from University of Northumbria at Newcastle with Bachelor of Laws on 29 June 2007. She was enrolled as an Advocate & Solicitor in the High Court of Malaya on 6 April 2012. She also obtained the Advanced Certificate in International Arbitration with Chartered Institute of Arbitrations (CI Arb) in Singapore on 14 September 2017.

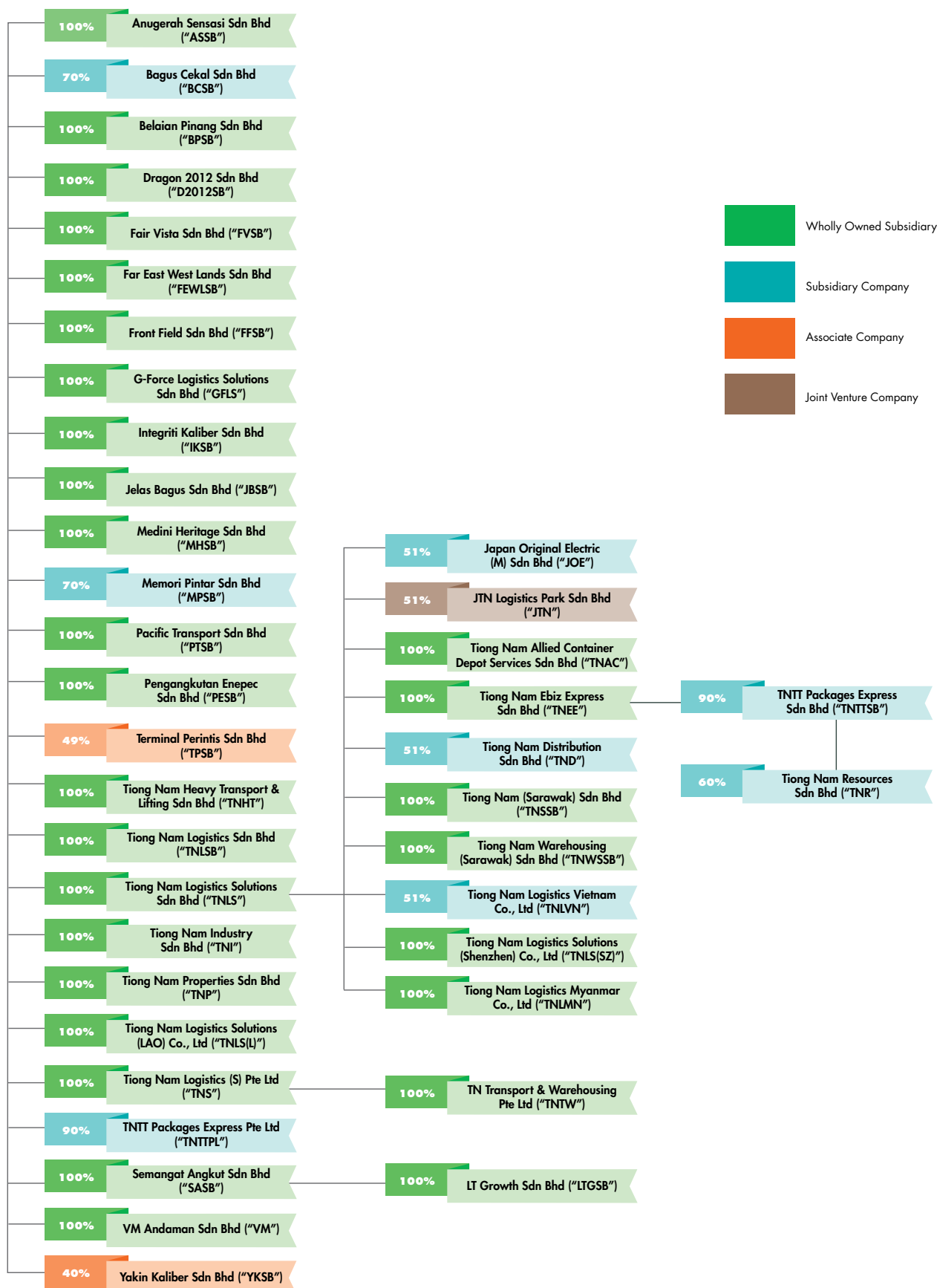
She commenced her career as legal executive in Fuji Xerox Asia Pacific Pte Ltd (Singapore) from February 2012 to March 2015 where she involved in drafting and reviewing of commercial contracts, handling regional projects and company secretarial matters. Subsequently, from she joined Tiong Nam Logistics Solutions Sdn Bhd from April 2015 and Tiong Nam Logistics (S) Pte Ltd from April 2019 as the legal manager where she is responsible of drafting and reviewing of commercial and construction contracts, overseeing legal matters and contracts for the affiliates or related companies in Malaysia, Singapore and Thailand and providing legal advice to the company.

She was appointed as the director of Domesca Builders Sdn Bhd on 26 September 2018.

She was empanelled as an adjudicator with the Kuala Lumpur Regional Centre for Arbitration (KL RCA) (currently known as the Asian International Arbitration Centre (AIAC)) on 15 August 2016. She was appointed as the Commissioner for Oaths from 1 January 2022. She is also admitted as the Fellow (Pioneer Member) of Asian Institute of Alternative Dispute Resolution on 3 September 2018.

# CORPORATE STRUCTURE

## TIONG NAM LOGISTICS HOLDINGS BERHAD ("TNLHB")





# CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board is pleased to present this overview statement to the Shareholders, the Corporate Governance (“CG”) Overview Statement of the Company for the financial year ended 31 March 2024. This full CG is available on the Company’s website [www.tiongnam.com](http://www.tiongnam.com).

The Board of Tiong Nam Logistics Holdings Berhad (the “Company”) acknowledges the importance of adopting high standards of corporate governance in the Company in order to safeguard stakeholders’ interests as well as enhancing shareholders’ value. As such, the Board is committed towards adherence to the principles, intended outcome and best practices set out in the Malaysian Code on Corporate Governance 2021 (“MCCG 2021” or the “CG Code”) issued by the Securities Commission Malaysia.

The Board believes that good CG adds value to the business of the Company and will ensure that this practice continues. The Board believes in playing an active role in guiding the Management through its oversight review while at the same time steer the Company’s business direction and strategy.

The Group has applied most of the principles as set out in the CG Code throughout the financial year ended 31 March 2024 (“FY 2024”) except for the following:

Practice 5.2 - At least half of the board comprises independent directors.

Practice 5.10 - The board discloses in its annual report the company’s policy on gender diversity for the board and senior management.

Practice 9.5 - All members of the Audit Committee should undertake continuous professional development to keep themselves abreast of relevant developments in accounting and auditing standards, practices and rules.

## PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

### I. BOARD’S RESPONSIBILITIES

#### 1. Clear Roles and Responsibilities

The Board is collectively responsible for the overall conduct and performance of the Company and provides the necessary stewardship and oversight on behalf of the shareholders. In order to ensure the effective discharge of the Board’s fiduciary duties and leadership functions, the Board delegates specific responsibilities and functions to various committees, namely Nomination Committee, Audit Committee, Remuneration Committee and Risk Committee. These Committees comprise of all Independent Non-Executive Directors (“INEDs”). Each of these Committees operates under clearly defined Terms of Reference (“TOR”) as approved by the Board to oversee and deliberate matters within their purviews. Nevertheless, the Board collectively retains full responsibility and accountability for all the company’s performance.

The Board recognizes the key role it plays in charting the strategic direction of the Company and has assumed the following principal responsibilities in discharging its fiduciary and leadership functions:

(a) *Reviewing and adopting a strategic plan for the Company*

The Board participates in the strategic planning process and reviews in depth and approves the strategy, including the human, technological and capital resources on its implementation. The Board then monitors management’s execution of the strategy in achieving the objectives.

(b) *Overseeing the conduct of the Group’s business*

The Board is responsible for the overall conduct and performance of the Group. It focuses mainly on overseeing the performance of management, critical and material business issues.

**PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)**

**I. BOARD'S RESPONSIBILITIES (CONT'D)**

**1. Clear Roles and Responsibilities (Cont'd)**

The Board recognizes the key role it plays in charting the strategic direction of the Company and has assumed the following principal responsibilities in discharging its fiduciary and leadership functions: (Cont'd)

*(c) Identifying business risks and the implementation of appropriate internal controls*

The Board identifying the principal business risks faced by the Group and ensuring the implementation of appropriate internal controls and mitigating measures to address such risks.

*(d) Succession planning*

The Board considers succession planning and management development to be an on-going process.

The Board is responsible for:

- (a) approving the succession plan for the Chairman and Managing Director;
- (b) in the case of the other senior managers, ensuring that the succession and development plans are in place; and
- (c) ensuring that criteria and processes for recognition, promotion, development and appointment of senior management are consistent with the leadership requirements of the Company.

The Managing Director periodically discuss with the Nomination Committee and Chairman on his view as to a need for a successor in the event of the Managing Director's is in unexpected incapacity.

The Board, represented by the Managing Director, creates opportunities to become acquainted with employees within the Company who have the potential to become members of senior management.

*(e) Overseeing the development and implementation of a shareholder communications policy*

The Board strives to ensure the information is communicated to the shareholders, mainly through the Company's interim reports, annual reports and where applicable, quarterly reports, annual general meetings and other general meetings that may be convened, as well as by making available the disclosures submitted to Bursa Malaysia Securities Berhad ("Bursa Malaysia").

*(f) Reviewing the adequacy and integrity of the Group's internal control and management information systems*

The Board ensures the Group maintains a sound framework of reporting on internal controls and regulatory compliance through its internal auditors, who reports to both the AC and the Board quarterly. Further details on this are available in the Statement on Internal Control and Risk Management contained on pages 65 to 69 in this Annual Report.

Overall, our internal organization structure defines the lines of authority and responsibility for the business and operation strategies, promote fast and accurate decisions and enhance management transparency and efficiency.

**CORPORATE GOVERNANCE OVERVIEW STATEMENT  
(CONT'D)**

**PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)**

**I. BOARD'S RESPONSIBILITIES (CONT'D)**

**1. Clear Roles and Responsibilities (Cont'd)**

<b>Board</b>	<b>Responsibilities</b>
Chairman	<p>The Board is led by Dato' Fu Ah Kiow, Non-Independent Non-Executive Chairman who provides effective and strategic direction and necessary governance to the Company.</p> <p>The Chairman provides leadership and governance in order to create a conducive environment geared towards building and enhancing the Board's effectiveness and ensures that all strategic and critical issues are discussed by the Board in a timely manner.</p> <p>The Chairman is also responsible for ensuring the adequacy and effectiveness of the Board's governance process and acts as a facilitator at Board meetings to ensure that contributions from Directors are forthcoming on matters being deliberated and that no Board member dominates discussion.</p> <p>The NC is satisfied the Chairman has discharged his duties effectively and continues to play a vital role in leading the Board.</p>
Group Managing Director	<p>The Managing Director ("MD") of the Company is Mr Ong Yoong Nyock, a Non-Independent Managing Director.</p> <p>The MD is responsible for the executive management of the Group's business and implementing operational decisions and managing day-to-day operations. MD is supported by the Executive Directors and management team in implementing the Group's strategic plan and overseeing the operations and business development of the Group.</p>
Independent Non-Executive Director	<p>The Company has two (2) Independent Non-Executive Directors ("INED")</p> <p>The INED are strong individuals who demonstrate independence.</p> <p>The INED provides objective and independent perspectives, advice, and judgement on the interests of not just the Group, but also its shareholders, employees, customers, suppliers, and the communities in which it operates.</p> <p>The INED are essential for safeguarding shareholders' interests and can make substantial contributions to the Company's decision-making by bringing the quality of detached impartiality.</p>
Non-Independent Non-Executive Director	<p>The Company has two (2) Non-Independent Non-Executive Directors. The Non-Independent Non-Executive Directors actively monitor the Company's performance by overseeing Management's achievement of agreed-upon goals and objectives.</p>

**2. Access to Information and Advice**

Directors are supplied with relevant information and reports on financial, operational, corporate, regulatory, business development and audit matters for decisions to be made on an informed basis and effective discharge of the Board's responsibilities. Senior Management of the Group are invited to attend Board meetings to provide additional information and explanation when deemed necessary. This enables the Directors to interact directly with the Management, and request for further explanation, information or updates on any aspect of the Group's operations or business concerns.

**CORPORATE GOVERNANCE OVERVIEW STATEMENT  
(CONT'D)**

**PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)**

**I. BOARD'S RESPONSIBILITIES (CONT'D)**

**2. Access to Information and Advice (Cont'd)**

Prior to Board meetings, Board members are provided with an agenda which contained matters which are to be discussed at the Board meetings. The Board is provided with the relevant Board papers ("Board Papers") such as financial reports, comparative turnovers of various type of services provided, summary of bank borrowings, variances analysis and other papers which require discussion, endorsement and approval of the Board. The Board Papers are distributed to all Directors at least seven (7) days prior to each Board meeting. This is to ensure that the Directors are well informed of the matters to be discussed and deliberated in advance of Board meetings in order to facilitate an effective conduct of Board meetings.

**3. Supported by Qualified and Competent Company Secretaries**

The Board is supported by professionally qualified and competent Company Secretaries.

The Company Secretaries, being member of The Malaysian Institute of Accountant ("MIA") and The Malaysian Institute of Chartered Secretaries and Administrators ("MAICSA"), satisfy the qualification as prescribed under Section 235(2) of the Companies Act 2016 and have the requisite experience and competency in company secretarial services.

They are internal and external Company Secretaries with vast knowledge and experience from being in public practice and are supported by a dedicated team of company secretarial personnel.

The Company Secretaries play an important advisory role to the Board, on administrative, regulatory requirements and governance matters. The Company Secretaries are also responsible to ensure that accurate and proper recording of proceedings and resolutions at the Board, Board Committees meetings and general meetings.

The Board of Directors have unrestricted access to the advice and services of the Company Secretaries to enable them to discharge their duties effectively. The Board is regularly updated and advised by the Company Secretaries on any updates relating to new statutory and regulatory requirements pertaining to the duties and responsibilities of Directors, and promptly disseminate communications received from the relevant regulatory/governmental authorities. The Company Secretary organises and attends all Board meetings and is responsible to ensure that meetings are properly convened, and accurate and proper records of the proceedings and resolutions passed are taken and maintained at the Registered Office of the Company.

**4. Board Charter**

The Board Charter serves as guidance for the Board with regards to the responsibilities of the Board, its Committees and the Management, the requirements of Directors in carrying out their stewardship role and in discharging their duties towards the Company as well as boardroom activities. The Board Charter is made available to the public for reference in the Company's website at [www.tiongnam.com](http://www.tiongnam.com). The Board Charter is subject to periodic reviewed by the Board and when necessary, revised in accordance with the need of the Group and any regulatory updates. The last review of the Board Charter by the Board was on 22 August 2020.

**5. Code of Conduct and Ethics**

The Board is committed in maintaining good corporate integrity and is guided by a formalised Directors' Code of Ethics, setting out the principles and standards of business ethics and conduct expected from all Directors. The Board observes the Company Directors' Code of Ethics as established by the Suruhanjaya Syarikat Malaysia (Companies Commission of Malaysia or "SSM") which is published on SSM's website at [www.ssm.com.my](http://www.ssm.com.my).

To advocate good ethical and conduct among employees, the Group has established a Code of Conduct and Ethics for employees, encapsulated in Tiong Nam's Employees Manual, which has been communicated to all levels of employees in the Group, during employee orientation programme, via internal memo and displaying on the Company's notice board.



CORPORATE GOVERNANCE OVERVIEW STATEMENT  
(CONT'D)

**PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)**

**I. BOARD'S RESPONSIBILITIES (CONT'D)**

**5. Code of Conduct and Ethics (Cont'd)**

The Code of Conduct and Ethics is reviewed periodically in accordance with the needs of the Company. The Code of Conduct and Ethics is available on the Company's website, [www.tiongnam.com](http://www.tiongnam.com).

**6. Whistle-blower Policy**

The Board has adopted a Whistle-blower Policy and is committed to conducting its business and working with all stakeholders including employees, suppliers, customers, and shareholders in a manner that is lawful and ethically responsible. It expects wrongdoings such as fraud, corruption, serious financial impropriety and gross mismanagement to be reported and actions to be taken where appropriate. The Board will address the disclosure in an appropriate, timely manner and given fair treatment to the alleged wrongdoer.

Whistle-blower Policy are available on at the Company's Website, [www.tiongnam.com](http://www.tiongnam.com).

**7. Sustainability of Business**

The Board recognises and is mindful of the importance of business sustainability and, in conducting the Group's business, the impact of the Group's business on the environmental, social and governance ("ESG") aspects is taken into consideration. Whilst the Group embraces sustainability in its operations and supply chain, the Board will formalise a Sustainability Policy, addressing the ESG aspects to be incorporated in the Group's strategies.

The Group's activities on corporate social responsibilities for the financial year under review are disclosed on pages 15 to 18 of this Annual Report.

**II. BOARD COMPOSITION**

**1. Board Composition and Balance**

During the financial year under review, the Board comprises ten (10) members, of whom three (3) Independent Non-Executive Director, two (2) Non-Independent Non-Executive Director and five (5) Non-Independent Executive Director with the composition as set out below: -

Datuk Haji Muhamad Shapiae bin Mat Ali had resigned with effect on 6 February 2024.

Hence, as at 31 March 2024, the Board consists of nine (9) directors as follows: -

Name	Designation
1. Dato' Fu Ah Kiow	Non-Independent Non-Executive Chairman
2. Chang Chu Shien	Non-Independent Non-Executive Director
3. Ong Yoong Nyock	Non-Independent Managing Director
4. Yong Kwee Lian	Non-Independent Executive Director
5. Ong Wei Kuan	Non-Independent Executive Director
6. Christina Ong Chu Voon	Non-Independent Executive Director
7. Law Tik Long	Non-Independent Executive Director
8. Chen Kuok Chin	Independent Non-Executive Director
9. Tan Chuan Gor	Independent Non-Executive Director

**CORPORATE GOVERNANCE OVERVIEW STATEMENT  
(CONT'D)**

**PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)**

**II. BOARD COMPOSITION (CONT'D)**

**1. Board Composition and Balance (Cont'd)**

Based on the current Board composition, the Board meets the requirement pursuant to Paragraph 15.02 of the Main Market Listing Requirements where at least 2 directors or one third of the Board of Directors, whichever is higher, are independent directors.

Their presence fulfils a central role in corporate accountability and serves to provide a check and balance on the Board. In the event of any vacancy on the Board, resulting in a non-compliance, the vacancy will be filled within three (3) months. The NC shall on annual basis assess the independence of the Independent Directors.

The Directors, with their different background and specialisation, collectively bring with them a wide range of experience and expertise in areas such as finance, corporate affairs, legal, marketing and operations. The Board comprises of members from various professions with individual personalised quality, expertise, skills and relevant market and industry knowledge and ensures at all times that necessary financial and human resources are in place for the Company to meet its strategic objectives.

The profile of each Director is set out on pages 26 to 35 of this Annual Report.

The Board is mindful that the Board still does not comprise of at least half INEDs as recommended by Practice 5.2 of MCCG 2021. The Board is of the view that the present INEDs, with the breadth of professional background, have enabled the Board to exercise objective judgement on various issues and decisions are made through their sharing of impartial, objective and unbiased opinion and viewpoints. Although all Directors shared equal responsibility for the Group's business directions and operations, the presence of INEDs are essential in ensuring that the management proposals are fully discussed, challenged and evaluated, by taking into account the interest of not only the Group but also all interested parties, including shareholders, employees, customers, suppliers and the communities as a whole.

Further, the current composition of the Board Committees comprises of all INEDs which affirmed the Board's commitment towards independence and provide strong check and balance in the Board's governance function. The significant contributions of the Independent Directors in the decision-making process are evidenced by their participation as members of the various Board Committees. Hence, the INEDs are able to carry out their duties and to provide an unfettered and unbiased independent judgement and to promote good corporate governance.

Nonetheless the Board will consider appointment of additional INEDs in the near future to ensure that the Board comprises at least half INEDs as per Practice 5.2 of the MCCG 2021.

**2. Board Committee**

**a) Nomination Committee – Selection and Assessment of Directors**

The Nomination Committee ("NC") was formed on 25 August 2001. The composition of the NC as at 31 March 2024 is as follows: -

<b>Directors</b>	<b>Designation</b>
Tan Chuan Gor	Chairperson (Independent Non-Executive Director)
Chen Kuok Chin	Member (Independent Non-Executive Director)
Chang Chu Shien	Member (Non-Independent Non-Executive Director)

The NC would meet at least once (1) annually with additional meetings convened as and when required.

The Board has stipulated specific terms of reference for the Nomination Committee, which cover, inter-alia, to oversee the selection and assessment of Director to ensure that board composition meets the needs of the Company.

CORPORATE GOVERNANCE OVERVIEW STATEMENT  
(CONT'D)

**PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)**

**II. BOARD COMPOSITION (CONT'D)**

**2. Board Committee (Cont'd)**

**a) Nomination Committee - Selection and Assessment of Directors (Cont'd)**

During the FY2024 and up to the date of this Statement, the key activities undertaken by NC are summarised as follows: -

- Assessed and recommended to the Board the re-election and re-appointment of the Directors in accordance with the Fit and Proper Policy for tabling at the AGM;
- Reviewed the independence of the Independent Directors of the Company;
- Reviewed the required mix of skills and experience and other qualities of Directors, succession planning, training courses for Directors and other qualities of the Board;
- Assessed the effectiveness of the Board as a whole, the Board Committees and contribution of each individual Director;
- Reviewed the contribution and performance of each individual director to assess the character, experience, integrity, and competence to effectively discharge their role as a director; and
- Reviewed and recommended to the Board for approval on the adoption of the Fit and Proper Policy.

Potential candidates can be identified by the Nomination Committee, existing Directors or any shareholder through internal or external sources. The Nomination Committee recommends suitable potential candidates for appointment to the Board, and the final endorsement lies with the Board.

In recommending suitable candidates for directorships and Board committees to the Board, the Nomination Committee takes into consideration the candidate's experience, competency, character, time commitment and potential contribution to the Group. Any new nomination received is recommended to the Board after a comprehensive assessment by the Nomination Committee. During the FY 2024, the Nomination Committee had interviewed candidates and recommended appointment of one independent director and one executive director to the Board.

The process of assessing the Directors is an on-going responsibility of the entire Board. The Board has put in place a formal evaluation process to annually assess the effectiveness of the Board as a whole and the Board Committees, as well as the contribution and performance of each individual Director. The criteria used, amongst others, for the annual assessment of individual Director includes an assessment of their roles, duties, responsibilities, competency, expertise and contribution. Whereas, the criteria for the assessment of the performance of the Board and Board committees covered composition, processes, accountability, responsibilities as well as the fulfilment of duties.

During FY2024, the Nomination Committee had undertaken the activities stipulated in their terms of reference as mentioned above and based on the assessment on the Board for the FY 2023, the Board is satisfied with the composition, performance and effectiveness of the Board in discharging its roles and responsibilities for the benefits of the Group.

All directors attended at least 50% of all Board meetings held in FY 2024, complying with the minimum 50% attendance as required by Paragraph 15.05 of the Bursa Malaysia Securities Berhad's Listing Requirements. This is evidenced by the attendance record set out in this annual report.

The Board acknowledges the recommendation of the CG Code on the establishment of a gender diversity policy for the Board. In the selection process, there is no plan by the Board to implement a gender diversity policy or target, as the Group adheres to the practice of non-discrimination of any form, whether based on age, gender, race or religion, throughout the Group. This includes the selection on the candidate's skills, expertise, experience, integrity, character, time commitment and other qualities in meeting the needs of the Company, regardless of gender.

In accordance with the Company's Constitution, the newly appointed directors will retire at the subsequent Annual General Meeting and are eligible for re-election by shareholders. The clauses of Constitution also provide that at least one-third (1/3) of the Board including Executive Directors is subject to re-election annually and each director shall stand for re-election at least once every three (3) years.

**CORPORATE GOVERNANCE OVERVIEW STATEMENT  
(CONT'D)**

**PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)**

**II. BOARD COMPOSITION (CONT'D)**

**2. Board Committee (Cont'd)**

**b) Audit Committee**

The Audit Committee ("AC") comprises of three (3) members with composition as set out below: -

<b>Directors</b>	<b>Designation</b>
Tan Chuan Gor	Chairperson (Independent Non-Executive Director)
Chen Kuok Chin	Member (Independent Non-Executive Director)
Chang Chu Shien	Member (Non-Independent Non-Executive Director)

The AC is chaired by an independent non-executive director who is not the Chairman of the Board and the AC comprised exclusively of all non-executive directors with a majority of them are independent. The composition of the Audit Committee currently complies with the Listing Requirements of Bursa Malaysia. The AC Chairman is also a member of the Malaysian Institute of Accountants and all members are financially literate.

During the FY2024, the AC had five (5) meetings. The AC reviewed and recommended the quarterly financial reports, internal audit processes and related party transactions.

Terms of reference and functions of the AC are found on pages 62 to 63 of this Annual Report and is available on the Company's website at [www.tiongnam.com](http://www.tiongnam.com).

**c) Remuneration Committee**

The Remuneration Committee ("RC") was established by the Board on 25 August 2001 to assist the Board in the adoption of fair remuneration practices to attract, retain and motivate Directors. The composition of the RC as at 31 March 2024 is as follows: -

<b>Directors</b>	<b>Designation</b>
Chang Chu Shien	Chairman (Non-Independent Non-Executive Director)
Chen Kuok Chin	Member (Independent Non-Executive Director)
Tan Chuan Gor	Member (Independent Non-Executive Director)

The wealth of experience, skills and competencies of the Board members are detailed in the profile of Directors on pages 26 to 35. The RC is chaired by a Non-Independent Non-Executive Director. The RC comprised exclusively of all non-executive directors with majority of them are independent. The RC has written Terms of Reference which deals with its authority and duties and these terms are disclosed on the company's website at [www.tiongnam.com](http://www.tiongnam.com).

As a fair remuneration is critical to attract, retain and motivate Directors, the RC reviews the proposed remuneration packages with regards to each Director's role, responsibility, and expertise, taking into consideration also the complexity of the Company's activities and performance of the Group.

Business strategic, long-term objectives, responsibilities of Directors, expertise required in the discharge of their duties and the complexity of the Group's business are aligned to the remuneration of Directors.

Drawing from the market information in relation to the profitability, turnover, total assets and types of industry, the RC has certain market information on remuneration of Executive Directors and Non-Executive Directors and ensure the remuneration are comparable with the current market and similar industry. The Company has a Remuneration Policy which describes the policies and procedures on remuneration including reviewing and recommending matters relating to the remuneration of board and senior management.

CORPORATE GOVERNANCE OVERVIEW STATEMENT  
(CONT'D)

**PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)**

**II. BOARD COMPOSITION (CONT'D)**

**2. Board Committee (Cont'd)**

**c) Remuneration Committee (Cont'd)**

The remuneration of Non-Executive Directors as recommended by RC, the Board agreed and approved by shareholders of the Company. The Non-Executive Directors do not participate in the deliberations and discussion of their own remuneration.

The remuneration package for Senior Management is studied and reviewed by the Executive Directors and Human Resource Department at the Company level. The final remuneration package for Senior Management is decided and approved by the Executive Directors. The Board is satisfied with the current structure and manner in arriving at the proposed remuneration package for all Directors and the Management.

The Board is committed to the MCCG 2021 recommendation by disclosing the Board's remuneration in detail as below but due to the sensitivity and confidentiality of the information, the remuneration of top five senior management is not disclosed in this Annual Report.

The aggregate remuneration of the Directors of the Group categorized into salaries and bonus and fees are as follows: -

<b>Aggregation Remuneration</b>	<b>Director Fee RM</b>	<b>Salaries &amp; Bonus RM</b>
<b>Non-Executive Directors</b>		
Dato' Fu Ah Kiow	80,000	–
Datuk Haji Muhamad Shapiae bin Mat Ali	55,410	–
Chang Chu Shien	51,770	–
Chen Kuok Chin	57,000	–
Tan Chuan Gor	73,180	–
<b>Total</b>	<b>317,360</b>	<b>–</b>
<b>Executive Directors</b>		
Ong Yoong Nyock	–	2,076,372
Yong Kwee Lian	–	792,074
Ong Wei Kuan	–	624,416
Christina Ong Chu Voon	–	800,312
Law Tik Long	45,000	450,000
<b>Total</b>	<b>45,000</b>	<b>4,743,174</b>

The top 5 key management of the Company whose remuneration falls within the following bands of RM50,000 is as set out below: -

<b>Range of Remuneration</b>	<b>Number of Key Management</b>
RM 400,001 to RM 450,000	1
RM 600,001 to RM 650,000	1
RM 750,001 to RM 800,000	1
RM 800,001 to RM 850,000	1
RM 2,050,001 to RM 2,100,000	1

The remuneration of key management included salaries and bonus and others.



**PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)**

**II. BOARD COMPOSITION (CONT'D)**

**2. Board Committee (Cont'd)**

**d) Risk Committee**

The Risk Committee was formed on 21 May 2011. The Risk Committee is comprised of three (3) members as follows: -

Directors	Designation
Tan Chuan Gor	Chairperson (Independent Non-Executive Director)
Christina Ong Chu Voon	Member (Non-Independent Executive Director)
Law Tik Long	Member (Non-Independent Executive Director)

The Risk Committee oversees the Risk Working Committee which comprised of Senior Managers of the Group.

The Risk Management Framework was established and designed to monitor and to mitigate the Group's risks associated with operational, financial, market and strategic risks which is reviewed by the Risk Committee and the Board.

Details of Risk Management Framework are disclosed in the Statement of Risk Management and Internal Control on page 65.

**3. Attendance of Directors**

The meeting attendance of individual Directors at the Board and the Board Committees during the financial year under review (FY2024) are tabled as below: -

Director	Board	Nomination Committee	Audit Committee	Remuneration Committee	Risk Committee
<b>Non-Independent Non-Executive Chairman</b>					
Dato' Fu Ah Kiow	4/4	–	–	–	–
<b>Non-Independent Managing Director</b>					
Ong Yoong Nyock	3/4	–	–	–	–
<b>Non-Independent Executive Director</b>					
Yong Kwee Lian	4/4	–	–	–	–
Ong Wei Kuan	4/4	–	–	–	–
Christina Ong Chu Voon	4/4	–	–	–	2/2
Law Tik Long	4/4	–	–	–	2/2
<b>Non-Independent Non-Executive Director</b>					
Chang Chu Shien	3/4	1/1	1/1	1/1	–
<b>Independent Non-Executive Director</b>					
Datuk Haji Muhamad Shapiae bin Mat Ali	3/3	–	4/4	–	1/1
Chen Kuok Chin	4/4	1/1	5/5	1/1	–
Tan Chuan Gor	4/4	1/1	5/5	1/1	2/2

**CORPORATE GOVERNANCE OVERVIEW STATEMENT  
(CONT'D)**

**PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)**

**II. BOARD COMPOSITION (CONT'D)**

**4. Directors Training**

The Directors acknowledge that they are required to continue to update themselves on their skills and knowledge to discharge their duties. In order to ensure Directors' continuous professional development, the Board has identified and the Management has enrolled Directors for relevant training needs during the FY2024.

All Directors of the Company have attended the Mandatory Accreditation Programme (MAP) prescribed by the Bursa Malaysia for directors of public listed companies.

The following are the training programme/seminars/forum attended by the Directors in FY2024: -

<b>Name of Director</b>	<b>Topic of programme/seminars/forum</b>
Dato' Fu Ah Kiow	- Anti Bribery & Corruption: A Risk Management Perspective
Ong Yoong Nyock	- Anti Bribery & Corruption: A Risk Management Perspective
Yong Kwee Lian	- Anti Bribery & Corruption: A Risk Management Perspective
Chang Chu Shien	- Anti Bribery & Corruption: A Risk Management Perspective - Airbnb Recovery
Datuk Haji Muhamad Shapiae bin Mat Ali	- Anti Bribery & Corruption: A Risk Management Perspective
Ong Wei Kuan	- Anti Bribery & Corruption: A Risk Management Perspective
Christina Ong Chu Voon	- Anti Bribery & Corruption: A Risk Management Perspective - Mandatory Accreditation Programme Part II: Leading for Impact (LIP)
Chen Kuok Chin	- Anti Bribery & Corruption: A Risk Management Perspective
Tan Chuan Gor	- Anti Bribery & Corruption: A Risk Management Perspective - Mandatory Accreditation Programme Part II: Leading for Impact (LIP)
Law Tik Long	- Mandatory Accreditation Programme Part I (MAP) - Anti Bribery & Corruption: A Risk Management Perspective - Mandatory Accreditation Programme Part II: Leading for Impact (LIP)

All the Directors have been advised to attend at least one (1) or more programme/seminar/forum for the new financial year ending 31 March 2025 which have direct relevance to the discharge of their duties and responsibility as Directors and keep abreast with the latest developments in the capital markets, relevant changes in laws and regulations and the business environment from time to time.

The Company Secretaries normally circulates the relevant statutory and regulatory requirements from time to time for the Board's reference and briefs the Board on the updates, where applicable.

The Group Chief Financial Officer and External Auditors also brief the Board members on any changes to the Malaysian Financial Reporting Standards that affect the Group's financial statements for the financial year under review.

**PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT**

**I. AUDIT COMMITTEE**

**1. Composition of Audit Committee**

It is the Board's commitment to present a balanced and meaningful assessment of the Group's financial performance and prospects at the end of each reporting period and financial year, primarily through the quarterly announcement of Group's results to Bursa Malaysia, the annual financial statements of the Group and Company as well as the Chairman's statement and review of the Group's operations in the Annual Report, where relevant.

**CORPORATE GOVERNANCE OVERVIEW STATEMENT  
(CONT'D)**

**PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT (CONT'D)**

**I. AUDIT COMMITTEE (CONT'D)**

**1. Composition of Audit Committee (Cont'd)**

The Board is responsible for ensuring that the financial statements give a true and fair view of the state of affairs of the Group and the Company as at the end of the reporting period and of their results and cash flows for the period then ended.

In assisting the Board to discharge its duties on financial reporting, the Board established an Audit Committee, comprising three (3) members as follows: -

<b>Directors</b>	<b>Designation</b>
Tan Chuan Gor	Chairperson (Independent Non-Executive Director)
Chen Kuok Chin	Member (Independent Non-Executive Director)
Chang Chu Shien	Member (Non-Independent Non-Executive Director)

The Chairman of the AC is an Independent Non-Executive Directors who is not the Chairman of the Board. The Board is committed in ensuring the effectiveness and independence of the Audit Committee. This includes to require any former key audit partner to observe a cooling off period of three (3) years before being appointed as a member of AC. No former key audit partners of the external auditors have been appointed to the Board thus far.

The composition of the Audit Committee, including its roles and responsibilities, are set out in the Audit Committee Report on pages 62 to 64 of this Annual Report. One of the key responsibilities of the Audit Committee in its specific terms of reference is to ensure that the financial statements of the Group and Company comply with applicable financial reporting standards in Malaysia and provisions of the Companies Act 2016. Such financial statements comprise the quarterly financial report announced to Bursa Malaysia and the annual statutory financial statements.

The Board understands its role in upholding the integrity of financial reporting by the Company. Accordingly, the Audit Committee, which assists the Board in overseeing the financial reporting process of the Company, will formalize and adopt a policy for the types of non-audit services permitted to be provided by the external auditors, including the need for the Audit Committee's approval in writing before such services can be provided by the external auditors. To address the "self-review" threat faced by the external audit firm, the procedures to be included in the policy require the engagement team conducting the non-audit services to be different from the external audit team.

The Audit Committee undertakes an annual assessment of the suitability and independence of the external auditors. Areas of assessment include the external auditor's objectivity and independence, adequacy of the experience and resources of the audit firm, size and competency of the audit firm, audit strategy and reporting, partner involvement and audit fees.

In assessing the independence of external auditors, the Audit Committee requires written assurance by the external auditors, confirming that they are, and have been, independent throughout the conduct of the audit engagement with the Company in accordance with the independence criteria set out by the International Federation of Accountants and the Malaysian Institute of Accountants.

The Audit Committee is satisfied with the suitability and independence of the external auditors based on the quality and competency of services delivered, sufficiency of the firm and professional staff assigned to the annual audit as well as the non-audit services performed for the financial year ended 31 March 2024 and has recommended their re-appointment for the financial year ending 31 March 2025.

The terms of reference of the Audit Committee are available on the Company's website at [www.tiongnam.com](http://www.tiongnam.com).

CORPORATE GOVERNANCE OVERVIEW STATEMENT  
(CONT'D)

**PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT (CONT'D)**

**I. AUDIT COMMITTEE (CONT'D)**

**2. Relationship with External Auditors**

The Group maintains a transparent and professional relationship with the external auditors in seeking professional advice towards ensuring compliance with accounting standards. External auditors' views, opinions and expertise are sought by Senior Management and Board Members periodically on general accepted accounting principles, financial reporting standards, appropriate disclosures, dealings with authorities and compliances. Discussions with external auditors are held during the finalisation of the annual audited financial statements, quarterly Audit Committee meeting from time to time and on internal control matters.

The AC meets up with the external auditors at least twice a year for the external auditors present their audit plan, audit findings and their comments on the Group's financial statements.

The AC also met once with the external auditors without the presence of the Executive Board members and management during the financial year under review, to allow the AC and the external auditors to exchange independent views on crucial areas which require the AC's attention.

The AC has assessed the suitability and independence of the external auditors vis a vis adequacy of experience and resources of the external auditors before recommending their re-appointment to the Board.

The Board, having considered the recommendations by the AC, is satisfied with the level of independent and performance of the external auditors including quality of audit review procedures, adequacy of audit firm's expertise, its resources to carry out the audit work according to the audit plan and the Board had recommended their re-appointment for shareholders' approval at the forthcoming AGM.

**3. Risk Management and Internal Control Framework**

Recognising the importance of risk management, the Group has established a risk management and internal controls framework to identify, evaluate, control, monitor and manage significant business risks faced by the Group on an ongoing basis. The following represent the key elements of the Group's risk management and internal control structure:

- (1) An organizational structure in the Group with formally defined lines of responsibility and delegation of authority;
- (2) Review and approval of annual business plan and budget of all major business units by the Board. This plan sets out key business objectives of the respective business units, the major risks and opportunities in the operations and ensuing action plans;
- (3) Quarterly review of the Group's business performance by the Board, which also covers the assessment of the impact of changes in business and competitive environment.
- (4) Active participation and involvement by the Group Managing Director and Non-Independent Executive Directors in the day-to-day running of the major business and regular discussions with the senior management of smaller business units on operational issues; and
- (5) Monthly financial reporting by the subsidiaries to the holding company.

The Group had formalized its internal audit function by setting up an in-house internal audit team, to carry out internal audits on various operating units within the Group on a risk-based approach based on the annual audit plan approved by the Risk Committee.

The Statement of Risk Management and Internal Control is set out on page 65 of this Annual Report provides an overview of the state of risk management and internal control within the Group.

**PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT (CONT'D)**

**I. AUDIT COMMITTEE (CONT'D)**

**4. Internal Audit Function**

In line with the MCCG 2021 and the Listing Requirements of Bursa Malaysia, the Company has in place an in-house Internal Audit ("IA") function, which reports directly to the Audit Committee on the adequacy and effectiveness of the Group's internal controls. The Audit Committee will ensure the IA is able to function independently and effectively. The internal audit is guided by internal auditing standards promulgated by the Institute of Internal Auditors Inc, a globally recognized professional body for internal auditors. The internal audit is led by Mr Adrian Ong, a Chartered member of Institute of Internal Auditors Malaysia. The internal audit function is carried out in accordance with the Code of Ethics and the International Standards. The internal audit function is independent of the activities it audits and the scope of work it covered during the financial year under review is provided in the Audit Committee Report set out on pages 62 to 64 of this Annual Report.

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

**I. Communication with stakeholders**

**1. Directors' Responsibility Statement in respect of the Audited Financial Statements**

The Board is responsible to ensure that the financial statements of the Company are drawn up in accordance with the Companies Act 2016 ("CA 2016") and applicable accounting standards in Malaysia. The aforesaid financial statements give a true and fair view of the state of affairs, the results of the operations and cash flows of the Group and the Company for the financial year under review.

The Board has adopted and applied appropriate accounting policies on a consistent basis, made judgements and estimates where applicable which were reasonable and prudent and ensured that applicable accounting standards were followed in the preparation of the Company's audited financial statements for the year ended 31 March 2024. The Company keeps proper accounting and other records which will disclose with reasonable accuracy at any time the financial position of the Company, and which enable the Board to ensure that the audited financial statements comply with the CA 2016 and the applicable approved accounting standards.

**2. Shareholder participation at general meeting**

The Company encourage shareholders' participation in AGM by providing adequate notice. The Company had dispatched its Notice of the 34th AGM held on 26th August 2023 to shareholders more than twenty-eight (28) days before the date of the meeting to allow sufficient time for shareholders to review the Annual Report.

The Annual General Meeting ("AGM") which is the principal forum for shareholder dialogue, allows shareholders to review the Group's performance via the Company's Annual Report and pose questions to the Board for clarification. At the AGM, shareholders participate in deliberating resolutions being proposed or on the Group's operations in general. At the 34th AGM, all Directors attended the AGM virtually through live streaming from the broadcast venue to engage directly with the shareholders and be accountable to their stewardship in the Company. At the 34th AGM, a question & answer session was held where the Chairman of the meeting invited shareholders to raise questions with responses from the directors and management.

**3. Communication and engagement with shareholders and prospective investors**

The Board recognizes the importance of accurate, transparent, accountable and timely dissemination of information to the Company's shareholders and prospective investors. The Board observes the Corporate Disclosure Policy issued by the Bursa Malaysia and complies with the disclosure requirements of the Main Market Listing Requirements of Bursa Malaysia.



CORPORATE GOVERNANCE OVERVIEW STATEMENT  
(CONT'D)

**PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS (CONT'D)**

**I. Communication with stakeholders (Cont'd)**

**3. Communication and engagement with shareholders and prospective investors (Cont'd)**

The various channels of communications are through meetings with institutional shareholders and investment communities, quarterly announcements on financial results to Bursa Malaysia, relevant announcements and circulars, when necessary, the Annual and Extraordinary General Meetings and through the Group's website at [www.tiongnam.com](http://www.tiongnam.com) where shareholders and prospective investors can access corporate information, annual reports, press releases, financial information, company announcements and share prices of the Company. The minutes of Annual General Meeting is published at the Company's website. To maintain a high level of transparency and to effectively address any issues or concerns, the Group has a dedicated electronic mail, i.e. [info.investor@tiongnam.com](mailto:info.investor@tiongnam.com) to which stakeholders can direct their queries or concerns.

However, any information that may be regarded as undisclosed material information about the Group will not be given to any single shareholder or shareholder group.

**4. Investors Relations**

The Company takes into consideration the shareholder's rights to access information relating to the Company and thus, taken measures to enable the Company to communicate effectively with its shareholders, prospective investors, stakeholders and public generally with the intention of giving them a better understanding of the Group's performance and operations.

**5. Poll voting**

Pursuant to Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia, all resolutions tabled at the Company's annual general meetings or at any other general meetings (collectively referred as "general meetings") will be voted by way of poll. An independent scrutineer is appointed to validate the votes cast at the general meetings. Where it is more efficient, the Company will employ electronic poll voting. The outcome of all resolutions tabled at the Company's general meetings shall be announced to Bursa Malaysia on the same day after the respective meetings.

**6. Leveraging on technology for voting in absentia and remote shareholders' participation**

The Constitution of the Company provides for the use of any available technology or method that allows all shareholders of the Company to participate and to exercise the shareholders' rights to speak and vote at general meeting or any adjournment thereof subject to rules, regulations and laws prevailing. Based on an analysis of the investors, the Company does not have a large number of shareholders and, a large majority of investors are Malaysians. Further, all general meetings are held at a location which is easily accessible to all shareholders. As such, the concern over voting in absentia and/or remote shareholders' participation at AGM are not applicable.

As of now, the Company encourages participation of shareholders through the issuance of proxies when there is indication that shareholders are unable to attend and vote in person at general meetings. However, in the event that physical attendance at any of the Company's general meeting is curtailed and/or not permitted arising from unforeseen circumstances, the use of available technology is prioritised to allow shareholders' full participation including the right to speak and vote at such general meeting.

**CORPORATE GOVERNANCE OVERVIEW STATEMENT  
(CONT'D)**

**PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH  
STAKEHOLDERS (CONT'D)**

**II. Other Compliance Information**

**1. Material Contract**

For the financial year ended 31 March 2024, there were no material contracts involving directors and substantial shareholders in the Company and subsidiaries.

However, recurring related party transactions of a revenue or trading nature in the ordinary course of business which are entered into by the Company and its subsidiaries involving the interest of Mr Ong Yoong Nyock and Madam Yong Kwee Lian, Managing Director and Executive Director respectively and substantial shareholders of the Company and Mr Chang Chu Shien a Non-Independent Non-Executive Director, Mr Ong Wei Kuan a Non-Independent Executive Director and persons connected to the Directors and/or Substantial Shareholders of the Company, Mr Ong Yong Meng, Mr Ong Weng Seng, Madam Yong Wei Lian and Mr. Wong Swee Siong have been mandated and approved by the shareholders in the Annual General Meeting of the Company held on 26 August 2023.

**2. Sanctions and Penalties**

There were no sanctions and penalties imposed by regulatory authorities on the Company, its subsidiaries, Directors and management.

**3. Audit and Non-Audit Fees**

The audit fees and non-audit fees incurred by the Company and its subsidiaries and payable to the external auditors, Messrs KPMG PLT and its affiliates for the financial year ended 31 March 2024 are as follows: -

	<b>Group (RM)</b>	<b>Company (RM)</b>
Audit Fees	473,000	70,000
Non-Audit Fees	219,000 [Note 1]	20,000

*Note 1: The non-audit fees are related to tax services and verification of compliance of investment tax allowance for submission to Malaysian Investment Development Authority.*

**4. Utilisation of Proceeds**

No proceeds were raised from any corporate exercise during the financial year.

**5. Share Buy-Back**

Details of share repurchased during the financial year ended 31 March 2024 are as follows: -

<b>Month</b>	<b>No. of shares repurchases</b>	<b>Lowest price paid (RM)</b>	<b>Highest price paid (RM)</b>	<b>Average price paid (RM)</b>	<b>Total consideration (RM)</b>
May 2023	1,000	0.750	0.750	0.750	751.72
November 2023	1,000	0.770	0.770	0.770	771.22
	2,000				1,522.94

At the end of the financial year, a total of 13,781,295 of the repurchased shares are being held as treasury shares and carried at cost. There is no resale of treasury shares or cancellation of shares during the financial year.

**CORPORATE GOVERNANCE OVERVIEW STATEMENT  
(CONT'D)**

**PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH  
STAKEHOLDERS (CONT'D)**

**II. Other Compliance Information (Cont'd)**

**6. Recurrent Related Party Transaction of a Revenue or Trading Nature**

All recurrent related party transactions ("RRPTs") are dealt with in accordance with the Main Market Listing Requirements of Bursa Malaysia ("Listing Requirements") and a summary of RRPT Register is tabled for Audit Committee's review and monitoring on quarterly basis.

The nature of transactions with the Related Parties, involving the interest of the Major Shareholders and Directors of the Company, namely Mr Ong Yoong Nyock ("OYN") and Madam Yong Kwee Lian ("YKL") and the following the persons connected to them are as follows: -

- (i) Ms Christina Ong Chu Voon ("COCV"), daughter of OYN and YKL
- (ii) Mr Ong Weng Seng ("OWS") and Mr Ong Yong Meng ("OYM"), both are brothers of OYN
- (iii) Madam Yong Wei Lian ("YWL"), sister of YKL
- (iv) Mr Pan Chee Seng ("PCS"), husband of YWL
- (v) Mr Wong Swee Siong ("WSS"), brother-in-law of YKL
- (vi) Mr Yong Loy Huat ("YLH"), brother of YKL
- (vii) Ms Lim Hooy, wife of OYM

	<b>Transacting Party</b>	<b>Nature of Relationship</b>	<b>Nature of Transactions</b>	<b>Transacted Value (RM)</b>
a	Linocraft Printers Sdn Bhd ("LPSB")	LPSB is 70% owned by Charlecote Sdn Bhd ("CSB").  CSB is 50% and 50% owned by OYN and YKL respectively.  OYN is a director in LPSB and owned 11% share.	Freight income received from provision of transportation and related services such as forwarding, handling stuffing and unstuffing, container haulage services and general warehousing facilities.  The above services & warehouse facilities are provided by TNLS.	2,113
b	Tiong Nam Holdings Sdn Bhd ("TNH") and the following wholly owned subsidiaries:  - Generation Essential Enterprise Sdn Bhd ("GE")  - Melia Legend Sdn Bhd ("ML")	OYN - 70% YKL - 30%  OYN is a director of TNH and OWS and OYM are directors in the following wholly owned subsidiaries: - GE	Rent payable for parking lot and general warehouse at PT 14340 & 14341, Mukim Damansara, Shah Alam, provided to TNLS.	116

CORPORATE GOVERNANCE OVERVIEW STATEMENT  
(CONT'D)

**PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS (CONT'D)**

**II. Other Compliance Information (Cont'd)**

**6. Recurrent Related Party Transaction of a Revenue or Trading Nature (Cont'd)**

	Transacting Party	Nature of Relationship	Nature of Transactions	Transacted Value (RM)
c	G-Force Sdn Bhd ("GFSB") and the following wholly owned subsidiaries:  - Trans-Crest Sdn Bhd ("TC")  - GFA Logistics Sdn Bhd ("GFA")	OWS - 39.1% OYM - 39.6%  Both OWS and OYM are directors in GFSB and the following wholly owned subsidiaries: - TC	Rent payable for general warehouses and coldroom facilities in Shah Alam, Johor Bahru and Sarawak: -  - Lot 16875 & 16876, Mukim Damansara, Shah Alam - Lot 204, Shah Alam - Lot 61383, Bangi - Lot 6 & 19L-Walson 1, Shah Alam - PLO 26, Jalan Cecair, Pasir Gudang - Lot 59703 - Lot 2-30, 32 & 34 - Lot 640, Blk A, Sarawak - Lot 20L-Walson 3, Shah Alam  The above warehouses and coldroom facilities are provided to TNLS.	30,255
d	Tiong Wang Movers (JB) Sdn Bhd ("TWM")	OYM - 30% OWS - 70%  Both OYM and OWS are directors in TWMJB.	Income from rental of office at Lot 30462, Jalan Kempas Baru, Johor Bahru provided by TNLS.  Transportation and related services, handling, forklift services, trucking and sale of diesel provided by TNLS & TNLHB.  Charges payable for transportation and related services such as forwarding, handling, forklifts services, labour, repairs, loading and unloading provided to TNLS, JBSB and TNHT.	3  5  119
e	Trinity Legend Sdn Bhd ("TLSB")	OYN - 50% OWK - 50%  Both OYN and OWK are directors in TLSB.	Rent payable of office at Lot 28689, Lot 28721 and Lot 28722 provided to TNLS.	5,835
f	Fastrans (M) Sdn Bhd ("FTSB")	OYN - 70% YKL - 30%  OYN and OWK are directors in FTSB.	Rent payable for rental of office block at Lot 30462, Jalan Kempas Baru, Johor Bahru provided to TNLS.  Sale of diesel provided by TNLHB.	5,110  6
g	Theak Yuan Elektrik Engineering Sdn Bhd ("TYESB")	WSS is a director in TYESB.	Charges payable for repair works provided to IKSB.	

CORPORATE GOVERNANCE OVERVIEW STATEMENT  
(CONT'D)

**PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS (CONT'D)**

**II. Other Compliance Information (Cont'd)**

**6. Recurrent Related Party Transaction of a Revenue or Trading Nature (Cont'd)**

	Transacting Party	Nature of Relationship	Nature of Transactions	Transacted Value (RM)
h	GF Equipment Rental Sdn Bhd ("GFERSB") and the following wholly owned subsidiaries:  - GF Forklift Services (Penang) Sdn Bhd ("GFFSSB")  - G-Force Equipment services Sdn Bhd ("GFESSB")  - Mach 1 Hyster Sdn Bhd ("M1HSB")  - Mach 1 Equipment Services ("M1ES")  80% owned subsidiary:  - Mach 1 Heavylift & Equipment Sdn Bhd ("M1HESB")	OYN - 25% PCS - 20% OWK - 9% COCV - 9%  Both OWK and PCS are director in GFERSB.	Freight income received from provision of transportation and related services such as forwarding and handling, stuffing and unstuffing, and sales of diesel, sales of canvas provided by TNLS and TNLHB.  Charges payable for rental of crane & forklifts provided to TNLS, TNS, TNHT, TNEE, TNLSB and PTSB.  Rental income for office at Lot 2-13, Shah Alam provided by TNLS.	315  14,436  48
i	Potential Landscape Sdn Bhd ("PLSB")	OYN - 35% OWK - 25%  Both OYN and OWK are director in PLSB.	Income from project management provided by TNP.  Charges payable for agent fee by FVSB.	50  2
j	Ontime Privilege Sdn Bhd ("OPSB")	OYN - 64% YWL - 5%  Both OYN and OWK are director in OPSB.	Income from project management provided by TNP.	50
k	Gold Vista Realty Sdn Bhd ("GVR")	OYN is the director in GVR.	Income from project management provided by TNP.	23



CORPORATE GOVERNANCE OVERVIEW STATEMENT  
(CONT'D)

**PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS (CONT'D)**

**II. Other Compliance Information (Cont'd)**

**6. Recurrent Related Party Transaction of a Revenue or Trading Nature (Cont'd)**

	Transacting Party	Nature of Relationship	Nature of Transactions	Transacted Value (RM)
l	Lim Hooy	Spouse of OYM	Rent payable for hostel at C-08-02 and C-09-06 provided to TNLS.	40
m	Nadi Eltra Sdn Bhd ("NESB")	OYN - 89% YKL - 11%  Both OYN and YKL are directors in NESB.	Rent payables for warehouse at PTD 148494 provided to TNLS.	1,750

The nature of transactions with Related Parties of which the Director of the Company, Mr Ong Wei Kuan ("OWK") is a shareholder and a director and therefore has financial interest in the Company are as follows: -

	Transacting Party	Nature of Relationship	Nature of Transactions	Transacted Value (RM)
a	Semangat Forwarding Agent Sdn Bhd ("SFA")	OWK - 5.5%	Income from rental of office provided by TNLS & GFLS: -  - Lot 2, Padang Besar - Lot 24, Pasir Gudang - D28A, Pelabuhan Tanjung Pelepas - Lot 5, Port Klang  Freight income received from provision of transportation and related services such as forwarding and handling, stuffing and unstuffing provided by TNLS.  Charges payable for forwarding, custom clearance and related services, telephone, handling, stuffing and unstuffing, postages and travelling charges provided to TNLS and TNS.	210          61   8,056
b	Dynamic Tyre Sdn Bhd ("DTSB")	OWK - 7%	Income from rental of warehouse at Lot 30462, Jalan Kempas Baru, Johor Bahru provided by TNLS.  Freight income received from provision of transportation services provided by TNLS.  Charges for purchase of tyres and accessories provided to TNLS, FEWLSB, FFSB, PESB, SASB, TNLSB, TNHT, BPSB and GFLS.	72  9  5,325

CORPORATE GOVERNANCE OVERVIEW STATEMENT  
(CONT'D)

**PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS (CONT'D)**

**II. Other Compliance Information (Cont'd)**

**6. Recurrent Related Party Transaction of a Revenue or Trading Nature (Cont'd)**

The nature of transactions with Related Parties of which the Director of the Company, Mr Ong Wei Kuan ("OWK") is a shareholder and a director and therefore has financial interest in the Company are as follows: -( Cont'd)

	Transacting Party	Nature of Relationship	Nature of Transactions	Transacted Value (RM)
c	TN Engineering Sdn Bhd ("TNE") and the following subsidiaries:  - Power Auto Marketing Sdn Bhd ("PAM") (70%)	OWK - 10%	Income from freight and sales of diesel provided by TNLS and TNLHB.  Income from rental of warehouses and showroom, offices and service centre in Kuantan provided by TNLS: - Lot 203D, Gebeng Industrial Estate, Kuantan - Lot 92, 93, 94 & 240, Shah Alam - Lot 204, Shah Alam.  Charges payable for repairs and maintenance of lorries (including smash repairs), forklifts, mobile cranes and motor vehicles rendered to TNLS, ASSB, PTSB, FEWLSB, PESB, SASB, TNLSB, TNHT, TNEE, TNLHB and TTT.	316  678  5,052
d	TN Fabrication Assembly & Engineering Sdn Bhd ("TNFAESB") (formerly known as TN Autoparts Sdn Bhd) ("TNASB")	OWK - 7%	Charges payable for purchase of trailers and trucks accessories provided to TNLS.  Income from freight provided by TNLS.	9

The nature of transactions with a Related Party of which the Director of the Company, Mr Chang Chu Shien ("CCS") is a shareholder and a director and therefore has financial interest in the Company are as follows: -

	Transacting Party	Nature of Relationship	Nature of Transactions	Transacted Value (RM)
a	Straits View Hotel Sdn Bhd ("SVH")	CCS - 19.6%  CCS is a director in SVH.	Rent payable for general warehouses in Shah Alam provided to TNLS. - Lot 2-43 & 2-45, Lion Industrial Park, Shah Alam - Lot 2-13, Lion Industrial Park, Shah Alam	1,301

**Statement on Compliance**

The Board will continue to strive for sound standards of corporate governance throughout the Group. Presently, the Board is of the view that the Company has, in all material aspects satisfactory complied with the principles and practices set out in the Code, except for the departures set out in the CG Report.

## **STATEMENT ON DIRECTORS' RESPONSIBILITY IN RELATION TO THE AUDITED FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 MARCH 2024

The Directors are required by the Companies Act 2016 to prepare financial statements which give a true and fair view of the state of affairs of the Company and its subsidiaries as at the end of each financial year and of the profit and loss for that period.

In preparing the financial statements as set out on pages 75 to 144 of this Annual Report, the Board has ensured that appropriate accounting policies have been consistently applied, make reasonable and prudent judgements and estimates in accordance to applicable accounting standards and provision of Companies Act 2016 subject to any explanations and any material departures disclosed in the notes to the financial statements.

The Directors are responsible for ensuring that the Company and its subsidiaries keep accounting records which disclose with reasonable accuracy financial positions of the company and its subsidiaries and which enable them to ensure the financial statements comply with the Companies Act 2016. The Directors have the general responsibility for taking such steps as are reasonable open to them to safeguard the assets of the Group and to prevent and to detect fraud and other irregularities.

# AUDIT COMMITTEE REPORT

## TERMS OF REFERENCE OF AUDIT COMMITTEE

### 1. Objectives

The principal objectives of the Audit Committee are as follows:-

- a. To ensure quarterly results and the annual financial statements of the Group:-
  - i. have been prepared in accordance with generally accepted accounting principles and comply with all statutory and the Bursa Malaysia Securities Berhad requirements; and
  - ii. provided by the management are realistic and reliable.
- b. To identify and review business risks and ensure that the Group system of internal control is effective and measures implemented have been adhered to by the management and staff of the Group.
- c. To ensure that internal and external exceptional findings in relation to compliance with the Authorities and the Bursa Malaysia Securities Berhad requirements are corrected and measures be implemented to avoid recurrent.

### 2. Composition of Audit Committee

- a. The Audit Committee Members are to be appointed by the Board of Directors.
- b. The Audit Committee shall comprise of at least 3 Directors of the Company.
- c. Majority members must be independent non-executive Directors.
- d. At least one (1) member to be a Malaysian Institute of Accountants member or has passed examination specified in the 1st Schedule of the Accountants Act (with at least 3 years of working experience).
- e. The Chairman shall be an independent non-executive Director approved by the Board.
- f. No alternate director shall be appointed as a member of the Audit Committee.
- g. In the event that any vacancy arising from reasons such as retirement, resignation, death, removal of a member of the audit committee or for any other reasons, the Board shall ensure the vacancy be filled within three (3) months to ensure compliance of the Listing Requirements.
- h. The Board shall review the term of office of the Audit Committee members not less than every three (3) years and may reappoint the existing members after the review and/or to appoint new members to the Audit Committee from time to time as and when they think is appropriate.

### 3. Duties & Responsibilities

The main duties & responsibilities of the Audit Committee shall be: -

- a. To review the quarterly results and annual financial statements of the Group: -
  - i. To ensure that they have been prepared in accordance with generally accepted accounting principles and that all statutory requirements have been complied with.
  - ii. To ensure quarterly results and annual financial statements are true and fair.
- b. To identify and review business risks, the effectiveness of internal control with the internal and external auditors.
- c. To discuss with internal and external auditors in relation to the scope of the audit and audit procedures.
- d. To discuss with internal and external auditors and to report to the Board of Directors significant results and findings.
- e. To consider and recommend the appointment of external auditors, the audit fees and any question of resignation or dismissal.
- f. To review recurrent related party transactions and ensure that the transactions are entered into at arm's length basis and have benefits in term of revenue, efficiency, improving the profile and increasing customer base of the Group.
- g. To consider any other functions that may be required and agreed to be undertaken by the Audit Committee and the Board of Directors.
- h. Overseeing the internal audit functions.

## TERMS OF REFERENCE OF AUDIT COMMITTEE (CONT'D)

### 4. Quorum

The quorum for Audit Committee meeting shall be a majority of members present at the meeting whom must be independent Directors.

### 5. Meeting

- a. The Audit Committee shall meet not less than four (4) times per annum.
- b. Directors who are non-members and/or employees may attend any particular meeting only at the audit committee's invitation, specific to the relevant meeting to provide explanation and expertise advice.
- c. The appointed secretary (usually company secretary) shall take minutes for all proceedings and matters discussed as well as make record attendance for all members and invitees. All minutes of meeting shall be circulated to every member of the Board.

### 6. Authority

The Audit Committee is authorised by the Board and at the expenses of the Group: -

- a. To investigate any matters within its term of reference.
- b. Have full and unrestricted access to any information of the Group.
- c. To be able to obtain independent professional and other advice.

## MEMBERS AND MEETINGS

The Audit Committee (AC) has a total of three (3) members and has held five (5) meetings during the financial year. The members of the AC and their attendance are as follows:

Name of members	Attendance
Madam Tan Chuan Gor Independent Non-Executive Director	5/5
Datuk Haji Muhamad Shapiae bin Mat Ali Independent Non-Executive Director (Resigned on 5 February 2024)	4/4
Mr Chen Kuok Chin Non-Independent Non-Executive Director	5/5
Mr Chang Chu Shien Non-Independent Non-Executive Director (Appointed on 6 February 2024 and Resigned on 1 April 2024)	1/1

The Agenda, internal audit reports and unaudited quarterly results are prepared and distributed to the members for discussions and considerations and approval in the quarterly meetings held by the AC. Minutes of the quarterly meetings are made available to the full Board.



## **SUMMARY OF ACTIVITIES**

The AC activities for the financial year ended are as follows:

1. Review of unaudited quarterly results for announcement prior to the submission to the Board for approval. The AC communicated with the external auditor with particular focus on significant matters highlighted including financial reporting issues, significant judgments made by the Management, significant and unusual events or transactions, and how these matters are addressed; and compliance with the applicable approved accounting or auditing standards in Malaysia and other legal and regulatory requirements.
2. The AC, internal auditor and external auditors met to discuss Group unaudited quarterly reports and internal control procedures in respect of financial year ended 31 March 2024, final audited Financial Statement for the financial year ended 31 March 2023 and matters arising for the Audit of the Financial Statement for the year ended 31 March 2024.
3. Assessed the independence and objectivity of external auditor prior to the appointment for non-audit services. Based on the assessment, the Audit Committee is satisfied that there is no conflict of interest situation.
4. Reviewed quarterly audit work performed by the Internal Audit department, findings and actions taken to further strengthen the internal control system. In its oversight over the Internal Audit function, the AC approved the internal audit framework and the annual audit plan to ensure adequate scope and comprehensive coverage over the activities of the Group and ensured that all high-risk areas are audited at least annually.
5. Reviewed recurrent related party transactions for the pricing to ensure that they are comparable to market price and that the transactions are entered into on arm's length basis and benefits the Group in terms of revenue, efficiency, improving the profile and increasing the Group's customer base.

## **INTERNAL AUDIT ACTIVITIES**

During the year under review, the Group Internal Audit Department has performed audit on the branches operation and management, anti-bribery and anti-corruption compliance with Section 17(A) of the MACC Act 2009, human resource – hiring process and payroll and recurrent related party transactions. Areas which AC evaluated and monitored during the year:

- a) internal audit plan and resources planning requirements for the financial year;
- b) internal audit issues, recommendations and the management responses to rectify and improve the system of internal control; and
- c) the implementation of programmes recommended by internal auditors arising from its audits in order to obtain assurance that all key risks and controls are fully dealt with.

The internal audit findings have been summarized and distributed to the member of the AC in their scheduled quarterly audit committee meeting.

## **INTERNAL AUDIT FUNCTION**

The internal audit function is performed in-house and the cost incurred in respect of financial year 2024 is approximately RM 399,000.

## STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

The Board of Directors ("Board") recognises the importance of sound risk management practices and internal controls to safeguard shareholders' interest and assets of the Group. The Board of Directors acknowledges its responsibility for the adequacy and the integrity of the Group's system of risk management and internal control which includes the establishment of an appropriate control environment and risk framework, as well as reviewing its adequacy and effectiveness. By virtue of the nature of its business activities, the Board considers its strategic risk appetite and seeks to minimise risks at operational level.

The Board is of the view that the risk management framework and internal control system are designed, implemented and monitored to mitigate the Group's risks. There are inherent limitations to any system of internal control and the system is designed to manage and minimise impact within an acceptable risk appetite, rather than eliminate the risk of failure to achieve the policies, goals and objectives of the Group. In view of these, it can only provide reasonable but not absolute assurance of effectiveness against operational oversight which may result in material misstatement of management and financial information or against financial losses and fraud.

The risk management and internal control system have been in place for the financial year under review and up to the date of approval of this statement. However, this statement does not include the state of risk management and internal control of the Group's associate companies and joint venture, which have not been deal with as part of the Group.

The Board is of the opinion that the risk management and internal control system were adequate to address the risks of the Group.

### Group Risk Management Objectives

- Ensure the continuity of business.
- Safeguard the assets of the Group.
- Safeguard the interest of all shareholders.
- Ensure the continuity of its quality service to customers at all times.
- Preserve the safety and health of its employees.
- Promote an effective risk awareness culture where risk management is an integral aspect of the Group's operation and management systems.
- Ensure compliance with the Malaysian Code of Corporate Governance and all applicable laws.

### Risk Management Framework

Risk Committee was established by the Board to undertake the responsibility of reviewing the development of risk management framework, align with business and operational requirements which supports the maintenance of a strong control environment. The Group has established an on-going process for identifying and documenting major risks, evaluating the potential impact and likelihood of their occurrence and mitigating controls. This process is reviewed by the Risk Committee and the Board.

At the operational level, a Risk Working Committee (RWC) was established. The members of RWC consist of all Heads of Department within the Group. RWC is responsible for identifying business risks relevant to the business growth and strategy of the Group, maintaining, monitoring and evaluating the effectiveness of the risk management system on an on-going basis. The risk governance structure is aligned across business units and subsidiaries of the Group through the streamlining of the risk frameworks, policies and organisational structures in order to embed and enhance the risk management and risk culture based on the Group's growth and expansion plan. RWC presents the updated risk register to the Risk Committee for review on an annual basis.

The key aspects of our risk management framework are as follows:-

- **Identification of specific risk areas**

Annual risk survey is carried out by RWC with involvement of Heads of Department for identifying risks posed to the Group. Risks identified are assessed and discussed by the RWC based on the Group's business environment, incident analysis, findings of internal audits and analysis of the Group's performance relative to the business growth and strategy.

- **Evaluation of the causes and consequences**

Risk analysis and evaluation is carried out using scenario based assessments to assess the potential impact to the Group.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL  
(CONT'D)

**Risk Management Framework (Cont'd)**

The key aspects of our risk management framework are as follows:- (Cont'd)

- **Managing and rating of risk**

Risks identified are assessed based on their likelihood of occurrence and their impact to the Group.

- **Risk mitigation and action plan**

Implementation of tactical solutions to soften or mitigate risks, including preventive and detective controls and measures.

- **Implementation and monitoring**

Risk management principles, policies, procedures and practices are updated regularly to ensure relevance and compliance with current applicable laws and regulations, and are made available to all employees. The Group also had adopted an Anti-Bribery and Anti-Corruption (ABAC) Framework. The Framework provides broad principles, strategy and policy for the Group to adopt in relation to corruption in order to promote high standards of integrity. The Framework establishes robust and comprehensive programmes and controls for the Group as well as highlights the roles and responsibilities at every level.

**Significant or Principal Risks**

The Group has identified the following risks that are significant to the business operations.

**Market Risks**

- **Loss of key customers**

Loss of key customers due to macroeconomic downturn, other market conditions and stiff competition. The Group has various measures in place, amongst others, allocating key personnel to manage and maintain good relationship with key customers.

- **Escalating cost of services including crude oil prices fluctuation**

The price of diesel is subject to market volatility which in turn affects the Group's profitability. In addition, other related cost of services may also be indirectly affected by the fluctuation in crude oil prices. We model our business plans across a broad range of market and economic scenarios and take account of alternative economic outlooks within our overall business strategy.

**Operational Risks**

- **Warehouses and assets management**

The Group has a number of material sized business premises and warehouses which are vital to the business operations. The risk of fire, natural disasters such as flood and civil or labour unrest may result in significant losses to the Group. The Group addresses this risk by periodic review on the adequacy of the fire insurance coverage, including business interruption cover. On-going safety trainings and audits are conducted from time to time.

- **Loss of Key Personnel**

The Group has continuous business strategies which identify Key Personnel who are responsible to their operating business centre.

They include short term and long term measures with retention plan and continuous training and to gradually develop a fully integrated operating systems which could minimise the dependency of Key Personnel.

**STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL  
(CONT'D)**

**Operational Risks (Cont'd)**

- **Health and safety**

The Group has a Health and Safety Policy in place to protect the well-being, health and safety of all our employees, customers, suppliers and general public. As the disease of Covid-19 in Malaysia has transitioned into endemic phase, the Group continuously monitors and updates the standard operating procedures and policies following the guidelines and recommendations from the Ministry of Health (MOH).

**Financial Risks**

- **Credit risk**

The Group is exposed to financial risk arising from the inability to recover debts which may affect the Group's profitability, cash flows and funding. In response to this risk, the Group has credit control policy in place to evaluate and assess credit application of new customers. Credit control department is tasked to monitor and follow up payment with customers to mitigate long overdue debts.

- **Liquidity risks**

The Group is aware of the economic downturn on global scale resulting from the pandemic, the Group seeks to reduce overheads, in order to improve operational efficiency and meet its ongoing operating cash requirements. The goal of the Group's liquidity risk management is to minimise the effects of the changes in financial markets on the Group's profit and equity. The policy for managing financial risks is based on the guidelines approved by the Board of Directors. Finance and operations are tasked to manage the Group's cash flow to ensure there are adequate funds available for operational purposes.

**Code of Conduct and Ethics**

The Group had set out the Code of Conduct and Ethics that including all its subsidiaries, affiliates and or related companies, and was made available in the Group's website.

This Code of Conduct and Ethics clarifies the standards of behaviour that Tiong Nam Group expects of all employees, and it affirms Tiong Nam Group's belief in responsible social and ethical behaviour from all employees.

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

The Group has Anti-Bribery and Anti-Corruption (ABAC) Framework in place to promote high standards of integrity for its directors, employees, partners or persons who perform services for or on behalf of the Group. The ABAC Policy is published on the Company's website outlines the Group's commitment to conducting business ethically in compliance with all applicable anti-bribery and anti-corruption laws of every country in which the Group operates in.

The ABAC Policy of the Group is in compliance with the Malaysia Anti-Corruption Commission (MACC) Act 2009 Amendment (May 2018), includes new Corporate Liability Provision under the Section 17(A), which became effective on 1 June 2020 whereby the organisation (Company and Top Management) is equally liable for any corruption committed by person associated to the organisation, unless the organisation can demonstrate that it has adequate procedures in place to prevent corruption.

Reports of any concern or suspicion may be emailed to the whistleblowing mail box.

**Whistle Blowing Policy**

The Group adopted a whistle blowing policy, providing an avenue for employees and external parties to report actual or suspected malpractice, misconduct or violations of the Group's policies and regulations in a safe and confidential manner.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL  
(CONT'D)

**Internal Audit Function**

The Internal Audit Function undertakes regular reviews of the Group's operations and business processes according to the approved annual audit plan, to examine and evaluate the adequacy and effectiveness of financial and operating controls and highlights significant risks and non-compliance impacting the Group. Where applicable, Internal Audit provides recommendations to improve on the effectiveness of risk management, control and governance processes. Management will follow up and review the status of actions on recommendations made by the internal auditors and external auditors. Audit reviews are conducted according to risk-based approach, in line with the Group's objectives and policies in the context of its evolving business and regulatory environment, taking into consideration inputs from senior management and the Board.

**Key Elements of Internal Control**

The Audit Committee and Senior Management are conscious of the importance of maintaining a sound internal control system. The Group's system of internal control is embedded in the day to day operational and management processes.

The Board of Directors, Audit Committee and Senior Management are aware of the significance of risk management and internal control in the planning and day to day conduct of the Group's business activities. Therefore, procedures had been established for the Company and its subsidiaries, to ensure the adequacy and integrity of the Group's internal control and management information systems. These procedures are intended to provide an ongoing process of identifying, evaluating, monitoring and managing the significant risks faced by the Group. These procedures are subject to regular reviews by the Board of Directors.

The following main processes of internal control are embedded in the day to day operations of the Group with continuing effort to improve the processes:

- 1 Credit policies are established for new customers such as credit terms and limits, amount of deposit required for long term rental of trucks and warehouses. Credit Control Committee has been established to provide stringent control when approving new customers' credit applications.  
  
Credit control review is conducted by Credit Control Department and Marketing personnel on a regular basis and exceptions are highlighted from time to time for consideration by senior management.
- 2 Information provided by Information Technology from written programs and developed software for Operations, Billing, Logsheet, Driver Information, Inventory Management, Human Resources and Accounts are reviewed by Internal Audit for accuracy to ensure that there is integrity in the information provided. Audit trails and check and balance are provided for analysis for accuracy of information.
- 3 Goods in transit are insured for selected customers. Other customers have been advised to take their own insurance cover for loss or damage to their goods. Similarly all warehouses are insured for fire risks. Both goods in transit for selected customers and fire risks insurance covers are reviewed periodically for their adequacy and renewed on an annual basis.
- 4 Customers are invoiced in accordance to authorised quotations with attached documents such as endorsed customs documents and delivery orders.
- 5 Payments made are adequately verified and approved with attached purchase orders and invoices.
- 6 Group Internal Audit monitors compliance on policies and procedures and the effectiveness of the system of internal control and any significant non-compliance from policies and procedures are highlighted and corrected.
- 7 Drivers are given continuous training especially on defensive driving skill. Safety manuals have been compiled for drivers in relation to safer ways to drive a truck, handling of goods and documents, preventing hijacks and other safety measures.



**STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL  
(CONT'D)**

**Key Elements of Internal Control (Cont'd)**

Business risks and system of internal control are reviewed regularly in line with new customers' requirements and extension of existing business activities.

Group Internal Audit Department carries out the internal audit work on a planned and ad hoc basis on the Group's system of internal control and reports to the Audit Committee on a quarterly basis in the scheduled Audit Committee meetings.

During the year under review, the Group Internal Audit Department has performed audits on branches operation and management, human resource – hiring process and payroll, anti-bribery and anti-corruption compliance with Section 17(A) of the MACC Act 2009, and recurrent related party transactions.

**Effectiveness of Internal Control**

The review and assurance of the system of internal control is an ongoing process. It is continuously reviewed by the Internal Audit and Audit Committee and weaknesses and incidents of non-compliance with policies and procedures are highlighted to the management for its further improvement actions to achieve business objectives.

**Assurance from Management**

The Board has received assurance from the Group Managing Director and Chief Financial Officer that the Group's risk management and internal control system are operating adequately and effectively in all material aspects, based on the risk management and internal control system adopted by the Group.

**Review of the Statement by External Auditors**

The external auditors have reviewed this Statement on Risk Management and Internal Control pursuant to the scope set out in Audit and Assurance Practice Guide ("AAPG") 3, *Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report* issued by the Malaysian Institute of Accountants ("MIA") for inclusion in the annual report of the Group for the year ended 31 March 2024, and reported to the Board that nothing has come to their attention that cause them to believe that the statement intended to be included in the annual report of the Group, in all material respects, has not been prepared in accordance with the disclosures required by paragraphs 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers, or is factually inaccurate.

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

**Conclusion**

The Board of Directors is of the view that the risk management and internal control system are satisfactory and have not resulted in any material losses that would require disclosure in the Annual Report for the year ended 31 March 2024 up to the date of this statement.

# DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2024

The Directors have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the financial year ended 31 March 2024.

## PRINCIPAL ACTIVITIES

The principal activities of the Company consist of investment holding and trading of diesel and petrol. The principal activities of its subsidiaries are disclosed in Note 6 to the financial statements. There has been no significant change in the nature of these activities during the financial year.

## SUBSIDIARIES

The details of the Company's subsidiaries are disclosed in Note 6 to the financial statements.

## RESULTS

	<b>Group RM'000</b>	<b>Company RM'000</b>
Profit/(Loss) for the year attributable to:		
Owners of the Company	57,268	(20)
Non-controlling interests	457	–
	<u>57,725</u>	<u>(20)</u>

## RESERVES AND PROVISIONS

There were no material transfers to or from reserves and provisions during the financial year under review except as disclosed in Note 15 to the financial statements.

## DIVIDENDS

No dividend has been paid or declared by the Company since the end of the previous financial year. The Directors do not recommend the payment of any dividend in respect of the current financial year.

## DIRECTORS OF THE COMPANY

Directors who served during the financial year until the date of this report are:

Dato' Fu Ah Kiow @ Oh (Fu) Soon Guan  
Mr. Ong Yoong Nyock\*\*  
Mdm. Yong Kwee Lian\*\*  
Mr. Chang Chu Shien  
Mr. Ong Wei Kuan\*\*  
Mr. Chen Kuok Chin  
Ms. Christina Ong Chu Voon\*\*  
Mdm. Tan Chuan Gor  
Mr. Law Tik Long\*\* (appointed on 1 April 2023)  
Mr. Mok Juan Chek (appointed on 1 April 2024)  
Datuk Haji Muhamad Shapiae bin Mat Ali (resigned on 6 February 2024)  
Mr. Yong Seng Huat (resigned on 1 April 2023)  
Mr. Ling Cheng Fah @ Ling Cheng Ming (resigned on 1 April 2023)

\*\* These Directors are also Directors of the Company's subsidiaries.

**DIRECTORS' REPORT**  
**(CONT'D)**

**DIRECTORS OF THE COMPANY (CONT'D)**

The names of the Directors of the Company's subsidiaries in office since the beginning of the financial year to the date of this report (not including those Directors listed above) are:

Mr. Yong Loy Huat  
 Mr. Tham Yick Fun  
 Mr. Khoo Kim Leong  
 En. Mohd. Nizam bin Md. Shariff  
 Pn. Siti Supiah binti Hj. Jaffar  
 En. Mhd Yusoff bin Ab Rahman  
 Mr. Liew Chee Long  
 Pn. Rohana binti Annuar  
 Mr. Yuan Bin (resigned on 4 August 2023)  
 Mr. Derrick Yap Khiam Wee (resigned on 1 April 2024)

**DIRECTORS' INTERESTS IN SHARES**

The interests and deemed interests in the shares of the Company and of its related corporations (other than wholly-owned subsidiaries) of those who were Directors at financial year end (including the interests of the spouses or children of the Directors who themselves are not Directors of the Company) as recorded in the Register of Directors' Shareholdings are as follows:

Name of Directors	At 1 April 2023 '000	Number of ordinary shares		At 31 March 2024 '000
	Bought '000	Sold '000		
Company				
Direct interest				
Dato' Fu Ah Kiow	765	—	—	765
Mr. Ong Yoong Nyock	128,601	—	—	128,601
Mdm. Yong Kwee Lian	6,650	—	—	6,650
Mr. Chang Chu Shien	2,080	—	—	2,080
Mr. Ong Wei Kuan	255	—	—	255
Mr. Law Tik Long	45	—	—	45
Deemed interest				
Mr. Ong Yoong Nyock	145,899	—	—	145,899
Mdm. Yong Kwee Lian	267,850	—	—	267,850
Mr. Chen Kuok Chin	1,227	—	—	1,227
Subsidiaries				
Mr. Ong Yoong Nyock's and Mdm. Yong Kwee Lian's deemed interest in:				
- TNTT Packages Express Sdn. Bhd.	90	—	—	90
- Tiong Nam Resources Sdn. Bhd.	30	—	—	30
- Japan Original Electric (M) Sdn. Bhd.	408	—	—	408
- TNTT Packages Express Pte. Ltd.	5	—	—	5
- Tiong Nam Industry Sdn. Bhd. (Formerly known as Tiong nam PBA Sdn. Bhd.)	—*	158	—	158
- Memori Pintar Sdn. Bhd.	7	—	—	7
- Bagus Cekal Sdn. Bhd.	700	—	—	700
- Tiong Nam Distribution Sdn. Bhd.	255	—	—	255
- Tiong Nam Logistics Vietnam Co., Ltd.	102	—	—	102

\* representing 6 ordinary shares.

**DIRECTORS' REPORT**  
(CONT'D)

**DIRECTORS' INTERESTS IN SHARES (CONT'D)**

Mr. Ong Yoong Nyock's deemed interest represents shares held by his spouse, Mdm. Yong Kwee Lian, his son, Mr. Ong Wei Kuan, and by companies in which he and his spouse have substantial financial interests. Mdm. Yong Kwee Lian's deemed interest represents the shares held by her spouse, her son and by companies in which she and her spouse have substantial financial interests.

In addition to Mr. Ong Yoong Nyock's and Mdm. Yong Kwee Lian's deemed interests in the ordinary shares of the subsidiaries as disclosed above, by virtue of their substantial interests in the shares of the Company, they are also deemed to have interest in the ordinary shares of all the subsidiaries of the Company as disclosed in Note 6 to the financial statements during the financial year to the extent that the Company has an interest.

None of the other Directors holding office at 31 March 2024 had any interest in the ordinary shares of the Company and of its related corporations during the financial year.

**DIRECTORS' BENEFITS**

Since the end of the previous financial year, no Director of the Company has received nor become entitled to receive any benefit (other than those shown below) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest.

The Directors' benefits paid to or receivable by Directors in respect of the financial year ended 31 March 2024 are as follows:

	<b>From the Company RM'000</b>	<b>From subsidiary companies RM'000</b>
Directors of the Company:		
Fee	362	–
Remuneration	51	4,892
Trading between companies in which certain Directors/ Directors' close family members who have substantial financial interests and certain companies in the Group in the ordinary course of business		
- Sales	201	3,565
- Purchase	–	74,731
	<u>614</u>	<u>83,188</u>

There were no arrangements during and at the end of the financial year which had the object of enabling 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.

**ISSUE OF SHARES**

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

**OPTIONS GRANTED OVER UNISSUED SHARES**

No options were granted to any person to take up unissued shares of the Company during the financial year.

## **INDEMNITY AND INSURANCE COSTS**

During the financial year, the total amount of premium paid for insurance effected for Directors and officers of the Company was RM10,610.

There were no indemnity given to or insurance effected for auditors of the Company during the financial year.

## **OTHER STATUTORY INFORMATION**

Before the financial statements of the Group and of the Company were made out, the Directors took reasonable steps to ascertain that:

- i) all known bad debts have been written off and adequate provision has been made for doubtful debts, and
- ii) any current assets which were unlikely to be realised in the ordinary course of business have been written down to an amount which they might be expected so to realise.

At the date of this report, the Directors are not aware of any circumstances:

- i) that would render the amount written off for bad debts or the amount of the provision for doubtful debts in the Group and in the Company inadequate to any substantial extent, or
- ii) that would render the value attributed to the current assets in the financial statements of the Group and of the Company misleading, or
- iii) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate, or
- iv) not otherwise dealt with in this report or the financial statements that would render any amount stated in the financial statements of the Group and of the Company misleading.

At the date of this report, there does not exist:

- i) any charge on the assets of the Group or of the Company that has arisen since the end of the financial year and which secures the liabilities of any other person, or
- ii) any contingent liability in respect of the Group or of the Company that has arisen since the end of the financial year.

No contingent liability or other liability of any company in the Group has become enforceable, or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the Directors, will or may substantially affect the ability of the Group and of the Company to meet their obligations as and when they fall due.

In the opinion of the Directors, the financial performance of the Group and of the Company for the financial year ended 31 March 2024 have not been substantially affected by any item, transaction or event of a material and unusual nature nor has any such item, transaction or event occurred in the interval between the end of that financial year and the date of this report.

**ANNUAL REPORT 2024**

**DIRECTORS' REPORT  
(CONT'D)**

**AUDITORS**

The auditors, KPMG PLT, have indicated their willingness to accept re-appointment.

The details of remuneration paid by the Group and the Company to auditors of the Group and the Company during the financial year are as follows:

	<b>Group RM'000</b>	<b>Company RM'000</b>
<b>Auditors' remuneration</b>		
Statutory audit		
- KPMG PLT	473	70
- Other auditors	72	–
Non-audit fees		
- KPMG PLT	82	9
- Local affiliates of KPMG PLT	137	11
	<hr/>	<hr/>
	764	90
	<hr/>	<hr/>

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors:

**Ong Yoong Nyock**  
Director

**Dato' Fu Ah Kiow @ Oh (Fu) Soon Guan**  
Director

Date: 22 July 2024



# STATEMENTS OF FINANCIAL POSITION

AS AT 31 MARCH 2024

	Note	Group 2024 RM'000	2023 RM'000	Company 2024 RM'000	2023 RM'000
<b>Assets</b>					
Property, plant and equipment	3	1,156,062	944,540	43	57
Right-of-use-assets	4	356,097	347,143	1,458	1,572
Investment properties	5	818,384	603,731	38,150	34,880
Investments in subsidiaries	6	—	—	47,374	49,462
Investments in associates	7	67,226	72,082	64,683	63,918
Investment in a joint venture	8	40	49	—	—
Inventories	9	110,392	127,471	—	—
Deferred tax assets	10	14,087	11,801	—	—
Trade and other receivables	11	81,792	84,102	271,510	261,901
<b>Total non-current assets</b>		<b>2,604,080</b>	<b>2,190,919</b>	<b>423,218</b>	<b>411,790</b>
Inventories	9	116,129	135,535	371	420
Contract assets	12	—	3,227	—	—
Trade and other receivables	11	237,721	239,728	6,472	10,162
Current tax assets		6,878	5,667	—	—
Other investments	13	14,116	16,271	14,105	16,261
Deposits, cash and bank balances	14	10,698	9,850	444	402
<b>Total current assets</b>		<b>385,542</b>	<b>410,278</b>	<b>21,392</b>	<b>27,245</b>
<b>Total assets</b>		<b>2,989,622</b>	<b>2,601,197</b>	<b>444,610</b>	<b>439,035</b>
<b>Equity</b>					
Share capital	15	200,236	200,236	200,236	200,236
Reserves	15	748,356	689,551	200,019	200,040
<b>Equity attributable to owners of the Company</b>		<b>948,592</b>	<b>889,787</b>	<b>400,255</b>	<b>400,276</b>
<b>Non-controlling interests</b>	6	<b>10,054</b>	<b>10,233</b>	<b>—</b>	<b>—</b>
<b>Total equity</b>		<b>958,646</b>	<b>900,020</b>	<b>400,255</b>	<b>400,276</b>
<b>Liabilities</b>					
Lease liabilities		88,725	89,368	1,412	1,508
Deferred tax liabilities	10	105,007	99,045	4,784	4,465
Other payables	16	23,955	21,573	—	—
Loans and borrowings	17	1,174,385	920,854	7,427	8,696
<b>Total non-current liabilities</b>		<b>1,392,072</b>	<b>1,130,840</b>	<b>13,623</b>	<b>14,669</b>
Lease liabilities		28,282	22,963	97	85
Trade and other payables	16	209,469	171,642	6,079	6,581
Loans and borrowings	17	399,709	374,643	23,576	16,620
Current tax liabilities		1,444	1,089	980	804
<b>Total current liabilities</b>		<b>638,904</b>	<b>570,337</b>	<b>30,732</b>	<b>24,090</b>
<b>Total liabilities</b>		<b>2,030,976</b>	<b>1,701,177</b>	<b>44,355</b>	<b>38,759</b>
<b>Total equity and liabilities</b>		<b>2,989,622</b>	<b>2,601,197</b>	<b>444,610</b>	<b>439,035</b>

The accompanying notes form an integral part of the financial statements.

# STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2024

	Note	Group 2024 RM'000	2023 RM'000	Company 2024 RM'000	2023 RM'000
<b>Revenue</b>	18	758,617	725,692	71,764	67,751
Cost of sales	18	(646,665)	(602,389)	(56,288)	(54,550)
<b>Gross profit</b>		111,952	123,303	15,476	13,201
Other income		116,894	68,916	8,592	2,725
Selling, marketing and distribution expenses		(1,120)	(3,200)	–	–
Administrative expenses		(84,792)	(88,074)	(1,237)	(1,217)
Net (loss)/reversal on impairment of financial instruments	20	(872)	125	(14,627)	8,011
Other expenses		(3,175)	(6,887)	(2,418)	(12,919)
<b>Results from operating activities</b>		138,887	94,183	5,786	9,801
Finance income	19	305	366	1	3
Finance costs	19	(65,705)	(46,548)	(2,308)	(1,125)
<b>Net finance costs</b>		(65,400)	(46,182)	(2,307)	(1,122)
<b>Operating profit</b>	20	73,487	48,001	3,479	8,679
Share of loss after tax in associates	7	(5,621)	(8,539)	–	–
Share of loss after tax in a joint venture	8	(9)	(2)	–	–
<b>Profit before tax</b>		67,857	39,460	3,479	8,679
Tax expense	21	(10,132)	(11,392)	(3,499)	(2,932)
<b>Profit/(Loss) for the year</b>		57,725	28,068	(20)	5,747
<b>Other comprehensive income, net of tax</b>					
<b>Items that will not be reclassified subsequently to profit or loss</b>					
Revaluation of properties, net of deferred tax		–	70,636	–	–
<b>Items that are or may be reclassified subsequently to profit or loss</b>					
Foreign currency translation differences for foreign operations		1,538	2,112	–	–
<b>Other comprehensive income for the year, net of tax</b>		1,538	72,748	–	–
<b>Total comprehensive income/(expense) for the year</b>		59,263	100,816	(20)	5,747

The accompanying notes form an integral part of the financial statements.

**TIONG NAM LOGISTICS HOLDINGS BERHAD** CO. REG. NO. 198901005177 (182485-V)  
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**STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31 MARCH 2024**  
**(CONT'D)**

	Note	Group 2024 RM'000	2023 RM'000	Company 2024 RM'000	2023 RM'000
<b>Profit/(Loss) attributable to:</b>					
Owners of the Company		57,268	27,872	(20)	5,747
Non-controlling interests		457	196	–	–
<b>Profit/(Loss) for the year</b>		<u>57,725</u>	<u>28,068</u>	<u>(20)</u>	<u>5,747</u>
<b>Total comprehensive income/ (expense) attributable to:</b>					
Owners of the Company		58,806	100,620	(20)	5,747
Non-controlling interests		457	196	–	–
<b>Total comprehensive income/ (expense) for the year</b>		<u>59,263</u>	<u>100,816</u>	<u>(20)</u>	<u>5,747</u>
Basic and diluted earnings per ordinary share (sen)	22	<u>11.14</u>	<u>5.42</u>		

The accompanying notes form an integral part of the financial statements.

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2024

	Attributable to owners of the Company								
	Non-distributable				Distributable				
	Share capital RM'000	Revaluation reserve RM'000	Treasury shares RM'000	Exchange fluctuation reserve RM'000	Retained earnings RM'000	Total RM'000	Non-controlling interests RM'000		
Note							Total equity RM'000		
Group									
At 1 April 2022		200,236	166,993	(10,563)	446	432,057	789,169	10,151	799,320
Foreign currency translation differences for foreign operations		-	-	-	2,112	-	2,112	-	2,112
Revaluation of properties, net of deferred tax		-	70,636	-	-	-	70,636	-	70,636
Total other comprehensive income for the year		-	70,636	-	2,112	-	72,748	-	72,748
Profit for the year		-	-	-	-	27,872	27,872	196	28,068
Total comprehensive income for the year		-	70,636	-	2,112	27,872	100,620	196	100,816
Contributions by and distributions to owners of the Company									
Own shares acquired/									
Total transactions with owners of the Company	15	-	-	(2)	-	-	(2)	-	(2)
Subscription of shares by non-controlling interest		-	-	-	-	-	-	205	205
Dividends to non-controlling interests in subsidiaries		-	-	-	-	-	-	(600)	(600)
Realisation of revaluation reserve		-	(6,349)	-	-	6,349	-	-	-
Decrease in Group's interest due to disposal of shares in subsidiaries		-	-	-	-	-	-	281	281
At 31 March 2023		200,236	231,280	(10,565)	2,558	466,278	889,787	10,233	900,020

The accompanying notes form an integral part of the financial statements.

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2024

(CONT'D)

Group	Note	Attributable to owners of the Company							
		Non-distributable				Distributable			
		Share capital RM'000	Revaluation reserve RM'000	Treasury shares RM'000	Exchange fluctuation reserve RM'000	Retained earnings RM'000	Total RM'000	Non-controlling interests RM'000	
At 1 April 2023		200,236	231,280	(10,565)	2,558	466,278	889,787	10,233	900,020
Foreign currency translation differences for foreign operations/ Total other comprehensive income for the year		-	-	-	1,538	-	1,538	-	1,538
Profit for the year		-	-	-	-	57,268	57,268	457	57,275
Total comprehensive income for the year		-	-	-	1,538	57,268	58,806	457	59,263
Contributions by and distributions to owners of the Company									
Own shares acquired/ Total transactions with owners of the Company	15	-	-	(1)	-	-	(1)	-	(1)
Subscription of shares by non-controlling interest		-	-	-	-	-	-	64	64
Dividends to non-controlling interests in subsidiaries		-	-	-	-	-	-	(700)	(700)
Realisation of revaluation reserve		-	(11,926)	-	-	11,926	-	-	-
At 31 March 2024		200,236	219,354	(10,566)	4,096	535,472	948,592	10,054	958,646

The accompanying notes form an integral part of the financial statements.

# STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2024

	Note	Attributable to owners of the Company			Total equity RM'000
		Non-distributable Share capital RM'000	Treasury shares RM'000	Distributable Retained earnings RM'000	
<b>Company</b>					
<b>At 1 April 2022</b>		200,236	(10,563)	204,858	394,531
Profit and total comprehensive income for the year		—	—	5,747	5,747
<i>Contributions by and distributions to owners of the Company</i>					
Own shares acquired/ <b>Total transactions with owners of the Company</b>	15	—	(2)	—	(2)
<b>At 31 March 2023/1 April 2023</b>		200,236	(10,565)	210,605	400,276
Loss and total comprehensive expense for the year		—	—	(20)	(20)
<i>Contributions by and distributions to owners of the Company</i>					
Own shares acquired/ <b>Total transactions with owners of the Company</b>	15	—	(1)	—	(1)
<b>At 31 March 2024</b>		200,236	(10,566)	210,585	400,255

The accompanying notes form an integral part of the financial statements.



STATEMENTS OF  
CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2024

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>Cash flows from operating activities</b>					
Profit before tax		67,857	39,460	3,479	8,679
Adjustments for:					
Depreciation:					
- Property, plant and equipment		35,577	33,673	7	5
- Right-of-use assets		31,514	29,600	114	109
Finance costs	19	65,705	46,548	2,308	1,125
Impairment loss on:					
- Investments in subsidiaries		—	—	2,183	9,839
- Investments in associates		235	82	235	82
- Property, plant and equipment		215	—	—	—
Share of loss in associates		5,621	8,539	—	—
Share of loss in a joint venture		9	2	—	—
Fair value gain upon transfer from inventories to investment properties		(8,814)	(7,580)	—	—
Change in fair value of investment properties		(87,123)	(40,786)	(3,270)	(746)
Gain on derecognition of right-of-use assets		(194)	—	—	—
(Gain)/Loss on disposal of:					
- A subsidiary		—	(215)	—	—
- Other investments		(1,509)	(939)	(1,509)	(939)
- Property, plant and equipment		183	(364)	—	—
Property, plant and equipment written off		89	414	14	—
Finance income	19	(4,031)	(3,495)	(13,190)	(10,593)
Net loss/(reversal) on impairment of financial instruments:					
- Trade receivables		872	(125)	—	—
- Amounts due from subsidiaries		—	—	14,627	(8,011)
Other investments:					
- Fair value loss		2,780	2,998	2,780	2,998
- Gross dividends		(163)	(292)	(163)	(292)
Dividends from associate		—	—	—	(305)
Write down of inventories to net realisable value		10,893	—	—	—
<b>Operating profit before changes in working capital</b>		119,716	107,520	7,615	1,951
Change in inventories		6,906	(7,779)	49	(71)
Change in contract assets		3,227	(3,227)	—	—
Change in trade and other receivables		1,135	16,420	3,690	(2,707)
Change in trade and other payables		43,531	45,217	(502)	2,449
<b>Cash generated from operations</b>		174,515	158,151	10,852	1,622
Payment of tax, net of refunded		(7,312)	(10,357)	(3,004)	(2,486)
<b>Net cash from/(used in) operating activities</b>		167,203	147,794	7,848	(864)

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STATEMENTS OF CASH FLOWS  
FOR THE YEAR ENDED 31 MARCH 2024  
(CONT'D)

	Note	2024 RM'000	Group 2023 RM'000	2024 RM'000	Company 2023 RM'000
<b>Cash flows from investing activities</b>					
Acquisition of:					
- property, plant and equipment	23	(261,473)	(83,420)	(7)	(28)
- investment properties	24	(47,062)	(280,318)	—	—
- right-of-use assets		(33,452)	(2,329)	—	—
Proceeds from disposal of:					
- other investments		12,877	12,307	12,877	12,307
- subsidiaries		—	568	—	300
- property, plant and equipment		1,281	964	—	—
- investment in associate		—	40	—	40
Investment in:					
- other investments		(11,992)	(415)	(11,992)	(415)
- subsidiaries		—	—	(95)	(9,000)
- a jointly controlled entity		—	(51)	—	—
- an associate		(1,000)	—	(1,000)	—
Interest received	19	4,031	3,495	13,190	10,593
Dividends received		163	597	163	597
Changes in amounts due from/(to) subsidiaries		—	—	(26,545)	(10,380)
Changes in amounts due from an associate		2,309	(8,210)	2,309	(8,210)
<b>Net cash used in investing activities</b>		<b>(334,318)</b>	<b>(356,772)</b>	<b>(11,100)</b>	<b>(4,196)</b>
<b>Cash flows from financing activities</b>					
Drawdown of term loans		313,092	258,257	—	—
(Repayment of)/Proceeds from:					
- term loans		(60,321)	(37,019)	(1,219)	(1,185)
- hire purchase liabilities		(8,324)	(12,124)	—	—
- short term borrowings		10,820	60,211	6,906	7,125
Proceeds from issue of shares to non-controlling interests		64	205	—	—
Payment of lease liabilities		(25,590)	(21,510)	(84)	(100)
Interest paid	19	(74,973)	(52,564)	(2,308)	(1,125)
Change in pledged deposits		(55)	(874)	—	—
Dividends paid to non-controlling interests of subsidiaries		(700)	(600)	—	—
Repurchase of treasury shares		(1)	(2)	(1)	(2)
<b>Net cash from financing activities</b>		<b>154,012</b>	<b>193,980</b>	<b>3,294</b>	<b>4,713</b>

The accompanying notes form an integral part of the financial statements.

**TIONG NAM LOGISTICS HOLDINGS BERHAD** CO. REG. NO. 198901005177 (182485-V)  
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STATEMENTS OF CASH FLOWS  
FOR THE YEAR ENDED 31 MARCH 2024  
(CONT'D)

	Note	2024 RM'000	Group 2023 RM'000	2024 RM'000	Company 2023 RM'000
Exchange differences on translation of the financial statements of foreign subsidiaries		1,538	2,112	–	–
<b>Net (decrease)/increase in cash and cash equivalents</b>		(11,565)	(12,886)	42	(347)
<b>Cash and cash equivalents at 1 April</b>		(26,567)	(13,681)	402	749
<b>Cash and cash equivalents at 31 March</b>	14	(38,132)	(26,567)	444	402

**Cash outflows for leases as a lessee**

	Note	2024 RM'000	Group 2023 RM'000	2024 RM'000	Company 2023 RM'000
<b>Included in net cash from operating activities</b>					
Payment relating to short-term leases	20	72,513	64,148	96	309
Payment relating to variable lease payments not included in the measurement of lease liabilities	20	252	–	–	–
<b>Included in net cash from financing activities</b>					
Payment of lease liabilities		25,590	21,510	84	100
Interest paid in relation to lease liabilities	19	4,952	4,328	71	26
<b>Total cash outflows for leases</b>		103,307	89,986	251	435

STATEMENTS OF CASH FLOWS  
FOR THE YEAR ENDED 31 MARCH 2024  
(CONT'D)

**Reconciliation of movement of liabilities to cash flows arising from financing activities**

<b>Group</b>	<b>At 1 April 2023 RM'000</b>	<b>Net changes from financing cash flows RM'000</b>	<b>Acquisition of new leases RM'000</b>	<b>Derecognition RM'000</b>	<b>Acquisition of new hire purchase liabilities (Note 23) RM'000</b>	<b>At 31 March 2024 RM'000</b>
Term loans	952,876	252,771	-	-	-	1,205,647
Hire purchase liabilities	29,057	(8,324)	-	-	10,972	31,705
Lease liabilities	112,331	(25,590)	33,989	(3,723)	-	117,007
Short term borrowings	279,429	10,820	-	-	-	290,249
<b>Total liabilities from financing activities</b>	<b>1,373,693</b>	<b>229,677</b>	<b>33,989</b>	<b>(3,723)</b>	<b>10,972</b>	<b>1,644,608</b>

<b>Group</b>	<b>At 1 April 2022 RM'000</b>	<b>Net changes from financing cash flows RM'000</b>	<b>Acquisition of new leases RM'000</b>	<b>Acquisition of new hire purchase liabilities (Note 23) RM'000</b>	<b>At 31 March 2023 RM'000</b>
Term loans	731,638	221,238	-	-	952,876
Hire purchase liabilities	34,815	(12,124)	-	6,366	29,057
Lease liabilities	94,801	(21,510)	39,040	-	112,331
Short term borrowings	219,218	60,211	-	-	279,429
<b>Total liabilities from financing activities</b>	<b>1,080,472</b>	<b>247,815</b>	<b>39,040</b>	<b>6,366</b>	<b>1,373,693</b>

The accompanying notes form an integral part of the financial statements.

STATEMENTS OF CASH FLOWS  
FOR THE YEAR ENDED 31 MARCH 2024  
(CONT'D)

## Reconciliation of movement of liabilities to cash flows arising from financing activities (Cont'd)

Company	At 1 April 2022 RM'000	Net changes from financing cash flows RM'000	Acquisition of new leases RM'000	At 31 March 2023 1 April 2023 RM'000	Net changes from financing cash flows RM'000	At 31 March 2024 RM'000
Term loans	11,110	(1,185)	–	9,925	(1,219)	8,706
Short term borrowings	8,266	7,125	–	15,391	6,906	22,297
Lease liabilities	509	(100)	1,184	1,593	(84)	1,509
<b>Total liabilities from financing activities</b>	<b>19,885</b>	<b>5,840</b>	<b>1,184</b>	<b>26,909</b>	<b>5,603</b>	<b>32,512</b>

The accompanying notes form an integral part of the financial statements.

## NOTES TO THE FINANCIAL STATEMENTS

Tiong Nam Logistics Holdings Berhad is a public limited liability company, incorporated and domiciled in Malaysia and is listed on the Main Market of Bursa Malaysia Securities Berhad. The addresses of the principal place of business and registered office of the Company are as follows:

**Principal place of business**

Lot 30462  
Jalan Kempas Baru  
81200 Johor Bahru  
Johor, Malaysia

**Registered office**

Suite 9D, Level 9  
Menara Ansar  
65, Jalan Trus  
80000 Johor Bahru  
Johor, Malaysia

The consolidated financial statements of the Company as at and for the financial year ended 31 March 2024 comprise the Company and its subsidiaries (together referred to as the “Group” and individually referred to as “Group entities”) and the Group’s interest in associates and joint venture. The consolidated financial statements of the Company as at and for the financial year ended 31 March 2024 do not include other entities.

The principal activities of the Company consist of investment holding and trading of diesel and petrol. The principal activities of its subsidiaries are disclosed in Note 6.

These financial statements were authorised for issue by the Board of Directors on 22 July 2024.

### 1. BASIS OF PREPARATION

**(a) Statement of compliance**

The financial statements of the Group and of the Company have been prepared in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standard Board (“MFRS Accounting Standard”), IFRS Accounting Standards as issued by the International Accounting Standards Board (“IFRS Accounting Standards”) and the requirements of the Companies Act 2016 in Malaysia.

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

***MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2024***

- Amendments to MFRS 16, *Leases - Lease Liability in a Sale and Leaseback*
- Amendments to MFRS 101, *Presentation of Financial Statements - Non-current Liabilities with Covenants and Classification of Liabilities as Current or Non-current*
- Amendments to MFRS 107, *Statement of Cash Flows* and MFRS 7, *Financial Instruments: Disclosures - Supplier Finance Arrangements*

***MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2025***

- Amendments to MFRS 121, *The Effects of Changes in Foreign Exchange Rates - Lack of Exchangeability*

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

- Amendments to MFRS 9, *Financial Instruments* and MFRS 7, *Financial Instruments : Disclosures - Classification and Measurement of Financial Instruments*



## 1. BASIS OF PREPARATION (CONT'D)

### (a) Statement of compliance (Cont'd)

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

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

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

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

The Group and the Company plan to apply the abovementioned accounting standards, interpretations and amendments in the respective financial year when the above accounting standards, interpretations and amendments become effective, if applicable.

The initial application of the accounting standards, interpretations and amendments are not expected to have any material financial impacts to the current period and prior period financial statements of the Group and the Company upon their first adoption.

### (b) Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis except for the following items, which are measured based on the measurement bases stated below:

Items	Measurement bases
Investment properties	Fair value
Property, plant and equipment (land and buildings)	Revaluation
Right-of-use assets (land)	Revaluation
Financial assets at fair value through profit or loss	Fair value

As at 31 March 2024, the Group's and Company's current liabilities exceeded their current assets by RM253,362,000 and RM9,340,000 respectively.

At balance sheet date, the Group and the Company hold short-term borrowings of RM336,742,000 and RM22,297,000 respectively, which could be rolled over at their maturity. Furthermore, the Group and the Company have unutilised banking facilities of RM35.3 million and RM1.5 million respectively. Considering the existing financing facilities and the ability of the Group's history of generating sufficient operating cash flows, the Directors are of the opinion that the Group and the Company will be able to meet their liabilities as and when they fall due.

### (c) Functional and presentation currency

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

### (d) Use of estimates and judgements

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

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

NOTES TO THE FINANCIAL STATEMENTS  
(CONT'D)

**1. BASIS OF PREPARATION (CONT'D)**

**(d) Use of estimates and judgements (Cont'd)**

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

- Note 3 - Valuation of property, plant and equipment
- Note 4 - Valuation of right-of-use assets
- Note 5 - Valuation of investment properties
- Note 9 - Valuation of inventories - completed properties held for sales
- Note 27.4 - Measurement of expected credit loss ("ECL")

**2. CHANGES IN MATERIAL ACCOUNTING POLICY**

**2.1 Material accounting policy information**

The Group adopted amendments to MFRS 101, *Presentation of Financial Statements* and MFRS Practice Statement 2 - *Disclosures of Accounting Policies* from 1 April 2023. The amendments require the disclosure of 'material', rather than 'significant', accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand other information in the financial statements.

Although the amendments did not result in any changes to the Group's accounting policies, it impacted the accounting policy information disclosed in the financial statements. The material accounting policy information is disclosed in the respective notes to the financial statements where relevant.

**3. PROPERTY, PLANT AND EQUIPMENT**

Group	Land and buildings RM'000	Motor vehicles RM'000	Equipment, furniture and fittings RM'000	Construction -in-progress RM'000	Total RM'000
<b>At cost/valuation</b>					
At 1 April 2022	712,455	148,829	94,061	18,273	973,618
Additions	19,247	14,196	8,328	53,388	95,159
Transfer	4,660	—	—	(4,660)	—
Revaluation	66,982	—	—	—	66,982
Disposal of a subsidiary	(10)	—	—	—	(10)
Disposals	—	(2,666)	(11)	—	(2,677)
Written off	(6,216)	(124)	—	—	(6,340)
At 31 March 2023/1 April 2023	797,118	160,235	102,378	67,001	1,126,732
Additions	5,403	16,497	6,088	244,764	272,752
Transfer	8,350	—	8,226	(16,576)	—
Transfer to investment properties (Note 5)	(25,963)	—	—	—	(25,963)
Disposals	—	(3,104)	(1,221)	—	(4,325)
Written off	—	(108)	—	—	(108)
At 31 March 2024	784,908	173,520	115,471	295,189	1,369,088

NOTES TO THE FINANCIAL STATEMENTS  
(CONT'D)

## 3. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Group (Cont'd)	Land and buildings RM'000	Motor vehicles RM'000	Equipment, furniture and fittings RM'000	Construction -in-progress RM'000	Total RM'000
<b>Representing items at:</b>					
Cost	87,939	173,520	115,471	295,189	672,119
Valuation adopted by Directors					
- 2021	380,169	—	—	—	380,169
- 2023	316,800	—	—	—	316,800
	784,908	173,520	115,471	295,189	1,369,088
<b>Accumulated depreciation</b>					
At 1 April 2022	28,460	73,051	63,305	—	164,816
Depreciation charge	13,386	12,422	7,865	—	33,673
Disposal of a subsidiary	(2)	—	—	—	(2)
Revaluation	(8,292)	—	—	—	(8,292)
Disposals	—	(2,066)	(11)	—	(2,077)
Written off	(5,898)	(28)	—	—	(5,926)
At 31 March 2023/1 April 2023	27,654	83,379	71,159	—	182,192
Depreciation charge	13,893	13,572	8,112	—	35,577
Transfer to investment properties (Note 5)	(2,078)	—	—	—	(2,078)
Disposals	—	(2,216)	(645)	—	(2,861)
Written off	—	(19)	—	—	(19)
At 31 March 2024	39,469	94,716	78,626	—	212,811
<b>Accumulated impairment loss</b>					
At 1 April 2023	—	—	—	—	—
Impairment loss	209	—	6	—	215
At 31 March 2024	209	—	6	—	215
<b>Carrying amounts</b>					
At 1 April 2022	683,995	75,778	30,756	18,273	808,802
At 31 March 2023/1 April 2023	769,464	76,856	31,219	67,001	944,540
At 31 March 2024	745,230	78,804	36,839	295,189	1,156,062

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NOTES TO THE FINANCIAL STATEMENTS  
(CONT'D)

**3. PROPERTY, PLANT AND EQUIPMENT (CONT'D)**

<b>Company</b>	<b>Equipment, furniture and fittings/Total RM'000</b>
<b>At cost</b>	
At 1 April 2022	841
Additions	28
	<hr/>
At 31 March 2023/1 April 2023	869
Additions	7
Written off	(16)
	<hr/>
At 31 March 2024	860
	<hr/>
<b>Accumulated depreciation</b>	
At 1 April 2022	807
Depreciation charge	5
	<hr/>
At 31 March 2023/1 April 2023	812
Depreciation charge	7
Written off	(2)
	<hr/>
At 31 March 2024	817
	<hr/>
<b>Carrying amounts</b>	
At 1 April 2022	34
	<hr/>
At 31 March 2023/1 April 2023	57
	<hr/>
At 31 March 2024	43
	<hr/>

	<b>2024 RM'000</b>	<b>Group 2023 RM'000</b>
<b>Carrying amounts of land and buildings</b>		
<b>At valuation</b>		
Freehold land	220,550	225,350
Buildings	455,063	482,772
	<hr/>	<hr/>
	675,613	708,122
	<hr/>	<hr/>
<b>At cost</b>		
Freehold land	52,626	51,665
Buildings	16,991	9,677
	<hr/>	<hr/>
	69,617	61,342
	<hr/>	<hr/>
	745,230	769,464
	<hr/>	<hr/>

### 3. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

#### 3.1 Fair value information

The land and buildings are stated at Directors' valuation based on independent professional valuations on the open market value basis using the comparison method and cost method carried out in March 2021 and February/March 2023. The fair value of land and buildings is categorised as Level 3.

##### Level 3 fair value

Fair values of land have been generally derived using the sales comparison approach. Sales prices of comparable properties in close proximity are adjusted for differences in key attributes such as property size. The most significant input into this valuation approach is price per square foot of comparable properties.

The fair values of buildings have been generally derived using depreciated replacement approach. The most significant input into this valuation approach is gross replacement or reproduction costs per square foot and depreciation rate.

The following table shows the valuation techniques used in the determination of fair values within Level 3, as well as the significant unobservable inputs used in the valuation models.

Description of valuation technique and inputs used	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Sales comparison approach:		
Sales prices of comparable properties in close proximity are adjusted for differences in key attributes such as property size. The most significant input into this valuation approach is price per square foot.	Price per square foot of comparable properties range from RM3 - RM184 (2021: RM3 - RM188).	The estimated fair value would increase/(decrease) if the price per square foot is higher/(lower).
Depreciated replacement cost approach:		
Estimated reproduction cost of building of same kind and design as when new based on current market prices for materials, labour and present construction techniques and deducting therefrom the accrued depreciation due to use and disrepair, age and obsolescence through technology and market changes.	<ul style="list-style-type: none"> <li>Gross replacement or reproduction costs (2023: Price per square foot range from RM61 - RM218) (2021: RM61 - RM203).</li> <li>Depreciation rate ranges from (2023: 0% - 50%) (2021: 0% - 50%).</li> </ul>	<ul style="list-style-type: none"> <li>The estimated fair value would increase/(decrease) if: Gross replacement or reproduction costs were higher/(lower); or</li> <li>Depreciation were lower/(higher)</li> </ul>

##### Valuation processes applied by the Group for Level 3 fair value

The fair value of land and buildings are determined by external, independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of property being valued.

NOTES TO THE FINANCIAL STATEMENTS  
(CONT'D)

**3. PROPERTY, PLANT AND EQUIPMENT (CONT'D)**

**3.2 Security**

Land and buildings and construction-in-progress with an aggregate carrying amount of RM874,113,000 (2023: RM747,361,000) are charged to banks as security for banking facilities granted to the Group.

At 31 March 2024, the net carrying amount of the motor vehicles pledged for hire purchase liabilities is RM50,556,000 (2023: RM50,786,000).

**3.3 Construction-in-progress**

The construction-in-progress consists of several warehouses.

**3.4 Transfer to investment properties**

During the financial year ended 31 March 2024, an industrial land and building was transferred to investment properties because it was leased to third parties.

**3.5 Property, plant and equipment subject to operating lease**

The Group leases certain portion of its buildings to third parties. Each of the lease contracts contains an initial non-cancellable lease period of 1 to 3 years. Subsequent renewals are negotiated with the lessee.

The following are recognised in profit or loss:

	<b>Group</b>	
	<b>2024</b>	<b>2023</b>
	<b>RM'000</b>	<b>RM'000</b>
Lease income	3,273	3,516

The operating lease payments to be received are as follow:

	<b>Group</b>	
	<b>2024</b>	<b>2023</b>
	<b>RM'000</b>	<b>RM'000</b>
Less than one year	2,618	1,555
One to two years	2,290	655
Total undiscounted lease payments	4,908	2,210

**3.6 Others**

- Included in the additions of construction-in-progress is an interest expense capitalised of RM4,541,000 (2023: RM642,000) at a rate of 4.84% (2023: 4.23%) per annum.
- Had the revalued land and buildings been carried at cost model, their carrying amounts would have been as follows:

	<b>Group</b>	
	<b>2024</b>	<b>2023</b>
	<b>RM'000</b>	<b>RM'000</b>
Freehold land	131,150	135,272
Buildings	375,281	396,952
	506,431	532,224



### 3. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

#### 3.7 Material accounting policy information

##### (a) Recognition and measurement

Items of property, plant and equipment are measured at cost or valuation less any accumulated depreciation and any accumulated impairment losses.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

##### *Property, plant and equipment under the revaluation model*

The Group revalues its property comprising land and buildings every 5 years and at shorter intervals whenever the fair value of the revalued assets is expected to differ materially from their carrying value.

Surpluses arising from revaluation are dealt with in the revaluation reserve account. Any deficit arising is offset against the revaluation reserve to the extent of a previous increase for the same property. In all other cases, a decrease in carrying amount is recognised in profit or loss. When revalued assets are sold, the amounts included in the revaluation surplus reserve are transferred to retained earnings.

##### (b) Depreciation

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment from the date that they are available for use. Freehold land is not depreciated. Property, plant and equipment under construction are not depreciated until the assets are ready for their intended use.

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

Buildings	10 - 50 years
Motor vehicles	10 years
Equipment, furniture and fittings	3 - 20 years

### 4. RIGHT-OF-USE ASSETS

	Land RM'000	Buildings RM'000	Equipment RM'000	Total RM'000
<b>Group</b>				
<b>At cost/valuation</b>				
At 1 April 2022	226,748	94,844	—	321,592
Additions	2,329	37,876	1,164	41,369
Depreciation	(5,186)	(24,155)	(259)	(29,600)
Revaluation	13,782	—	—	13,782
At 31 March 2023/1 April 2023	237,673	108,565	905	347,143
Additions	33,452	33,989	—	67,441
Depreciation	(5,604)	(25,522)	(388)	(31,514)
Derecognition	—	(3,529)	—	(3,529)
Transfer to investment properties (Note 5)	(23,444)	—	—	(23,444)
At 31 March 2024	242,077	113,503	517	356,097

NOTES TO THE FINANCIAL STATEMENTS  
(CONT'D)

**4. RIGHT-OF-USE ASSETS (CONT'D)**

	Land RM'000	Buildings RM'000	Equipment RM'000	Total RM'000
<b>Group</b>				
<b>Representing items at:</b>				
Cost	53,512	113,503	517	167,532
Valuation adopted by Directors				
- 2021	147,708	—	—	147,708
- 2023	40,857	—	—	40,857
	<u>242,077</u>	<u>113,503</u>	<u>517</u>	<u>356,097</u>
				<b>Buildings/ Total RM'000</b>
<b>Company</b>				
<b>At cost</b>				
At 1 April 2022				497
Addition				1,184
Depreciation				(109)
At 31 March 2023/1 April 2023				<u>1,572</u>
Depreciation				(114)
At 31 March 2024				<u>1,458</u>

The Group leases a number of land, warehouses, offices, petrol station and showroom and equipment that run between 2 to 99 years with an option to renew the lease after the end of the contract term for certain leases.

The Company leases a petrol station and showroom that run for a period for 2 years with an option to renew the lease after the end of the contract term.

**4.1 Fair value information**

The land is stated at Directors' valuation based on independent professional valuations on the open market value basis using the comparison method and cost method carried out in March 2021 and February/March 2023. Fair value of land is categorised as Level 3.

The valuation technique used in measuring the carrying amount of the right-of-use assets are the same of those applied to property, plant and equipment (Note 3.1).

#### 4. RIGHT-OF-USE ASSETS (CONT'D)

##### 4.2 Extension options

Some leases of warehouses contain extension options exercisable by the Group up to 3 years before the end of the non-cancellable contract period. Where applicable, 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 whether it is reasonably certain to exercise the extension options. The Group reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant change in circumstances within its control.

	Lease liabilities recognised (discounted) RM'000	Potential future lease payments not included in lease liabilities (discounted) RM'000
<b>2024</b>		
Buildings	13,229	7,695
<b>2023</b>		
Buildings	2,531	6,459

The Group assesses the probability of extending the options is low based on past practice.

The Group applied assumptions in determining the incremental borrowing rate of the lease. The Group first determines the closest available borrowing rates before it determines the adjustments required to reflect the term, security, value or economic environment of the respective leases.

##### 4.3 Security

The land is charged to banks as security for banking facilities granted to the Group.

##### 4.4 Transfer to investment properties

During the financial year ended 31 March 2024, a leasehold industrial land was transferred to investment properties because it was leased to third parties.

##### 4.5 Others

Had the revalued land been carried at cost model, their carrying amounts would have been RM62,407,000 (2023: RM85,816,000).

##### 4.6 Significant judgements and assumptions in relation to lease

The Group assesses at lease commencement by applying significant judgement whether it is reasonably certain to exercise the extension options. Group entities consider all facts and circumstances including their past practice and any cost that will be incurred to change the asset if an option to extend is not taken, to help them determine the lease term.

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

NOTES TO THE FINANCIAL STATEMENTS  
(CONT'D)

**4. RIGHT-OF-USE ASSETS (CONT'D)**

**4.7 Material accounting policy information**

**(a) Recognition and measurement**

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

**(b) Lease and non-lease components**

At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease and non-lease component on the basis of their relative stand-alone prices. However, for leases of properties in which the Group is a lessee, it has elected not to separate non-lease components and will instead account for the lease and non-lease components as a single lease component.

**5. INVESTMENT PROPERTIES**

	<b>Group</b>		<b>Company</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
At 1 April	603,731	222,680	34,880	34,134
Additions	52,701	307,265	–	–
Net transfer from:				
- Property, plant and equipment (Note 3)	23,885	–	–	–
- Right-of-use assets (Note 4)	23,444	–	–	–
- Inventories	27,500	33,000	–	–
Change in fair value	87,123	40,786	3,270	746
At 31 March	818,384	603,731	38,150	34,880

**Included in the above are:**

	<b>Group</b>		<b>Company</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>At fair value</b>				
Freehold land	345,400	219,500	38,150	34,880
Leasehold land	89,720	61,620	–	–
Buildings	365,800	109,800	–	–
	800,920	390,920	38,150	34,880
<b>At cost</b>				
Buildings under construction	17,464	212,811	–	–
	818,384	603,731	38,150	34,880

## 5. INVESTMENT PROPERTIES (CONT'D)

### 5.1 Nature of leasing activities

Investment properties comprise a number of freehold and leasehold vacant land, factories/warehouses, workshops and petrol kiosk with a drive-thru restaurant that are leased to third parties.

### 5.2 Investment property under construction

Buildings under construction are measured at cost until either the fair value becomes reliably determinable or when construction is completed, whichever is earlier.

Buidings under construction comprise of a hotel (2023: a hotel and a single storey warehouse to be used as distribution centre by a customer).

### 5.3 Property transferred to investment properties

During the financial year, two plots of industrial land and an industrial building have been transferred from property, plant and equipment and right-of-use assets to investment property (see Notes 3 and 4), since the industrial land and building were no longer used by the Group and were leased to a third party.

### 5.4 Fair value information

Freehold and leasehold land and buildings were revalued in March 2024 by independent professional valuers based on open market value basis. Fair values of investment properties are categorised as Level 3.

#### Level 3 fair value

Fair values of land have been generally derived using the sales comparison approach. Sales prices of comparable properties in close proximity are adjusted for differences in key attributes such as property size. The most significant input into this valuation approach is price per square foot of comparable properties.

The fair values of buildings have been generally derived using depreciated replacement approach. The most significant input into this valuation approach is gross replacement or reproduction costs per square foot and depreciation rate.

The following table shows the valuation techniques used in the determination of fair values within Level 3, as well as the significant unobservable inputs used in the valuation models.

Description of valuation technique and inputs used	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Sales comparison method:		
Sales prices of comparable properties in close proximity are adjusted for differences in key attributes such as property size and property location. The most significant input in this valuation is price per square foot.	Price per square foot of comparable properties range from RM36 - RM625 (2023: RM40 - RM736)	The estimated fair value would increase/(decrease) if the price per square foot is higher/(lower).

NOTES TO THE FINANCIAL STATEMENTS  
(CONT'D)

**5. INVESTMENT PROPERTIES (CONT'D)**

**5.4 Fair value information (Cont'd)**

**Level 3 fair value (Cont'd)**

Description of valuation technique and inputs used	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Depreciated replacement cost approach:  Estimated reproduction cost of building of same kind and design as when new based on current market prices for materials, labour and present construction techniques and deducting therefrom the accrued depreciation due to use and disrepair, age and obsolescence through technology and market changes.	<ul style="list-style-type: none"> <li>Gross replacement or reproduction costs: Price per square foot range from RM90 - RM288 (2023: 28 - RM367).</li> <li>Depreciation rate ranges from 0% - 42.5% (2023: 0% - 42.5%).</li> </ul>	<p>The estimated fair value would increase/(decrease) if:</p> <ul style="list-style-type: none"> <li>Gross replacement or reproduction costs were higher/(lower); or</li> <li>Depreciation were lower/(higher)</li> </ul>

**Valuation processes applied by the Group for Level 3 fair value**

The fair value of investment properties is determined by an external, independent property valuer, having appropriate recognised professional qualifications and recent experience in the location and category of property being valued. The external valuer provides the fair value of the Group's investment properties on an annual basis. Changes in Level 3 fair values are analysed by the management after obtaining valuation report from the external valuer.

**5.5 Others income/expenses recognised in profit or loss in relation to investment properties**

The following are recognised in profit or loss in respect of investment properties:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Lease income	24,559	11,333	1,024	1,024
Direct operating expenses				
- income generating investment properties	(1,283)	(765)	—	—
- non-income generating investment properties	(55)	(221)	—	—



NOTES TO THE FINANCIAL STATEMENTS  
(CONT'D)

**5. INVESTMENT PROPERTIES (CONT'D)**

**5.6 Maturity analysis of operating lease payments**

The operating lease payments to be received are as follows:

	<b>2024</b>	<b>Group</b>
	<b>RM'000</b>	<b>2023</b>
		<b>RM'000</b>
Less than one year	40,422	7,883
One to two years	35,376	3,156
Two to five years	83,829	1,203
More than five years	149,761	–
	<hr/>	<hr/>
Total undiscounted lease payments	309,388	12,242
	<hr/>	<hr/>

**5.7 Security**

The land and buildings of the Group and the Company are charged to banks as security for banking facilities granted to certain subsidiaries.

**5.8 Other**

Included in the additions of investment properties is an interest expense capitalised of RM4,727,000 for the year (2023: RM5,374,000) at a rate of 4.84% (2023: 4.23%) per annum.

**5.9 Material accounting policy information**

Investment properties are measured subsequently at fair value with any changes therein recognised in profit or loss for the period in which they arise.

**6. INVESTMENTS IN SUBSIDIARIES**

	<b>2024</b>	<b>Company</b>
	<b>RM'000</b>	<b>2023</b>
		<b>RM'000</b>
Cost of investment	76,938	76,843
Less: Impairment loss	(29,564)	(27,381)
	<hr/>	<hr/>
	47,374	49,462
	<hr/>	<hr/>

In the current year, the Company recognised impairment losses of RM2,183,000 (2023: RM9,839,000) for certain loss making subsidiaries. The Company has determined the recoverable amounts of the investment in these subsidiaries based on the fair value less costs of disposal of the respective subsidiaries.

In prior year, the Company had capitalised loan to a subsidiary amounting to RM9,000,000 as cost of investment.

NOTES TO THE FINANCIAL STATEMENTS  
(CONT'D)

**6. INVESTMENTS IN SUBSIDIARIES (CONT'D)**

Details of the subsidiaries are as follows:

Name of entity	Principal place of business/ Country of incorporation	Principal activities	Effective ownership interest and voting interest	
			2024 %	2023 %
Tiong Nam Logistics Solutions Sdn. Bhd.	Malaysia	Logistics and warehousing services and property investment and property development	100	100
Pacific Transport Sdn. Bhd.	Malaysia	Transportation, property letting and warehousing services	100	100
Semangat Angkut Sdn. Bhd.	Malaysia	Transportation services and leasing of trucks	100	100
Pengangkutan Enepec Sdn. Bhd.	Malaysia	Transportation services and leasing of trucks	100	100
Jelas Bagus Sdn. Bhd.	Malaysia	Property development	100	100
Anugerah Sensasi Sdn. Bhd.	Malaysia	Property investment holding, transportation services and leasing of trucks	100	100
Fair Vista Sdn. Bhd.	Malaysia	Property development	100	100
Tiong Nam Logistics Sdn. Bhd.	Malaysia	Property investment holding, transportation services and leasing of trucks	100	100
Tiong Nam Heavy Transport & Lifting Sdn. Bhd.	Malaysia	Transportation and related services	100	100
Tiong Nam Logistics (S) Pte. Ltd.^	Republic of Singapore	Logistics and warehousing services	100	100
TNTT Packages Express Pte. Ltd. ^	Republic of Singapore	Provision of courier transport and logistics services	90	90
Dragon 2012 Sdn. Bhd.	Malaysia	Property development	100	100
G-Force Logistics Solutions Sdn. Bhd.	Malaysia	Dormant	100	100
Medini Heritage Sdn. Bhd.	Malaysia	Property development	100	100
Tiong Nam Properties Sdn. Bhd.	Malaysia	Administrative and commission agents	100	100
Integriti Kaliber Sdn. Bhd.	Malaysia	Transportation, hostel management and related services	100	100
Tiong Nam Logistics Solutions (LAO) Co., Ltd. @	Lao People's Democratic Republic	Transportation and related services	100	100
Memori Pintar Sdn. Bhd.	Malaysia	Operation of tuition centre	70	70
Tiong Nam Industry Sdn. Bhd. (Formerly known as Tiong Nam PBA Sdn. Bhd.)	Malaysia	Dormant	60	60

NOTES TO THE FINANCIAL STATEMENTS  
(CONT'D)

6. INVESTMENTS IN SUBSIDIARIES (CONT'D)

Name of entity	Principal place of business/ Country of incorporation	Principal activities	Effective ownership interest and voting interest	
			2024 %	2023 %
Bagus Cekal Sdn. Bhd.	Malaysia	Dormant	70	70
Belaian Pinang Sdn. Bhd.	Malaysia	Dormant	100	100
Front Field Sdn. Bhd.	Malaysia	Dormant	100	100
Far East West Lands Sdn. Bhd.	Malaysia	Dormant	100	100
VM Andaman Sdn. Bhd.	Malaysia	Property investment holding	100	100
<b><i>Subsidiary of Semangat Angkut Sdn. Bhd.</i></b>				
LT Growth Sdn. Bhd.	Malaysia	Trading and distributing of food groceries	100	100
<b><i>Subsidiaries of Tiong Nam Logistics Solutions Sdn. Bhd.</i></b>				
Japan Original Electric (M) Sdn. Bhd.	Malaysia	Property development	51	51
Tiong Nam Distribution Sdn. Bhd.	Malaysia	Dormant	51	51
Tiong Nam Ebiz Express Sdn. Bhd.	Malaysia	Transportation and related services	100	100
Tiong Nam Allied Container Depot Services Sdn. Bhd.	Malaysia	Storage and management of empty containers	100	100
Tiong Nam (Sarawak) Sdn. Bhd.	Malaysia	Provision of transport and related services	100	100
Tiong Nam Warehousing (Sarawak) Sdn. Bhd.	Malaysia	Provision of public bonded warehousing and distribution services	100	100
Tiong Nam Logistics Vietnam Co., Ltd.^	Socialist Republic of Vietnam	Transportation and related services	51	51
Tiong Nam Logistics Solutions (Shenzhen) Co., Ltd.^	People's Republic of China	Transportation and related services	100	100
Tiong Nam Logistics Myanmar Co., Ltd @	Republic of the Union of Myanmar	Transportation and related services	100	100
<b><i>Subsidiary of Tiong Nam Ebiz Express Sdn. Bhd.</i></b>				
TNTT Packages Express Sdn. Bhd.	Malaysia	Provision of transport and distribution services	90	90

NOTES TO THE FINANCIAL STATEMENTS  
(CONT'D)

**6. INVESTMENTS IN SUBSIDIARIES (CONT'D)**

Name of entity	Principal place of business/ Country of incorporation	Principal activities	Effective ownership interest and voting interest	
			2024 %	2023 %
<i>Subsidiary of TNTT Packages Express Sdn. Bhd.</i>				
Tiong Nam Resources Sdn. Bhd.	Malaysia	General sales agent for air, land and sea logistics activities	54	54
<i>Subsidiary of Tiong Nam Logistics (S) Pte. Ltd.</i>				
TN Transport and Warehousing Pte. Ltd.^	Republic of Singapore	Dormant	100	100

@ Management accounts were used for the preparation of consolidated financial statements. In the opinion of the Directors, the results and financial position of these subsidiaries are not material to the consolidated financial statements.

^ Not audited by KPMG PLT.

**6.1 Non-controlling interests in subsidiaries**

The Group's subsidiaries that have material non-controlling interests ("NCI") are as follows:

NCI percentage of ownership interest and voting interest	2024				Total
	Japan Original Electric (M) Sdn. Bhd.	Tiong Nam Resources Sdn. Bhd.	TNTT Packages Express Sdn. Bhd.	Other subsidiaries with immaterial NCI	
	RM'000	RM'000	RM'000	RM'000	RM'000
Carrying amount of NCI	7,311	1,203	904	636	10,054
Profit/(Loss) and total comprehensive income/(expense) allocated to NCI	3	712	221	(479)	457

## NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

## 6. INVESTMENTS IN SUBSIDIARIES (CONT'D)

### 6.1 Non-controlling interests in subsidiaries (Cont'd)

		2024	
	Japan Original Electric (M) Sdn. Bhd. RM'000	Tiong Nam Resources Sdn. Bhd. RM'000	TNTT Packages Express Sdn. Bhd. RM'000
<b>Summarised financial information before intra-group elimination</b>			
<b>As at 31 March</b>			
Non-current assets	19,327	–	14,853
Current assets	126	3,057	1,667
Non-current liabilities	(3,994)	–	(489)
Current liabilities	(539)	(442)	(6,995)
Net assets	14,920	2,615	9,036
<b>Year ended 31 March</b>			
Revenue	–	3,530	12,908
Profit for the year/ Total comprehensive income	5	1,548	2,211
Cash flows (used in)/from operating activities	(148)	1,673	1,669
Cash flows (used in)/from investing activities	(44)	(489)	716
Cash flows used in financing activities	–	(1,200)	(2,476)
Net decrease in cash and cash equivalents	(192)	(16)	(91)
Dividends paid to NCI	–	480	220
		2023	
	Japan Original Electric (M) Sdn. Bhd.	TNTT Packages Express Sdn. Bhd.	Other subsidiaries with immaterial NCI
<b>NCI percentage of ownership interest and voting interest</b>	49%	10%	
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Carrying amount of NCI	7,308	902	2,023
Profit/(Loss) and total comprehensive income/ (expense) allocated to NCI	91	240	(135)

NOTES TO THE FINANCIAL STATEMENTS  
(CONT'D)

**6. INVESTMENTS IN SUBSIDIARIES (CONT'D)**

**6.1 Non-controlling interests in subsidiaries (Cont'd)**

	<b>2023</b>	
	<b>Japan Original Electric (M) Sdn. Bhd. RM'000</b>	<b>TNTT Packages Express Sdn. Bhd. RM'000</b>
<b>Summarised financial information before intra-group elimination</b>		
<b>As at 31 March</b>		
Non-current assets	19,237	14,292
Current assets	231	2,525
Non-current liabilities	(3,099)	(682)
Current liabilities	(1,453)	(7,111)
Net assets	14,916	9,024
<b>Year ended 31 March</b>		
Revenue	–	12,888
Profit for the year/Total comprehensive income	186	2,398
Cash flows (used in)/from operating activities	(134)	7,342
Cash flows used in investing activities	(100)	(3,973)
Cash flows from/(used in) financing activities	200	(3,314)
Net (decrease)/increase in cash and cash equivalents	(34)	55
Dividends paid to NCI	–	200

**6.2 Material accounting policy information**

Investments in subsidiaries are measured in the Company's statement of financial position at cost less any impairment losses.



NOTES TO THE FINANCIAL STATEMENTS  
(CONT'D)

**7. INVESTMENT IN ASSOCIATES**

	<b>Group</b>		<b>Company</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Investment in shares	91,401	90,401	65,000	64,000
Share of post-acquisition reserves	(23,858)	(18,237)	–	–
	<u>67,543</u>	<u>72,164</u>	<u>65,000</u>	<u>64,000</u>
Less: Impairment loss	(317)	(82)	(317)	(82)
	<u><u>67,226</u></u>	<u><u>72,082</u></u>	<u><u>64,683</u></u>	<u><u>63,918</u></u>

Details of material associates are as follows:

<b>Name of entity</b>	<b>Principal place of business and country of incorporation</b>	<b>Effective ownership interest and voting interest</b>	
		<b>2024</b>	<b>2023</b>
		<b>%</b>	<b>%</b>
Terminal Perintis Sdn. Bhd.	Malaysia	49	49
Yakin Kaliber Sdn. Bhd	Malaysia	40	40

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

	<b>Terminal Perintis Sdn. Bhd. RM'000</b>	<b>2024 Other immaterial associate RM'000</b>	<b>Total RM'000</b>
<b>Summarised financial information</b>			
<b>As at 31 March</b>			
Non-current assets	246,384		
Current assets	104,912		
Non-current liabilities	(187,294)		
Current liabilities	(28,573)		
	<u>135,429</u>		
Net assets			
<b>Year ended 31 March</b>			
Loss from continuing operations/Total comprehensive expense	(11,583)		
	<u></u>		
Included in the total comprehensive income is:			
Revenue	42,265		
	<u></u>		
<b>Reconciliation of net assets to carrying amount as at 31 March</b>			
Group's share of net assets/Carrying amount in the statement of financial position	66,360	866	67,226
	<u></u>	<u></u>	<u></u>
Group's share of total comprehensive expenses for the year ended 31 March	(5,676)	55	(5,621)
	<u></u>	<u></u>	<u></u>

NOTES TO THE FINANCIAL STATEMENTS  
(CONT'D)

**7. INVESTMENT IN ASSOCIATES (CONT'D)**

	Terminal Perintis Sdn. Bhd. RM'000	2023 Other immaterial associate RM'000	Total RM'000
<b>Summarised financial information</b>			
<b>As at 31 March</b>			
Non-current assets	250,863		
Current assets	119,404		
Non-current liabilities	(188,578)		
Current liabilities	(34,677)		
Net assets	147,012		
<b>Year ended 31 March</b>			
Loss from continuing operations/Total comprehensive expense	(17,408)		
Included in the total comprehensive income is:			
Revenue	33,838		
<b>Reconciliation of net assets to carrying amount as at 31 March</b>			
Group's share of net assets/Carrying amount in the statement of financial position	72,036	46	72,082
Group's share of total comprehensive expenses for the year ended 31 March	(8,530)	(9)	(8,539)

**7.1 Material accounting policy information**

Investments in associates are measured in the Company's statement of financial position at cost less any impairment losses.

**8. INVESTMENT IN A JOINT VENTURE**

	2024 RM'000	Group 2023 RM'000
Investment in shares	51	51
Share of post-acquisition reserves	(11)	(2)
	40	49

The joint venture is JTN Logistics Park Sdn. Bhd., a company incorporated in Malaysia in which the Group held an equity interest of 51%. Its principal activities consist of those relating to the logistics and warehousing services, property investment and property development.

No disclosure of other information is made as the joint venture is not significant to the Group.

NOTES TO THE FINANCIAL STATEMENTS  
(CONT'D)

**9. INVENTORIES**

	<b>Group</b>		<b>Company</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Non-current</b>				
Properties under development	110,392	127,471	–	–
<b>Current</b>				
Trading stocks	1,944	6,076	371	420
Properties under development	41,477	52,734	–	–
Completed properties held for sale	72,708	76,725	–	–
	116,129	135,535	371	420
	226,521	263,006	371	420

	<b>Group</b>	
	<b>2024</b>	<b>2023</b>
	<b>RM'000</b>	<b>RM'000</b>
Carrying amount of properties under development and completed properties held for sale pledged as security for borrowings (see Note 17)	104,189	132,917

	<b>Group</b>		<b>Company</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Recognised in profit or loss:				
- Inventories recognised as cost of sales	74,366	58,367	56,288	54,550
- Write down to net realisable value (included in cost of sales)	10,893	–	–	–

**9.1 Material accounting policy information**

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is calculated using the first-in first-out method.

NOTES TO THE FINANCIAL STATEMENTS  
(CONT'D)

**10. DEFERRED TAX ASSETS/(LIABILITIES)**

**10.1 Recognised deferred tax assets/(liabilities)**

Deferred tax assets and liabilities are attributable to the following:

	Assets		Liabilities		Net	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>Group</b>						
Property, plant and equipment						
- capital allowances	—	—	(35,910)	(31,748)	(35,910)	(31,748)
- revaluation	—	—	(56,647)	(60,575)	(56,647)	(60,575)
Trade receivables	1,554	1,567	—	—	1,554	1,567
Provisions	1,812	1,502	—	—	1,812	1,502
Unabsorbed capital allowances	5,358	3,050	—	—	5,358	3,050
Unutilised tax losses	1,500	1,228	—	—	1,500	1,228
Fair value gain on investment properties	—	—	(20,107)	(10,583)	(20,107)	(10,583)
Inventories	10,964	8,712	—	—	10,964	8,712
Advances received from property buyers	421	421	—	—	421	421
Right-of-use assets	—	—	(20,692)	(21,053)	(20,692)	(21,053)
Lease liabilities	22,218	22,565	—	—	22,218	22,565
Interest receivables	—	—	(1,371)	(1,571)	(1,371)	(1,571)
Advance lease received	2,514	—	—	—	2,514	—
Others	—	—	(2,534)	(759)	(2,534)	(759)
	46,341	39,045	(137,261)	(126,289)	(90,920)	(87,244)
Set off of tax	(32,254)	(27,244)	32,254	27,244	—	—
Net tax assets/(liabilities)	14,087	11,801	(105,007)	(99,045)	(90,920)	(87,244)
<b>Company</b>						
Property, plant and equipment						
- capital allowances	—	—	(7)	(7)	(7)	(7)
Fair value gain on investment properties	—	—	(3,219)	(2,892)	(3,219)	(2,892)
Interest receivables	—	—	(1,571)	(1,571)	(1,571)	(1,571)
Right-of-use assets	—	—	(349)	(377)	(349)	(377)
Lease liabilities	362	382	—	—	362	382
Net tax assets/(liabilities)	362	382	(5,146)	(4,847)	(4,784)	(4,465)

**NOTES TO THE FINANCIAL STATEMENTS**  
**(CONT'D)**

**10. DEFERRED TAX ASSETS/(LIABILITIES) (CONT'D)**

**10.2 Unrecognised deferred tax assets**

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

	<b>2024</b>	<b>Group</b>
	<b>RM'000</b>	<b>2023</b>
		<b>RM'000</b>
Taxable temporary differences	579	2,232
Unabsorbed capital allowances	6,226	6,286
Unutilised tax losses	45,059	32,321
	<u>51,864</u>	<u>40,839</u>

Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which the Group can utilise the benefits therefrom.

The unrecognised unutilised tax losses will expire in the following year of assessment:

	<b>2024</b>	<b>Group</b>
	<b>RM'000</b>	<b>2023</b>
		<b>RM'000</b>
2028	8,505	8,434
2029	4,634	4,634
2030	3,679	3,679
2031	4,302	4,302
2032	2,605	2,605
2033	8,667	8,667
2034	12,667	–
	<u>45,059</u>	<u>32,321</u>

The unabsorbed capital allowances do not expire under the current tax legislation.

NOTES TO THE FINANCIAL STATEMENTS  
(CONT'D)

**10. DEFERRED TAX ASSETS/(LIABILITIES) (CONT'D)**

**10.3 Movements in temporary differences during the year**

	At 1 April 2022 RM'000	Recognised in profit or loss (Note 21) RM'000	Revaluation reserve RM'000	At 31 March 2023/ 1 April 2023 RM'000	Recognised in profit or loss (Note 21) RM'000	At 31 March 2024 RM'000
<b>Group</b>						
Property, plant and equipment						
- capital allowances	(33,145)	1,397	—	(31,748)	(4,162)	(35,910)
- revaluation	(42,557)	403	(18,421)	(60,575)	3,928	(56,647)
Trade receivables	1,739	(172)	—	1,567	(13)	1,554
Provisions	1,629	(127)	—	1,502	310	1,812
Unabsorbed capital allowances	2,346	704	—	3,050	2,308	5,358
Unutilised tax losses	1,536	(308)	—	1,228	272	1,500
Fair value gain on investment properties	(6,396)	(4,187)	—	(10,583)	(9,524)	(20,107)
Inventories	8,241	471	—	8,712	2,252	10,964
Advance received from property buyers	1,581	(1,160)	—	421	—	421
Right-of-use assets	(17,875)	(3,178)	—	(21,053)	361	(20,692)
Lease liabilities	18,614	3,951	—	22,565	(347)	22,218
Interest receivables	(1,571)	—	—	(1,571)	200	(1,371)
Advance lease received	—	—	—	—	2,514	2,514
Others	—	(759)	—	(759)	(1,775)	(2,534)
	(65,858)	(2,965)	(18,421)	(87,244)	(3,676)	(90,920)

	At 1 April 2022 RM'000	Recognised in profit or loss (Note 21) RM'000	At 31 March 2023/ 1 April 2023 RM'000	Recognised in profit or loss (Note 21) RM'000	At 31 March 2024 RM'000
<b>Company</b>					
Property, plant and equipment					
- capital allowances	(2)	(5)	(7)	—	(7)
Fair value gain on investment properties	(2,817)	(75)	(2,892)	(327)	(3,219)
Interest receivables	(1,571)	—	(1,571)	—	(1,571)
Right-of-use assets	(119)	(258)	(377)	28	(349)
Lease liabilities	122	260	382	(20)	362
	(4,387)	(78)	(4,465)	(319)	(4,784)

NOTES TO THE FINANCIAL STATEMENTS  
(CONT'D)

**10. DEFERRED TAX ASSETS/(LIABILITIES) (CONT'D)**

**10.4 Material accounting policy information**

Where investment properties are carried at their fair value, the amount of deferred tax recognised is measured using the tax rates that would apply on sale of those assets at their carrying values at the reporting date unless the property is depreciable and is held with the objective to consume substantially all of the economic benefits embodied in the property over time, rather than through sale. In all other cases, the amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the reporting date.

**11. TRADE AND OTHER RECEIVABLES**

	<b>Group</b>		<b>Company</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Non-current</b>				
Due from subsidiaries				
- non-trade	–	–	189,718	177,799
Due from an associate				
- non-trade	81,792	84,102	81,792	84,102
	<u>81,792</u>	<u>84,102</u>	<u>271,510</u>	<u>261,901</u>
<b>Current</b>				
Trade receivables	179,439	178,653	2,068	4,485
Other receivables, deposits and prepayments	58,278	61,074	124	1,402
Due from subsidiaries				
- trade	–	–	4,276	4,274
Due from an associate				
- trade	4	1	4	1
	<u>237,721</u>	<u>239,728</u>	<u>6,472</u>	<u>10,162</u>
	<u>319,513</u>	<u>323,830</u>	<u>277,982</u>	<u>272,063</u>

Included in other receivables, deposits and prepayments are as follows:

	<b>Group</b>		<b>Company</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Other receivables	19,663	13,182	–	1,278
Deposits for purchase of:				
- property, plant and equipment	5,564	18,299	–	–
Deposits for rental and utilities	29,288	26,065	124	124
Prepayments	3,763	3,528	–	–
	<u>58,278</u>	<u>61,074</u>	<u>124</u>	<u>1,402</u>



NOTES TO THE FINANCIAL STATEMENTS  
(CONT'D)

**11. TRADE AND OTHER RECEIVABLES (CONT'D)**

Included in trade and other receivables of the Group and the Company are amounts due from related parties and key management personnel of the Group as follows:

	<b>Group</b>		<b>Company</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Due from related parties				
- trade	2,112	1,863	35	67
- non-trade	17	7	–	–
	<u>2,129</u>	<u>1,870</u>	<u>35</u>	<u>67</u>

The current trade amounts due from subsidiaries and associate are unsecured, interest free and with credit terms of 30 days to 90 days.

The non-current non-trade amounts due from subsidiaries/associate are unsecured. Interests are charged at a fixed rate of 4.6% (2023: 4.6%) per annum on monthly outstanding balances.

**12. CONTRACT ASSETS**

Contract assets consist of unbilled amount resulting from sales of properties under development for work completed but not yet billed at reporting date. Contract assets are transferred to receivables when the right to economic benefits become unconditional.

The Group issues billings to purchasers based on the billing schedule as stipulated in the contracts.

**13. OTHER INVESTMENTS**

	<b>Group</b>		<b>Company</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Financial assets at fair value through profit or loss:				
- Shares	14,105	16,261	14,105	16,261
- Unit trust fund	11	10	–	–
	<u>14,116</u>	<u>16,271</u>	<u>14,105</u>	<u>16,261</u>

NOTES TO THE FINANCIAL STATEMENTS  
(CONT'D)

**14. DEPOSITS, CASH AND BANK BALANCES**

	<b>Group</b>		<b>Company</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Fixed deposits placed with licensed banks	1,573	1,518	–	–
Cash and bank balances	9,125	8,332	444	402
<b>Deposits, cash and bank balances in the statements of financial position</b>	<b>10,698</b>	<b>9,850</b>	<b>444</b>	<b>402</b>
Less: Pledged deposits and restricted cash	(2,337)	(2,282)	–	–
Bank overdrafts	(46,493)	(34,135)	–	–
<b>Cash and cash equivalents in the statements of cash flows</b>	<b>(38,132)</b>	<b>(26,567)</b>	<b>444</b>	<b>402</b>

The pledged deposits with licensed banks of the Group of RM1,573,000 (2023: RM1,518,000) and restricted cash of RM764,000 (2023: RM764,000) are pledged for bank facilities granted to certain subsidiaries.

Included in the cash and bank balances of the Group is an amount of RM1,698,000 (2023: RM642,000) of which the utilisation is subject to Section 7A of the Housing Development (Control and Licensing) Act, 1966, as amended by the Housing Developers (Housing Development Account) Regulation, 2002 in Malaysia.

**15. CAPITAL AND RESERVES**

**Share capital**

	<b>Group/Company</b>		<b>Group/Company</b>	
	<b>2024</b>	<b>2023</b>	<b>Number of ordinary shares</b>	
	<b>RM'000</b>	<b>RM'000</b>	<b>2024</b>	<b>2023</b>
			<b>'000</b>	<b>'000</b>
Issued and fully paid shares with no par value classified as equity instruments:				
Ordinary shares	200,236	200,236	527,825	527,825

**Reserves**

	<b>Group</b>		<b>Company</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Distributable</b>				
Retained earnings	535,472	466,278	210,585	210,605
<b>Non-distributable</b>				
Revaluation reserve	219,354	231,280	–	–
Treasury shares	(10,566)	(10,565)	(10,566)	(10,565)
Exchange fluctuation reserve	4,096	2,558	–	–
	212,884	223,273	(10,566)	(10,565)
	748,356	689,551	200,019	200,040

NOTES TO THE FINANCIAL STATEMENTS  
(CONT'D)

**15. CAPITAL AND RESERVES (CONT'D)**

**15.1 Ordinary shares**

The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company. In respect of the Company's treasury shares that are held by the Group (see below), all rights are suspended until those shares are reissued.

**15.2 Revaluation reserve**

Revaluation reserve represents surplus on revaluation of land and buildings of the Group net of deferred tax.

**15.3 Treasury shares**

At the Annual General Meeting held on 28 August 2023, the shareholders of the Company approved the Company's plan to repurchase its own shares. The Directors of the Company are committed to enhancing the value of the Company to its shareholders and believe that the repurchase plan can be applied in the best interests of the Company and its shareholders.

During the financial year, the Company repurchased 2,000 (2023: 2,000) of its issued ordinary shares capital from the open market. The average price paid for the shares repurchased was RM0.72 (2023: RM0.68) per share including transaction costs, and the repurchase transactions were financed by internally generated funds.

At 31 March 2024, a total of 13,781,295 (2023: 13,779,295) repurchased shares are being held as treasury shares. The number of outstanding shares in issue after the set off is 514,044,191 (2023: 514,046,191).

Treasury shares have no rights to voting, dividends and participation in any other distribution. Treasury shares shall not be taken into account in calculating the number or percentage of shares or of a class of shares in the Company for any purposes including substantial shareholding, take-overs, notices, the requisition of meeting, the quorum for a meeting and the result of a vote on a resolution at a meeting.

**16. TRADE AND OTHER PAYABLES**

	<b>Group</b>		<b>Company</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Non-current</b>				
Other payables	23,955	21,573	—	—
<b>Current</b>				
Trade payables	81,698	79,328	4,779	5,157
Contract liabilities	447	—	—	—
Other payables and accrued expenses	127,324	92,314	1,292	1,416
Due to subsidiaries - trade	—	—	8	8
	209,469	171,642	6,079	6,581
	233,424	193,215	6,079	6,581

Contract liabilities represent the obligation of the Company to transfer goods or services to customers for which considerations have been received (or the amount is due) from the customers.

The Group issues billings to purchasers based on the billing schedule as stipulated in the contracts.

NOTES TO THE FINANCIAL STATEMENTS  
(CONT'D)

**16. TRADE AND OTHER PAYABLES (CONT'D)**

Included in other payables and accrued expenses are:

	<b>Group</b>		<b>Company</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Non-current</b>				
Advance lease received	9,490	—	—	—
Investment properties creditors (Note 24)	14,465	21,573	—	—
	23,955	21,573	—	—
<b>Current</b>				
Other payables	27,400	18,043	78	1
Investment properties creditors (Note 24)	8,020	—	—	—
Retention sum held to third parties	26,882	—	—	—
Advance lease received	986	—	—	—
Advances received from property buyers	804	4,680	—	—
Property, plant and equipment creditors (Note 23)	497	4,731	—	—
Deposits for rental of trucks and properties	23,401	18,084	640	574
Due to a Director	—	11,500	—	—
Accrued expenses	39,334	35,276	574	841
	127,324	92,314	1,292	1,416
	151,279	113,887	1,292	1,416

Included in trade and other payables of the Group and the Company are amounts due to related parties as follows:

	<b>Group</b>		<b>Company</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Trade	12,639	7,522	—	—
Non-trade	3	58	8	1
	12,642	7,580	8	1

The amount due to a Director was unsecured, interest free and repayable on demand.

The amount owing to an investment properties creditor represent the outstanding purchase consideration for acquisition of a piece of land under deferred payment scheme. The amount is subject to an interest rate of 4.15% (2023: 4.15%) per annum.

Retention sums are payable upon the expiry of the defect liability periods of 12 to 24 months after date of completion of contracts. The amounts are expected to be settled within a year except for RM6,377,823 which will be due for payment within 24 months.

NOTES TO THE FINANCIAL STATEMENTS  
(CONT'D)

**17. LOANS AND BORROWINGS**

	<b>Group</b>		<b>Company</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Non-current</b>				
<b>Secured</b>				
- Hire purchase liabilities	21,989	17,013	–	–
- Term loans	653,425	457,492	7,427	8,696
- Islamic term loans	498,971	446,349	–	–
	<u>1,174,385</u>	<u>920,854</u>	<u>7,427</u>	<u>8,696</u>
<b>Current</b>				
<b>Secured</b>				
- Hire purchase liabilities	9,716	12,044	–	–
- Term loans	23,984	17,041	1,279	1,229
- Islamic term loans	29,267	31,994	–	–
	<u>62,967</u>	<u>61,079</u>	<u>1,279</u>	<u>1,229</u>
<b>Unsecured</b>				
- Revolving credits	132,741	145,811	9,742	5,311
- Islamic revolving credits	35,000	23,000	–	–
- Bankers' acceptances	105,008	100,618	12,555	10,080
- Islamic trade bills	17,500	10,000	–	–
- Bank overdrafts	30,725	27,950	–	–
- Islamic bank overdraft	15,768	6,185	–	–
	<u>336,742</u>	<u>313,564</u>	<u>22,297</u>	<u>15,391</u>
	<u>399,709</u>	<u>374,643</u>	<u>23,576</u>	<u>16,620</u>
Total borrowings	<u>1,574,094</u>	<u>1,295,497</u>	<u>31,003</u>	<u>25,316</u>

**Security**

The borrowings are secured by way of:

- charges on certain land and buildings, right-of-use assets, investment properties and inventories of the Group as disclosed in Notes 3, 4, 5 and 9 respectively;
- negative pledge on certain assets of a subsidiary;
- fixed deposits of the Group as disclosed in Note 14; and
- corporate guarantee by the Company.

**Significant covenants**

Certain borrowings are subject to the following covenants:

- To maintain Group gearing ratio of not more than 2.00 to 2.25 times as defined by the respective financial institutions;
- To maintain the Group's shareholders' equity of not less than RM700 million; and
- The Managing Director shall maintain more than 40% of direct and indirect shareholdings in the Company.

NOTES TO THE FINANCIAL STATEMENTS  
(CONT'D)

18. REVENUE AND COST OF SALES

18.1 Revenue

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>Revenue from contracts with customers</b>				
Services rendered	658,549	645,502	—	—
Hotel and dormitory income	488	564	—	—
Property development	32,268	14,249	—	—
Goods sold	35,962	46,788	58,412	56,564
	727,267	707,103	58,412	56,564
<b>Other revenue</b>				
Rental income	27,461	15,168	—	—
Interest income	3,726	3,129	13,189	10,590
Dividend income				
- Other investments	163	292	163	292
- Associate	—	—	—	305
	31,350	18,589	13,352	11,187
<b>Total revenue</b>	<b>758,617</b>	<b>725,692</b>	<b>71,764</b>	<b>67,751</b>

18.1.1 Disaggregation of revenue

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>Timing and recognition</b>				
- At a point in time	35,962	46,788	58,412	56,564
- Over time	691,305	660,315	—	—
Revenue from contracts with customers	727,267	707,103	58,412	56,564
Other revenue	31,350	18,589	13,352	11,187
<b>Total revenue</b>	<b>758,617</b>	<b>725,692</b>	<b>71,764</b>	<b>67,751</b>

18.1.2 Nature of goods or services

The following information reflects the typical transactions of the Group and of the Company:

Nature of goods or services	Timing of recognition or method used to recognise revenue	Significant payment terms	Variable element in consideration	Warranty
Services rendered	Revenue is recognised over time for service transactions, such as freight services, based on the cost incurred method	Credit period of 0 - 90 days from invoice date	Not applicable	Not applicable

NOTES TO THE FINANCIAL STATEMENTS  
(CONT'D)

**18. REVENUE AND COST OF SALES (CONT'D)**

**18.1 Revenue (Cont'd)**

**18.1.2 Nature of goods or services (Cont'd)**

Nature of goods or services	Timing of recognition or method used to recognise revenue	Significant payment terms	Variable element in consideration	Warranty
Sales of completed properties	Revenue is recognised when the customer obtains the physical possession or legal title of the completed properties	Credit period of 14 days from invoice date	Not applicable	Not applicable
Property development	Revenue is recognised over time by reference to the progress towards satisfaction of the performance obligation	Credit period of 30 days from invoice date	Rebates are given to purchasers upon signing of the Sale and Purchase Agreement	Defect liability period of 2 years is given to purchasers
Goods sold	Revenue is recognised when the goods are delivered and accepted by the customers	Credit period of 0 - 90 days from invoice date	Not applicable	Not applicable
Revenue from hotel and dormitory income	Revenue is recognised over time during the period of stay for the hotel guests/dormitory guests	Credit period of 0 - 30 days from invoice date	Not applicable	Not applicable

The revenue from contracts with customers of the Group and the Company are not subject to obligation for returns or refunds.

The Group and the Company apply the practical expedient for exemption on disclosure of information on remaining performance obligations that have original expected duration of one year or less.

**18.1.3 Significant judgements and assumptions arising from revenue recognition**

The Group recognises its properties development activities based on the percentage of completion method using the input method which is based on the actual cost incurred to date on the property development project as compared to the total budgeted cost for the respective development projects.

Significant judgement is required in determining the progress towards complete satisfaction of the performance obligation and this includes determining the extent of property development costs incurred and the total estimated costs of property development, which in turn is used to determine the percentage of completion and gross profit margin of property development activities undertaken by the Group.

**18.2 Cost of sales**

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Cost of services	(572,299)	(544,022)	—	—
Cost of properties sold	(36,569)	(10,287)	—	—
Cost of goods sold	(37,797)	(48,080)	(56,288)	(54,550)
<b>Total cost of sales</b>	<b>(646,665)</b>	<b>(602,389)</b>	<b>(56,288)</b>	<b>(54,550)</b>



NOTES TO THE FINANCIAL STATEMENTS  
(CONT'D)

**19. FINANCE INCOME AND FINANCE COSTS**

**19.1 Finance income**

	<b>Group</b>		<b>Company</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Interest income of financial assets that are not at fair value through profit or loss	4,031	3,495	13,190	10,593

Finance income included in:

	<b>Group</b>		<b>Company</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Revenue	3,726	3,129	13,189	10,590
Finance income	305	366	1	3
	4,031	3,495	13,190	10,593

**19.2 Finance costs**

	<b>Group</b>		<b>Company</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Interest expense of financial liabilities that are not at fair value through profit or loss	70,021	48,236	2,237	1,099
Interest expense on lease liabilities	4,952	4,328	71	26
	74,973	52,564	2,308	1,125
Recognised in profit or loss	65,705	46,548	2,308	1,125
Interest expense of financial liabilities that are not at fair value through profit or loss capitalised into qualifying assets:				
- property, plant and equipment	4,541	642	–	–
- investment properties	4,727	5,374	–	–
	74,973	52,564	2,308	1,125

NOTES TO THE FINANCIAL STATEMENTS  
(CONT'D)

**20. OPERATING PROFIT**

Note	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>Operating profit is arrived at after charging/(crediting):</b>				
<b>Auditors' remuneration</b>				
Audit fees:				
- KPMG PLT				
- Current year	473	432	70	70
- Under provision in prior year	53	47	—	2
- Other auditors	72	81	—	—
Non-audit fees				
- KPMG PLT	82	23	9	13
- Local affiliates of KPMG PLT	137	148	11	11
<b>Material expenses/(income)</b>				
Depreciation:				
- Property, plant and equipment	35,577	33,673	7	5
- Right-of-use assets	31,514	29,600	114	109
Impairment loss on:				
- Investments in subsidiaries	—	—	2,183	9,839
- Investments in associates	235	82	235	82
Personnel expenses (including key management personnel):				
- Contributions to state plans	9,274	9,190	14	11
- Wages, salaries and others	124,370	124,383	286	282
Property, plant and equipment written off	89	414	14	—
Change in fair value of investment properties	(87,123)	(40,786)	(3,270)	(746)
(Gain)/Loss on disposal of:				
- Other investments	(1,509)	(939)	(1,509)	(939)
- Property, plant and equipment	183	(364)	—	—
- A subsidiary	—	(215)	—	—
Net foreign exchange gain	(507)	(713)	—	—
Other investments:				
- Fair value loss	2,780	2,998	2,780	2,998
Fair value gain upon transfer from inventories to investment properties	(8,814)	(7,580)	—	—
<b>Expenses/(income) arising from leases</b>				
Expenses relating to short-term leases	a 72,513	64,148	96	309
Expenses relating to variable lease payments not included in the measurement of lease liabilities	252	—	—	—
Rental income from land and buildings	(1,648)	(1,797)	(1,024)	(1,024)
Gain on derecognition of lease	(194)	—	—	—
<b>Net loss/(reversal) on impairment of financial instruments:</b>				
Trade receivables	872	(125)	—	—
Amounts due from subsidiaries	—	—	14,627	(8,011)
	<u>872</u>	<u>(125)</u>	<u>14,627</u>	<u>(8,011)</u>

**Note a**

The Group and the Company lease a number of warehouses, hostels and equipment with contract term of 1 year or less. The Group and the Company have elected not to recognise right-of-use assets and lease liabilities for these leases.

NOTES TO THE FINANCIAL STATEMENTS  
(CONT'D)

## 21. TAX EXPENSE

### 21.1 Recognised in profit or loss

Major components of income tax expense include:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>Current tax expense</b>				
- Current year	6,757	8,417	3,213	2,856
- (Over)/Under provision in prior years	(301)	10	(33)	(2)
	6,456	8,427	3,180	2,854
<b>Deferred tax expense</b>				
- Origination and reversal of temporary differences	5,114	7,093	390	75
- (Over)/Under provision in prior years	(1,438)	(4,128)	(71)	3
	3,676	2,965	319	78
<b>Tax expenses recognised in profit and loss</b>	10,132	11,392	3,499	2,932
Share of tax of equity-accounted associates	6	3,478	–	–
<b>Total income tax expense</b>	10,138	14,870	3,499	2,932

### 21.2 Reconciliation of tax expense

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Profit/(Loss) for the year	57,725	28,068	(20)	5,747
Total income tax expense	10,138	14,870	3,499	2,932
Profit before tax	67,863	42,938	3,479	8,679
Income tax calculated using Malaysian tax rate of 24% (2023: 24%)	16,287	10,305	835	2,083
Effect of different tax rates in foreign jurisdictions	197	257	–	–
Non-deductible expenses	6,041	10,279	4,219	3,243
Effect of fair value change in investment properties	(9,706)	(4,008)	(383)	(104)
Non-taxable income	(3,588)	(1,599)	(1,068)	(2,291)
Unrecognised deferred tax assets	2,646	3,754	–	–
(Over)/Under provision in prior years	11,877	18,988	3,603	2,931
	(1,739)	(4,118)	(104)	1
<b>Total income tax expense</b>	10,138	14,870	3,499	2,932

NOTES TO THE FINANCIAL STATEMENTS  
(CONT'D)

**22. EARNINGS PER ORDINARY SHARE**

**Basic earnings per ordinary share**

The calculation of basic earnings per ordinary share at 31 March was based on the profit attributable to ordinary shareholders and a weighted average number of ordinary shares calculated as follows:

	2024 RM'000	Group 2023 RM'000
Profit for the year attributable to ordinary shareholders	57,268	27,872

Weighted average number of ordinary shares are determined as follows:

	2024 '000	Group 2023 '000
Number of ordinary shares as at 31 March	527,825	527,825
Effect of own shares acquired	(13,781)	(13,779)
Weighted average number of ordinary shares at 31 March	514,044	514,046
Basic earnings per ordinary share (sen)	11.14	5.42

**Diluted earnings per ordinary share**

There is no outstanding dilutive potential ordinary shares.

**23. ACQUISITION OF PROPERTY, PLANT AND EQUIPMENT**

	2024 RM'000	Group 2023 RM'000	2024 RM'000	Company 2023 RM'000
Current year additions	272,752	95,159	7	28
Less: Amount financed by hire purchase liabilities	(10,972)	(6,366)	–	–
Finance cost capitalised	(4,541)	(642)	–	–
(Less)/Add:				
Balances in respect of acquisition of property, plant and equipment included in other payables (Note 16)				
- at the end of year	(497)	(4,731)	–	–
- at the beginning of year	4,731	–	–	–
	261,473	83,420	7	28

**NOTES TO THE FINANCIAL STATEMENTS  
(CONT'D)**

**24. ACQUISITION OF INVESTMENT PROPERTIES**

	<b>2024</b>	<b>Group</b>
	<b>RM'000</b>	<b>2023</b>
		<b>RM'000</b>
Current year additions	52,701	307,265
Less: Finance cost capitalised	(4,727)	(5,374)
(Less)/Add:		
Balances in respect of acquisition of investment properties included		
in other payables at the end of year (Note 16)		
- at the end of year	(22,485)	(21,573)
- at the beginning of year	21,573	–
	<u>47,062</u>	<u>280,318</u>

**25. CAPITAL COMMITMENTS**

	<b>2024</b>	<b>Group</b>
	<b>RM'000</b>	<b>2023</b>
		<b>RM'000</b>
<b>Capital expenditure commitments</b>		
<b>Property, plant and equipment and investment properties</b>		
Contracted but not provided for	<u>97,159</u>	<u>179,621</u>

**26. OPERATING SEGMENTS**

The Group has four reportable segments, as described below:

- Logistics and warehousing services
- Investment
- Property development
- Hotel and dormitory

For each of the business segments, the Group Managing Director who is the Chief Operating Decision Maker, reviews the internal management reports on a monthly basis.

The goods sold segment relates primarily to the trading of diesel and fast-moving consumer goods. The results are reviewed together with the logistics and warehousing services segment by the Group Managing Director.

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

NOTES TO THE FINANCIAL STATEMENTS  
(CONT'D)

**26. OPERATING SEGMENTS (CONT'D)**

**Segment assets**

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

**Segment liabilities**

Segment liabilities information is included in the internal management reports that are reviewed by the Group Managing Director.

**Segment capital expenditure**

Segment capital expenditure is the total cost incurred during the financial year to acquire property, plant and equipment, right-of-use assets and investment properties.

**Geographical segments**

The Group's operations are located mainly in Malaysia.

NOTES TO THE FINANCIAL STATEMENTS  
(CONT'D)

## 26. OPERATING SEGMENTS (CONT'D)

	Logistics and warehousing services		Investment		Property development		Hotel and dormitory		Total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Segment profit/(loss) before tax, interest, depreciation and amortisation</b>										
Depreciation	189,760	144,863	8,178	1,362	8,623	11,505	(583)	(274)	205,978	157,456
Interest income	(65,733)	(61,981)	-	-	(60)	(69)	(1,298)	(1,223)	(67,091)	(63,273)
Finance costs	43	73	-	-	262	293	-	-	305	366
Share of loss in associates	(55,215)	(37,348)	-	-	(8,780)	(7,524)	(1,710)	(1,676)	(65,705)	(46,548)
Share of loss in a joint venture	-	-	(5,621)	(8,539)	-	-	-	-	(5,621)	(8,539)
	-	-	(9)	(2)	-	-	-	-	(9)	(2)
<b>Profit/(Loss) before tax</b>	68,855	45,607	2,548	(7,179)	45	4,205	(3,591)	(3,173)	67,857	39,460
<i>Included in the measure of segment profit are:</i>										
Revenue from external customers	721,403	706,831	3,889	3,421	32,837	14,876	488	564	758,617	725,692
<b>Segment assets</b>	2,480,216	2,070,916	163,174	172,505	313,933	323,195	32,299	34,581	2,989,622	2,601,197
Additions to non-current assets other than inventories, financial instruments and deferred tax assets	392,704	442,359	-	-	96	374	94	1,295	392,894	444,028
<b>Segment liabilities</b>	1,954,601	1,598,867	-	-	64,230	87,665	12,145	14,645	2,030,976	1,701,177
<b>Major customers</b>										

Revenue from one customer of the Group represents approximately RM73.2 million (2023: RM73.7 million) of the Group's total revenue.



NOTES TO THE FINANCIAL STATEMENTS  
(CONT'D)

**27. FINANCIAL INSTRUMENTS**

**27.1 Categories of financial instruments**

The table below provides an analysis of financial instruments categorised as follows:

- (a) Fair value through profit or loss ("FVTPL")  
- Mandatorily required by MFRS 9
- (b) Amortised cost ("AC")

	Carrying amount RM'000	AC RM'000	Mandatorily at FVTPL RM'000
<b>2024</b>			
<b>Financial assets</b>			
<b>Group</b>			
Other investments	14,116	–	14,116
Trade and other receivables*	315,750	315,750	–
Cash and cash equivalents	10,698	10,698	–
	<u>340,564</u>	<u>326,448</u>	<u>14,116</u>
<b>Company</b>			
Other investments	14,105	–	14,105
Trade and other receivables	277,982	277,982	–
Cash and cash equivalents	444	444	–
	<u>292,531</u>	<u>278,426</u>	<u>14,105</u>
<b>2023</b>			
<b>Financial assets</b>			
<b>Group</b>			
Other investments	16,271	–	16,271
Trade and other receivables*	320,302	320,302	–
Cash and cash equivalents	9,850	9,850	–
	<u>346,423</u>	<u>330,152</u>	<u>16,271</u>
<b>Company</b>			
Other investments	16,261	–	16,261
Trade and other receivables	272,063	272,063	–
Cash and cash equivalents	402	402	–
	<u>288,726</u>	<u>272,465</u>	<u>16,261</u>

\* excluding prepayments

NOTES TO THE FINANCIAL STATEMENTS  
(CONT'D)

**27. FINANCIAL INSTRUMENTS (CONT'D)**

**27.1 Categories of financial instruments (Cont'd)**

	Carrying amount RM'000	AC RM'000
<b>2024</b>		
<b>Financial liabilities</b>		
<b>Group</b>		
Loans and borrowings	(1,574,094)	(1,574,094)
Trade and other payables^	(222,144)	(222,144)
	<u>(1,796,238)</u>	<u>(1,796,238)</u>
<b>Company</b>		
Loans and borrowings	(31,003)	(31,003)
Trade and other payables	(6,079)	(6,079)
	<u>(37,082)</u>	<u>(37,082)</u>
<b>2023</b>		
<b>Financial liabilities</b>		
<b>Group</b>		
Loans and borrowings	(1,295,497)	(1,295,497)
Trade and other payables^	(188,535)	(188,535)
	<u>(1,484,032)</u>	<u>(1,484,032)</u>
<b>Company</b>		
Loans and borrowings	(25,316)	(25,316)
Trade and other payables	(6,581)	(6,581)
	<u>(31,897)</u>	<u>(31,897)</u>

^ excluding advances received from property buyers, contract liabilities and advance lease received.

**27.2 Net gains and losses arising from financial instruments**

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Net gains/(losses) on:				
Fair value through profit or loss:				
- Mandatorily required by MFRS 9	4,452	(1,767)	4,452	(1,767)
Financial assets at AC	3,865	4,333	(1,437)	18,604
Financial liabilities at AC	(70,021)	(48,236)	(2,237)	(1,099)
	<hr/>	<hr/>	<hr/>	<hr/>
	(61,704)	(45,670)	778	15,738

NOTES TO THE FINANCIAL STATEMENTS  
(CONT'D)

**27. FINANCIAL INSTRUMENTS (CONT'D)**

**27.3 Financial risk management**

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

- Credit risk
- Liquidity risk
- Market risk

**27.4 Credit risk**

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

**Trade receivables and contract assets**

*Risk management objectives, policies and processes for managing the risk*

The Group's credit control department carried out credit control review with the direct involvement of Executive Directors on an ongoing basis.

In respect of trade receivables and contract assets arising from the sale of development properties, the Group monitors its credit risk by maintaining a register of owners of the development properties until full settlement by the purchaser self-finance portion of the purchase consideration or upon undertaking of end financing by the purchaser's end financier.

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

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

There are no significant changes as compared to prior period.

*Exposure to credit risk, credit quality and collateral*

As at the end of the reporting period, there were no significant concentrations of credit risk and the maximum exposure to credit risk arising from trade receivables and contract assets is represented by the carrying amounts in the statement of financial position.

*Recognition and measurement of impairment loss*

In managing credit risk of trade receivables, the Group maintains separate ageing analysis in respect of trade receivables from logistics and warehousing services and property development.

NOTES TO THE FINANCIAL STATEMENTS  
(CONT'D)

**27. FINANCIAL INSTRUMENTS (CONT'D)**

**27.4 Credit risk (Cont'd)**

**Trade receivables and contract assets (Cont'd)**

*Recognition and measurement of impairment loss (Cont'd)*

For logistics and warehousing services, management has taken reasonable steps to ensure that receivables that are neither past due nor impaired are measured at their realisable values. A significant portion of these receivables are regular customers that have been transacting with the Group. The Group uses ageing analysis to monitor the credit quality of the receivables. Any receivables having significant balances past due more than 90 days, which are deemed to have higher credit risk, are monitored individually.

For property development activities, the progress billings are due within 14 days or 30 days as stipulated in the sale and purchase agreements/billings. The retention sums are due upon the expiry of the defects liability period stated in the respective sale and purchase agreements.

The Group uses an allowance matrix to measure expected credit losses ("ECLs") of trade receivables. Consistent with the debt recovery process, invoices which are past due 90 days will be considered as credit impaired.

Loss rate are calculated using a "roll rate" method based on the probability of a receivable progressing through successive stages of delinquency to 90 days past due.

Loss rates are based on actual credit loss experience over the past three years. The Group also considers differences between (a) economic conditions during the period over which the historic data has been collected, (b) current conditions and (c) the Group's view of economic conditions over the expected lives of the receivables. Nevertheless, the Group believes that these factors are immaterial for the purpose of impairment calculation for the year.

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

**Logistics and warehousing services**

	<b>Gross carrying amount RM'000</b>	<b>Loss allowance RM'000</b>	<b>Net balance RM'000</b>
<b>2024</b>			
<b>Group</b>			
Current (not past due)	84,375	–	84,375
1 - 30 days past due	64,813	412	64,401
31 - 60 days past due	15,485	154	15,331
61 - 90 days past due	6,874	562	6,312
	<hr/> 171,547	<hr/> 1,128	<hr/> 170,419
<b>Credit impaired</b>			
More than 90 days past due	9,589	8,563	1,026
Individually impaired	288	288	–
	<hr/> 181,424	<hr/> 9,979	<hr/> 171,445

NOTES TO THE FINANCIAL STATEMENTS  
(CONT'D)

**27. FINANCIAL INSTRUMENTS (CONT'D)**

**27.4 Credit risk (Cont'd)**

**Trade receivables and contract assets (Cont'd)**

*Recognition and measurement of impairment loss (Cont'd)*

**Logistics and warehousing services (Cont'd)**

	Gross carrying amount RM'000	Loss allowance RM'000	Net balance RM'000
<b>2024</b>			
<b>Company</b>			
Current (not past due)	1,357	–	1,357
1 - 30 days past due	709	–	709
31 - 60 days past due	–	–	–
61 - 90 days past due	1	–	1
	<hr/> 2,067	<hr/> –	<hr/> 2,067
<b>Credit impaired</b>			
More than 90 days past due	1	–	1
	<hr/> 2,068	<hr/> –	<hr/> 2,068
<b>2023</b>			
<b>Group</b>			
Current (not past due)	87,269	2,603	84,666
1 - 30 days past due	56,113	1,110	55,003
31 - 60 days past due	19,108	522	18,586
61 - 90 days past due	5,097	419	4,678
	<hr/> 167,587	<hr/> 4,654	<hr/> 162,933
<b>Credit impaired</b>			
More than 90 days past due	9,451	4,170	5,281
Individually impaired	288	288	–
	<hr/> 177,326	<hr/> 9,112	<hr/> 168,214
<b>Company</b>			
Current (not past due)	523	–	523
1 - 30 days past due	712	–	712
31 - 60 days past due	1,724	–	1,724
61 - 90 days past due	937	–	937
	<hr/> 3,896	<hr/> –	<hr/> 3,896
<b>Credit impaired</b>			
More than 90 days past due	589	–	589
	<hr/> 4,485	<hr/> –	<hr/> 4,485

NOTES TO THE FINANCIAL STATEMENTS  
(CONT'D)

27. FINANCIAL INSTRUMENTS (CONT'D)

27.4 Credit risk (Cont'd)

Trade receivables and contract assets (Cont'd)

*Recognition and measurement of impairment loss (Cont'd)*

Logistics and warehousing services (Cont'd)

The movements in the allowance for impairment in respect of trade receivables from logistics and warehousing services during the year are shown below.

	Lifetime ECL RM'000	Credit impaired RM'000	Total RM'000
<b>Group</b>			
<b>Balance at 1 April 2022</b>	4,665	3,757	8,422
Net remeasurement of loss allowance	323	701	1,024
Amounts written off	(205)	–	(205)
Exchange difference	(129)	–	(129)
<b>Balance at 31 March 2023/1 April 2023</b>	4,654	4,458	9,112
Net remeasurement of loss allowance	(3,529)	4,393	864
Exchange difference	3	–	3
<b>At 31 March 2024</b>	1,128	8,851	9,979

Property development

	Gross carrying amount RM'000	Loss allowance RM'000	Net balance RM'000
<b>2024</b>			
<b>Current (not past due)</b>	7,918	–	7,918
1 - 30 days past due	22	–	22
31 - 60 days past due	–	–	–
61 - 90 days past due	–	–	–
	7,940	–	7,940
<b>Credit impaired</b>			
More than 90 days past due	62	8	54
Individually impaired	326	326	–
	8,328	334	7,994
<b>Trade receivables</b>	8,328	334	7,994

NOTES TO THE FINANCIAL STATEMENTS  
(CONT'D)

**27. FINANCIAL INSTRUMENTS (CONT'D)**

**27.4 Credit risk (Cont'd)**

**Trade receivables and contract assets (Cont'd)**

*Recognition and measurement of impairment loss (Cont'd)*

**Property development (Cont'd)**

	Gross carrying amount RM'000	Loss allowance RM'000	Net balance RM'000
<b>Group</b>			
<b>2023</b>			
Current (not past due)	8,325	—	8,325
1 - 30 days past due	2,377	—	2,377
31 - 60 days past due	1,478	—	1,478
61 - 90 days past due	1,003	—	1,003
	13,183	—	13,183
<b>Credit impaired</b>			
More than 90 days past due	49	8	41
Individually impaired	760	318	442
	13,992	326	13,666
Trade receivables	10,765	326	10,439
Contract assets	3,227	—	3,227
	13,992	326	13,666

The movements in the allowance for impairment in respect of trade receivables and contract assets from property development during the year are shown below.

	<b>Credit impaired</b>	
	<b>2024</b>	<b>2023</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Balance at 1 April</b>	326	1,475
Net remeasurement of loss allowance	8	(1,149)
<b>Balance at 31 March</b>	334	326

**Deposits, cash and bank balances**

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

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



## **27. FINANCIAL INSTRUMENTS (CONT'D)**

### **27.4 Credit risk (Cont'd)**

#### **Other receivables**

The Group and the Company monitor the exposure to credit risk on individual basis.

As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statement of financial position and the Group and the Company do not recognise any allowance for impairment losses.

#### **Financial guarantees**

*Risk management objectives, policies and processes for managing the risk*

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

*Exposure to credit risk, credit quality and collateral*

The maximum exposure to credit risk of the Company amounts to RM1,499 million (2023: RM1,288 million) representing the outstanding banking facilities of certain subsidiaries as at the end of the reporting period.

The maximum exposure to credit risk of the Group amounts to RM19 million (2023: RM20 million) representing the outstanding banking facilities of an associate as at the end of the reporting period

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

*Recognition and measurement of impairment loss*

The Company assumes that there is a significant increase in credit risk when the subsidiaries' and associate's financial position deteriorates significantly. The Company considers a financial guarantee to be credit impaired when:

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

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

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

#### **Inter-company loans and advances/amount due from an associate**

*Risk management objectives, policies and processes for managing the risk*

The Group provides unsecured advances to an associate. Other than trade transactions with subsidiaries, the Company also provides unsecured loans and advances to subsidiaries. The Company monitors the ability of the subsidiaries and associate to repay the advances on an individual basis.

*Exposure to credit risk, credit quality and collateral*

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

Loans and advances provided are not secured by any collateral or supported by any other credit enhancements.

NOTES TO THE FINANCIAL STATEMENTS  
(CONT'D)

**27. FINANCIAL INSTRUMENTS (CONT'D)**

**27.4 Credit risk (Cont'd)**

**Inter-company loans and advances/amount due from an associate (Cont'd)**

*Recognition and measurement of impairment loss*

Generally, the Group or the Company considers advances to subsidiaries and amount due from an associate have low credit risk. The Group or the Company assumes that there is a significant increase in credit risk when the subsidiaries' and associate's financial position deteriorates significantly. As the Group or the Company is able to determine the timing of payments of the amounts due when they are payable, the Group or the Company considers the advances to be in default when the subsidiaries or associate are not able to pay when demanded. The Group or the Company considers amounts due from subsidiaries or associate to be credit impaired when:

- The subsidiaries or associate are unlikely to repay the amounts to the Group or to the Company in full; or
- The subsidiaries or associate are continuously loss making and are having a deficit shareholders' fund.

The Group or the Company determine the probability of default for these advances individually using internal information available.

The following table provides information about the exposure to credit risk and ECLs for subsidiaries' and associate's outstanding balances as at the end of reporting period:

	Carrying amount RM'000	Impairment loss allowance RM'000	Net balance RM'000
<b>Group</b>			
<b>2024</b>			
Low credit risk	81,796	–	81,796
<b>2023</b>			
Low credit risk	84,103	–	84,103
<b>Company</b>			
<b>2024</b>			
Low credit risk	275,790	–	275,790
Credit impaired	16,439	16,439	–
	292,229	16,439	275,790
<b>2023</b>			
Low credit risk	266,176	–	266,176
Credit impaired	1,812	1,812	–
	267,988	1,812	266,176

## 27. FINANCIAL INSTRUMENTS (CONT'D)

### 27.4 Credit risk (Cont'd)

#### Inter-company loans and advances/amount due from an associate (Cont'd)

#### *Recognition and measurement of impairment loss (Cont'd)*

The movement in the allowance for impairment in respect of subsidiaries' outstanding balances during the year is as follows:

	Credit impaired	
	2024 RM'000	2023 RM'000
<b>Company</b>		
<b>Balance at 1 April</b>	1,812	9,823
Net remeasurement of loss allowance	14,627	(8,011)
<b>Balance at 31 March</b>	<u>16,439</u>	<u>1,812</u>

### 27.5 Liquidity risk

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

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

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

NOTES TO THE FINANCIAL STATEMENTS  
(CONT'D)

**27. FINANCIAL INSTRUMENTS (CONT'D)**

**27.5 Liquidity risk (Cont'd)**

*Maturity analysis*

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

	Carrying amount RM'000	Contractual interest rate/ coupon/ Discount rate %	Contractual cash flows RM'000	Under 1 year RM'000	1 - 2 years RM'000	2 - 5 years RM'000	More than 5 years RM'000
<b>Group</b>							
<b>2024</b>							
<i>Non-derivative financial liabilities</i>							
Trade and other payables	199,659	—	199,659	199,659	—	—	—
Other payables	22,485	4.15	25,284	933	933	23,418	—
Secured hire purchase liabilities	31,705	3.78 - 6.25	35,263	11,313	9,217	13,930	803
Secured term loans	677,409	4.40 - 5.97	925,660	53,446	58,370	182,608	631,236
Secured Islamic term loans	528,238	4.50 - 5.59	767,661	54,228	53,467	152,133	507,833
Unsecured revolving credits	132,741	4.79 - 5.66	133,219	133,219	—	—	—
Unsecured Islamic revolving credits	35,000	4.76 - 5.32	35,199	35,199	—	—	—
Unsecured bankers' acceptances	105,008	3.28 - 5.66	105,008	105,008	—	—	—
Unsecured Islamic trade bills	17,500	5.05 - 5.09	17,500	17,500	—	—	—
Unsecured bank overdrafts	30,725	4.07 - 6.89	30,725	30,725	—	—	—
Unsecured Islamic bank overdraft	15,768	5.06 - 5.70	15,768	15,768	—	—	—
Lease liabilities	117,007	2.18 - 5.00	139,535	32,855	18,594	38,619	49,467
Financial guarantees*	—	—	18,557	18,557	—	—	—
	<b>1,913,245</b>		<b>2,449,038</b>	<b>708,410</b>	<b>140,581</b>	<b>410,708</b>	<b>1,189,339</b>

27. FINANCIAL INSTRUMENTS (CONT'D)

27.5 Liquidity risk (Cont'd)

Maturity analysis (Cont'd)

Group	Carrying amount RM'000	Contractual interest rate/ coupon/ Discount rate %	Contractual cash flows RM'000	Under 1 year RM'000	1 - 2 years RM'000	2 - 5 years RM'000	More than 5 years RM'000
<b>2023</b>							
<i>Non-derivative financial liabilities</i>							
Trade and other payables	166,962	—	166,962	—	—	—	—
Other payables	21,573	4.15	24,258	895	895	22,468	—
Secured hire purchase liabilities	29,057	4.00 - 6.46	31,765	13,430	7,770	10,565	—
Secured term loans	474,533	4.15 - 5.69	702,672	37,651	42,792	140,683	481,546
Secured Islamic term loans	478,343	4.25 - 5.21	628,445	48,376	51,791	137,129	391,149
Unsecured revolving credits	145,811	4.26 - 5.01	146,219	146,219	—	—	—
Unsecured Islamic revolving credits	23,000	4.18 - 4.98	23,104	23,104	—	—	—
Unsecured bankers' acceptances	100,618	2.83 - 6.35	100,618	100,618	—	—	—
Unsecured Islamic trade bills	10,000	4.75 - 4.85	10,000	10,000	—	—	—
Unsecured bank overdrafts	27,950	4.07 - 6.89	27,950	27,950	—	—	—
Unsecured Islamic bank overdraft	6,185	5.06 - 5.70	6,185	6,185	—	—	—
Lease liabilities	112,331	2.18 - 5.00	136,975	27,116	18,824	33,963	57,072
Financial guarantees*	—	—	19,896	19,896	—	—	—
	1,596,363		2,025,049	628,402	122,072	344,808	929,767

NOTES TO THE FINANCIAL STATEMENTS  
(CONT'D)

**27. FINANCIAL INSTRUMENTS (CONT'D)**

**27.5 Liquidity risk (Cont'd)**

*Maturity analysis (Cont'd)*

<b>Company</b>	<b>Carrying amount RM'000</b>	<b>Contractual interest rate/ coupon/ Discount rate %</b>	<b>Contractual cash flows RM'000</b>	<b>Under 1 year RM'000</b>	<b>1 - 2 years RM'000</b>	<b>2 - 5 years RM'000</b>	<b>More than 5 years RM'000</b>
<b>2024</b>							
<i>Non-derivative financial liabilities</i>							
Trade and other payables	6,079	—	6,079	6,079	—	—	—
Secured term loans	8,706	5.05	10,001	1,663	1,663	4,989	1,686
Unsecured bankers' acceptances	12,555	3.28 - 4.35	12,555	12,555	—	—	—
Revolving credits	9,742	5.66	9,786	9,786	—	—	—
Lease liabilities	1,509	4.60	1,989	156	156	468	1,209
Financial guarantees*	—	—	1,499,294	1,499,294	—	—	—
	38,591		1,539,704	1,529,533	1,819	5,457	2,895
<b>2023</b>							
<i>Non-derivative financial liabilities</i>							
Trade and other payables	6,581	—	6,581	6,581	—	—	—
Secured term loans	9,925	4.55	11,570	1,650	1,650	4,949	3,321
Unsecured bankers' acceptances	10,080	2.83 - 4.34	10,080	10,080	—	—	—
Revolving credit	5,311	5.01	5,578	5,578	—	—	—
Lease liabilities	1,593	4.60	2,145	156	156	468	1,365
Financial guarantees*	—	—	1,287,679	1,287,679	—	—	—
	33,490		1,323,633	1,311,724	1,806	5,417	4,686

\* The amount represents the outstanding banking facilities of the subsidiaries and an associate as at the end of the reporting period.

NOTES TO THE FINANCIAL STATEMENTS  
(CONT'D)

## 27. FINANCIAL INSTRUMENTS (CONT'D)

### 27.6 Market risk

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

#### Currency risk

The Group is exposed to foreign currency risk on services rendered that are denominated in a currency other than the functional currencies of the Group entities. The currency giving rise to this risk is primarily Singapore Dollar ("SGD").

*Risk management objectives, policies and processes for managing the risk*

In respect of monetary assets and liabilities held in currencies other than Ringgit Malaysia, the Group does not hedge this exposure. However, the Group keeps this policy under review.

*Exposure to foreign currency risk*

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

	<b>Denominated in SGD</b>	
	<b>2024</b>	<b>2023</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Group</b>		
Trade and other receivables	11,244	10,140
Cash and cash equivalents	150	201
Trade and other payables	—	3
	<hr/>	<hr/>
<b>Net exposure</b>	<b>11,394</b>	<b>10,344</b>
	<hr/>	<hr/>

*Currency risk sensitivity analysis*

A 10% (2023: 10%) strengthening of the Ringgit Malaysia against SGD at the end of the reporting period would have decreased post-tax profit or loss by RM866,000 (2023: RM786,000). This analysis is based on foreign currency exchange rate variances that the Group considered to be reasonably possible at the end of the reporting period. This analysis assumes that all other variables, in particular interest rates, remained constant.

A 10% (2023: 10%) weakening of Ringgit Malaysia against SGD at the end of the reporting period would have had equal but opposite effect on the above currency to the amounts shown above, on the basis that all other variables remained constant.

#### Interest rate risk

The Group's investments in fixed rate deposits, fixed rate borrowings and lease liabilities are exposed to a risk of change in their fair value due to changes in interest rates. The Group's variable rate borrowings are exposed to a risk of change in cash flows due to changes in interest rates. Investments in equity securities and short term receivables and payables are not significantly exposed to interest rate risk.

*Risk management objectives, policies and processes for managing the risk*

The Group managed interest rate risk through effective use of its floating and fixed rate debts.



NOTES TO THE FINANCIAL STATEMENTS  
(CONT'D)

**27. FINANCIAL INSTRUMENTS (CONT'D)**

**27.6 Market risk (Cont'd)**

**Interest rate risk (Cont'd)**

*Exposure to interest rate risk*

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

	<b>Group</b>		<b>Company</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Fixed rate instruments</b>				
Financial assets	83,365	85,620	271,510	261,901
Financial liabilities	(344,439)	(330,059)	(22,297)	(15,390)
Lease liabilities	(117,007)	(112,331)	(1,509)	(1,593)
	<u>(378,081)</u>	<u>(356,770)</u>	<u>247,704</u>	<u>244,918</u>
<b>Floating rate instruments</b>				
Financial liabilities	<u>(1,252,140)</u>	<u>(987,011)</u>	<u>(8,706)</u>	<u>(9,925)</u>

*Interest rate risk sensitivity analysis*

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

The Group and the Company do not account for any fixed rate financial assets and liabilities at fair value through profit or loss, and the Group and the Company do not designate derivatives as hedging instruments under a fair value hedge accounting model. Therefore, a change in interest rates at the end of the reporting period would not affect profit or loss.

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

A change of 100 basis points (bp) in interest rates during the reporting period would have increased/ (decreased) the Group and the Company's post-tax profit or loss by RM9,516,000 (2023: RM7,501,000) and RM66,000 (2023: RM75,000) respectively. This analysis assumes that all other variables, in particular foreign currency rates, remained constant.

**Other price risk**

Equity price risk arises from the Group's investments in equity securities.

*Risk management objectives, policies and processes for managing the risk*

The Group monitors the equity investments on a portfolio basis. Material investments within the portfolio are managed on an individual basis and all buy and sell decisions are approved by the Managing Director of the Group.

*Equity price risk sensitivity analysis*

This analysis assumes that all other variables remain constant and the Group's equity investments moved in correlation with FTSE Bursa Malaysia KLCI (FBMKLCI).

A 10% (2023: 10%) strengthening in FBMKLCI at the end of the reporting period would have increased post-tax profit or loss of the Group and the Company by RM1,412,000 (2023: RM1,627,000) and RM1,411,000 (2023: RM1,626,000) respectively. A 10% (2023: 10%) weakening in FBMKLCI would have had equal but opposite effect on the post-tax profit or loss.

NOTES TO THE FINANCIAL STATEMENTS  
(CONT'D)

**27. FINANCIAL INSTRUMENTS (CONT'D)**

**27.7 Fair value information**

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

It is not practical to estimate the fair value for amount due from/(to) an associate/subsidiaries, as it is not practicable to determine their fair value with sufficient reliability since these balances have no fixed terms of repayment.

The table below analyses other financial instruments at fair value.

	Fair value of financial instruments carried at fair value Level 1 RM'000	Fair value of financial instruments not carried at fair value Level 3 RM'000	Total fair value RM'000	Carrying amount RM'000
<b>Group</b>				
<b>2024</b>				
<b>Financial assets</b>				
Other investments	14,116	–	14,116	14,116
<b>Financial liabilities</b>				
Term loans	–	(1,205,647)	(1,205,647)	(1,205,647)
Hire purchase liabilities	–	(32,722)	(32,722)	(31,705)
	–	(1,238,369)	(1,238,369)	(1,237,352)
<b>2023</b>				
<b>Financial assets</b>				
Other investments	16,271	–	16,271	16,271
<b>Financial liabilities</b>				
Term loans	–	(952,876)	(952,876)	(952,876)
Hire purchase liabilities	–	(29,188)	(29,188)	(29,057)
	–	(982,064)	(982,064)	(981,933)
<b>Company</b>				
<b>2024</b>				
<b>Financial assets</b>				
Other investments	14,105	–	14,105	14,105
<b>Financial liabilities</b>				
Term loans	–	(8,706)	(8,706)	(8,706)
<b>2023</b>				
<b>Financial assets</b>				
Other investments	16,261	–	16,261	16,261
<b>Financial liabilities</b>				
Term loans	–	(9,925)	(9,925)	(9,925)

NOTES TO THE FINANCIAL STATEMENTS  
(CONT'D)

**27. FINANCIAL INSTRUMENTS (CONT'D)**

**27.7 Fair value information (Cont'd)**

**Transfers between Level 1 and Level 2 fair values**

There has been no transfer between Level 1 and 2 fair values during the financial year (2023: no transfer in either directions).

**Level 3 fair value**

The following table shows the valuation techniques used in the determination of fair values within Level 3, as well as the key unobservable inputs used in the valuation models.

**Financial instruments not carried at fair value**

Type	Description of valuation technique and inputs used
Term loans/Hire purchase liabilities	Discounted cash flows using a rate based on the current market rate of borrowing of the Group entities at the reporting date.

**27.8 Material accounting policy information**

The Company applies settlement date accounting for regular way purchase or sale of financial assets.

**28. CAPITAL MANAGEMENT**

The Group's objectives when managing capital is to maintain a strong capital base and safeguard the Group's ability to continue as a going concern, so as to maintain investors, creditors and market confidence and to sustain future development of the business. The Directors monitor and determine to maintain gearing ratio that complies with debt covenants and regulatory requirements.

The gearing ratio at 31 March was as follows:

	2024 RM'000	2023 RM'000
Total loans and borrowings (Note 17)	1,574,094	1,295,497
Total equity attributable to owners of the Company	948,592	889,787
Gearing ratio	1.7	1.5

There were no changes in the Group's approach to capital management during the financial year.

Under the requirement of Bursa Malaysia Practice Note No. 17/2005, the Company is required to maintain a consolidated shareholders' equity equal to or not less than the 25 percent of the issued and paid-up capital (excluding treasury shares) and such shareholders' equity is not less than RM40 million. The Company has complied with this requirement.

The Group is also required to maintain gearing ratio as disclosed in Note 17, failing which, the bank may call an event of default.

NOTES TO THE FINANCIAL STATEMENTS  
 (CONT'D)

**29. RELATED PARTIES**

**Significant related party transactions**

Related party transactions have been entered into in the normal course of business under normal trade terms. The significant related party transactions of the Group and the Company are shown below. The balances related to the below transactions are shown in Notes 11 and 16.

		<b>Company</b>	
		<b>2024</b>	<b>2023</b>
		<b>RM'000</b>	<b>RM'000</b>
	<b><u>Transactions</u></b>		
<b>A.</b>	<b>Subsidiaries</b>		
	Interest income	9,479	7,461
	Sales of diesel, NGV gas and canvas	44,120	43,648
	Storage income	1,024	1,024
	Storage expense	(96)	(96)
		<hr/>	<hr/>
<b>B.</b>	<b>Associates</b>		
	Interest income	3,710	3,129
	Dividend income	–	305
		<hr/>	<hr/>
<b>C.</b>	<b>Companies in which certain Directors have financial interest</b>		
	Sales of diesel, NGV gas and canvas	201	260
		<hr/>	<hr/>
<b>D.</b>	<b>Key management personnel</b>		
	<b>Directors</b>		
	- Fee	362	380
	- Remuneration	51	52
		<hr/>	<hr/>
		413	432
		<hr/>	<hr/>
		<b>Group</b>	
		<b>2024</b>	<b>2023</b>
		<b>RM'000</b>	<b>RM'000</b>
<b>A.</b>	<b>Associates</b>		
	Interest income	3,710	3,129
		<hr/>	<hr/>
<b>B.</b>	<b>Companies in which certain Directors' close family members have financial interest</b>		
	Construction of warehouse	–	(195)
	Lease expenses	(30,295)	(29,965)
	Freight charges expense	(172)	(243)
		<hr/>	<hr/>

NOTES TO THE FINANCIAL STATEMENTS  
(CONT'D)

**29. RELATED PARTIES (CONT'D)**

**Significant related party transactions (Cont'd)**

	<b>2024</b>	<b>Group</b>
	<b>RM'000</b>	<b>2023</b>
		<b>RM'000</b>
<b>C. Companies in which certain Directors have financial interest</b>		
Sales of diesel, NGV, cargo and canvas	201	260
Freight charges income	2,424	3,844
Freight charges expenses	(8,829)	(14,533)
Rental income on land and buildings	1,008	982
Lease expenses	(14,135)	(9,039)
Repair and maintenance	(5,052)	(5,049)
Purchase of tyres and tubes	(5,477)	(5,522)
Custom forwarding expense	(302)	(7,704)
Project management fee	133	128
Rental expenses on motor vehicles	(13,689)	(13,962)
	<hr/>	<hr/>
<b>D. Key management personnel</b>		
<b>Directors</b>		
- Remuneration	4,943	3,913
- Fee	362	380
	<hr/>	<hr/>
Total short-term employee benefits	5,305	4,293
	<hr/>	<hr/>
<b>Other key management personnel</b>		
- Wages, salaries and others	9,570	9,785
- Contributions to state plans	1,052	1,065
	<hr/>	<hr/>
	10,622	10,850
	<hr/>	<hr/>
	15,927	15,143
	<hr/>	<hr/>

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

## **STATEMENT BY DIRECTORS**

PURSUANT TO SECTION 251(2) OF THE COMPANIES ACT 2016

In the opinion of the Directors, the financial statements set out on pages 75 to 144 are drawn up in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standard Board, IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 31 March 2024 and of their financial performance and cash flows for the financial year then ended.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors:

**Ong Yoong Nyock**  
Director

**Dato' Fu Ah Kiow @ Oh (Fu) Soon Guan**  
Director  
Date: 22 July 2024

## **STATUTORY DECLARATION**

PURSUANT TO SECTION 251(1)(b) OF THE COMPANIES ACT 2016

I, **Law Tik Long**, the Director primarily responsible for the financial management of TIONG NAM LOGISTICS HOLDINGS BERHAD, do solemnly and sincerely declare that the financial statements set out on pages 75 to 144 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the declaration to be true, and by virtue of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by the abovenamed Law Tik Long, NRIC: 740224-01-5089, MIA CA 18452, at Johor Bahru in the State of Johor on 22 July 2024.

**Law Tik Long**

Before me:

Lim May Wan  
Commissioner For Oaths  
J-353

# **INDEPENDENT AUDITORS' REPORT**

TO THE MEMBERS OF TIONG NAM LOGISTICS HOLDINGS BERHAD

## **REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS**

### **Opinion**

We have audited the financial statements of Tiong Nam Logistics Holdings Berhad, which comprise the statements of financial position as at 31 March 2024 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 75 to 144.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 March 2024, and of their financial performance and their cash flows for the year then ended in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board ("MFRS Accounting Standard"), IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") and the requirements of the Companies Act 2016 in Malaysia.

### **Basis for Opinion**

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

### *Independence and Other Ethical Responsibilities*

We are independent of the Group and of the Company in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

### **Key Audit Matters**

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

#### **(i) Valuation of trade receivables from the logistics and warehousing services segment - Group**

Refer to Note 11 - Trade and other receivables and Note 27.4 - Credit risk.

#### **The key audit matter**

The Group services a large number of customers from various industries and is required to reassess its credit exposures for its trade receivables. Provisions on forward-looking losses may be required.

We have determined the valuation of trade receivables from the logistics and warehousing services segment as a key audit matter because of the judgement involved by the Group in estimating the probability of default of the trade receivables and assessing the adequacy of impairment made.



**INDEPENDENT AUDITORS' REPORT**  
**(CONT'D)**

**Key Audit Matters (Cont'd)**

**(i) Valuation of trade receivables from the logistics and warehousing services segment - Group (Cont'd)**

**How the matter was addressed in our audit**

We performed the following audit procedures, amongst others:

- We evaluated the accounting policies adopted and compared to the requirements of MFRS 9, our business understanding and industry practice;
- We evaluated the design and implementation of the Group's controls over the trade receivables credit control processes and credit limit approvals;
- We evaluated the Directors' key judgements and estimates made including selection and application of the method, assumptions and data in making the estimate;
- We assessed and tested mathematical accuracy of the impairment loss provided;
- We tested the trade receivables ageing report to ascertain the accuracy of the information used to assess the adequacy of impairment loss of trade receivables by testing the age profile of trade receivables to the respective sales invoices; and
- We assessed the adequacy of the Group's disclosures as required by MFRS 7, *Financial Instruments Disclosure*.

**(ii) Valuation of investment properties - Group and Company**

Refer to Note 5 - Investment properties.

**The key audit matter**

The Group's and Company's investment properties of RM801 million and RM38 million respectively as at 31 March 2024 are stated at their fair values based on independent external valuations. The valuation of investment properties is considered as a key audit matter because there are significant judgements and estimates inherent in the valuation of investment properties. The valuations are subjective in nature and sensitive to changes in the key assumptions applied, particularly availability of recent market transactions of comparable properties in close proximity, price per square foot, estimated cost of construction of the building and depreciation.

**How the matter was addressed in our audit**

We performed the following audit procedures, amongst others:

- We evaluated the qualifications and competency of the external valuers and discussed the scope of work with the external valuers to determine whether there were any matters that might have affected the valuers' objectivity or placed limitations in their scope of work;
- We evaluated the appropriateness of the valuation methodologies adopted by the external valuers by comparing them to accepted market practices of similar properties;
- We assessed the key assumptions used in the valuation by comparing them against available industry data; and
- We assessed the adequacy of the Group's and the Company's disclosures in the financial statements on the valuation methodologies, key assumptions used in the valuation and inter-relationships between the assumptions and the valuation amounts.

**INDEPENDENT AUDITORS' REPORT**  
(CONT'D)

**Information Other than the Financial Statements and Auditors' Report Thereon**

The Directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

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

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the annual report and, in doing so, consider whether the annual report is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of the annual report, we are required to report that fact. We have nothing to report in this regard.

**Responsibilities of the Directors for the Financial Statements**

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

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

**Auditors' Responsibilities for the Audit of the Financial Statements**

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

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

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

**INDEPENDENT AUDITORS' REPORT**  
**(CONT'D)**

**Auditors' Responsibilities for the Audit of the Financial Statements (Cont'd)**

- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group or of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that gives a true and fair view.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

**Report on Other Legal and Regulatory Requirements**

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors are disclosed in Note 6 to the financial statements.

**Other Matter**

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

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

**Chua See Guan**  
Approval Number: 03169/02/2025 J  
Chartered Accountant

Johor Bahru

Date: 22 July 2024

## ANALYSIS OF SHAREHOLDINGS

AS AT 28 JUNE 2024

Total Number of Issued Shares	:	527,825,486
Class of Shares	:	Ordinary Share
Voting Rights	:	One (1) Vote Per Ordinary Share
Number of Shareholders	:	5,450

### DISTRIBUTION OF SHAREHOLDINGS

Size of Shareholdings	Number of Shareholders	%	Number of Shares Held	%*
Less than 100	489	8.972	16,208	0.003
100 to 1,000	502	9.211	272,342	0.053
1,001 to 10,000	2,457	45.083	12,932,648	2.516
10,001 to 100,000	1,693	31.064	49,302,160	9.591
100,001 to less than 5% of issued shares	307	5.633	313,522,418	60.992
5% and above of issued shares	2	0.037	137,997,415	26.845
<b>Total</b>	<b>5,450</b>	<b>100.000</b>	<b>514,043,191</b>	<b>100.000</b>

### DIRECTORS' SHAREHOLDINGS

Name	Direct Shareholdings	Percentage of Issued Shares*	Indirect Shareholdings	Percentage of Issued Shares*
1. Dato' Fu Ah Kiow	765,000	0.149	—	—
2. Ong Yoong Nyock	128,601,180	25.018	145,898,865	28.383
3. Yong Kwee Lian	6,650,000	1.294	267,850,045	52.107
4. Ong Wei Kuan	255,000	0.050	—	—
5. Christina Ong Chu Voon	—	—	—	—
6. Chang Chu Shien	2,080,000	0.405	—	—
7. Chen Kuok Chin	—	—	1,226,700	0.239
8. Tan Chuan Gor	—	—	—	—
9. Law Tik Long	45,400	0.009	—	—
10. Mok Juan Chek	30,000	0.006	—	—

### LIST OF SUBSTANTIAL SHAREHOLDERS

Name	Direct	Interest in Shares %*	Indirect	%*
1. TNTT Realty Sdn. Bhd. <sup>(a)</sup>	121,095,415	23.557	—	—
2. Ong Yoong Nyock <sup>(b)</sup>	128,601,180	25.018	145,898,865	28.383
3. Yong Kwee Lian <sup>(c)</sup>	6,650,000	1.294	267,850,045	52.107

#### Notes:

- a Part of the shares are held through Amsec Nominees (Tempatan) Sdn Bhd, Cimsec Nominees (Tempatan) Sdn Bhd, and Maybank Nominees (Tempatan) Sdn Bhd.
- b Part of the shares are held through Affin Hwang Nominees (Tempatan) Sdn Bhd, AllianceGroup Nominees (Tempatan) Sdn Bhd, Ambank (M) Berhad, Amsec Nominees (Tempatan) Sdn Bhd, CGS-CIMB Nominees (Tempatan) Sdn Bhd, HLB Nominees (Tempatan) Sdn Bhd, HLIB Nominees (Tempatan) Sdn Bhd, Kenanga Nominees (Tempatan) Sdn Bhd Maybank Nominees (Tempatan) Sdn Bhd, RHB Capital Nominees (Tempatan) Sdn Bhd, and RHB Nominees (Tempatan) Sdn Bhd.
- c Part of the shares are held through Kenanga Nominees (Tempatan) Sdn Bhd.

\*The percentage of issued shares is computed based on the number of shares in issue of 527,825,486 ordinary shares less 13,782,295 ordinary shares held as Treasury Shares.

**LIST OF THIRTY LARGEST SHAREHOLDERS**

As At 28 June 2024

<b>No.</b>	<b>Name</b>	<b>Number of Shares</b>	<b>%*</b>
1	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TNTT REALTY SDN BHD	77,997,415	15.173
2	AMSEC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT - AMBANK (M) BERHAD FOR ONG YOONG NYOCK	60,000,000	11.672
3	CIMSEC NOMINEES (TEMPATAN) SDN BHD CIMB FOR TNTT REALTY SDN BHD (PB)	23,000,000	4.474
4	AMSEC NOMINEES (TEMPATAN) SDN BHD AMBANK (M) BERHAD	19,693,600	3.831
5	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR BAKAT IMPIAN SDN BHD (8124505)	14,978,000	2.913
6	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR ONG YOONG NYOCK (8039533)	14,795,940	2.878
7	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR RENITRANS SDN BHD	13,409,430	2.608
8	AMSEC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TNTT REALTY SDN BHD	13,098,000	2.548
9	UOB KAY HIAN NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TEO KWEE HOCK	12,051,200	2.344
10	HLIB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR ONG YOONG NYOCK	10,000,000	1.945
11	RHB CAPITAL NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR ONG YOONG NYOCK (CEB)	7,353,100	1.430
12	HLB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TNTT REALTY SDN BHD	7,000,000	1.361
13	KENANGA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR YONG KWEE LIAN	6,650,000	1.293
14	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR ONG YOONG NYOCK	6,632,040	1.290
15	AFFIN HWANG NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR ONG YOONG NYOCK (M04)	5,950,000	1.157
16	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR ONG YOONG NYOCK (MY3272)	5,000,000	0.972
17	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR RENITRANS SDN BHD (501392110894)	4,488,000	0.873

**TIONG NAM LOGISTICS HOLDINGS BERHAD** CO. REG. NO. 198901005177 (182485-V)  
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ANALYSIS OF SHAREHOLDINGS  
(CONT'D)

**LIST OF THIRTY LARGEST SHAREHOLDERS (CONT'D)**

As At 28 June 2024

No.	Name	Number of Shares	%*
18	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TEO KWEE HOCK (7004011)	4,140,400	0.805
19	PHILLIP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR ONG YOONG NYOCK	3,544,060	0.689
20	RHB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR ONG YOONG NYOCK	3,458,480	0.672
21	AMBANK (M) BERHAD PLEDGED SECURITIES ACCOUNT FOR ONG YOONG NYOCK (SMART)	3,404,500	0.662
22	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHEONG BOON LONG (E-TSA)	3,230,000	0.628
23	CIMSEC NOMINEES (TEMPATAN) SDN BHD CIMB FOR CHEONG BOON LONG (PB)	3,145,000	0.611
24	TAJUKON SDN BHD	3,100,000	0.603
25	THROTECH INDUSTRIES SDN.BHD	2,800,000	0.544
26	HLIB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR ASTINAS CONSTRUCTION & DEVELOPMENT SDN. BHD. (MG0037-222)	2,650,598	0.515
27	HLB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR ONG YOONG NYOCK	2,550,000	0.496
28	BAKAT IMPIAN SDN BHD	2,468,400	0.480
29	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHONG MEE TING (8105611)	2,160,400	0.420
30	LOH HOCK LIANG	2,122,620	0.412
<b>TOTAL</b>		<b>340,871,183</b>	<b>66.299</b>

# LIST OF TOP 10 PROPERTIES

AS AT 31 MARCH 2024

<b>Lot No / Location</b>	<b>Description</b>	<b>Existing Use</b>	<b>Tenure/ Tenure Years</b>	<b>Expiry Date</b>	<b>Area (sq ft)</b>	<b>Age of Building (year)</b>	<b>Valuation/ Acquisition date</b>	<b>Carrying Value as at 31 Mar 2024 (RM)</b>
H.S.(D) 620623 PTD 209393, Mukim Tebrau, Johor	Warehouse	Warehouse	Freehold		Land 2,178,000 Built up 1,090,115	1	Mar-24	430,000,000
H.S.(D) 79959 PT 14386 Mukim Damansara Daerah Petaling	5 Blocks of warehouses cum office	Office & warehouse	Leasehold 70 years	26.09. 2092	Land 871,152 Built up 604,510	17	Mar-21	184,192,480
H.S.(M) 4392 PTD 112714, MK Senai - Kulai	2 Blocks of Warehouse	Warehouse	Freehold		Land 987,357 Built up 527,022	5	Mar-23	141,594,458
PT 853, (HSD 316148) Lion Industrial Park Shah Alam	4 Blocks of warehouses/ office cum canteen	Office warehouse & Coldrooms	Freehold		Land 564,996 Built up 302,909	28	Mar-21	113,969,082
H.S.(D) 303868 PTD 2423 (Plot D28A) Mukim of Tanjung Kupang District of Johor Bahru	Warehouse	Warehouse	Leasehold 33 years	22.03. 2055	Land 435,600 Built up 272,217	5	Mar-23	69,581,288
PTD 171026 - 171029 & PTD 175231 - PTD 175235, Mukim Of Plentong, District Of Johor Bahru	Residential Development	Vacant land	Freehold		Land 4,927,507		Nov-14	59,134,247
D25A (PTD 2423, HS(D) 303868) Mukim of Tanjung Kupang District of Johor Bahru	Warehouse	Warehouse	Leasehold 33 years	23.03. 2055	Land 221,241 Built up 252,780	7	Mar-24	54,300,000
LOT PT 3925, Seksyen 39, title HS(M) 16450 (formerly LOT 3176, Section 39, Bandar Kulim, District Kulim, Kedah)	Office/ warehouse	Warehouse	Freehold		Land 641,838 Built up 125,703	2	Mar-23	50,385,830
H.S.(D) 620622 PTD 209392, Mukim Tebrau, Johor	Warehouse	Vacant land	Freehold		Land 549,631		Mar-24	49,000,000
PLO 232, Tanjung Langsat Marine Terminal, Kompleks Perindustrian Tanjung Langsat, Pasir Gudang, Johor	Warehouse	Warehouse	Leasehold 23 years	15.11. 2045	Land 871,200 Built up 141,605	7	Mar-24	47,900,000



# NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT** the Thirty-Fifth (35th) Annual General Meeting (“35<sup>th</sup> AGM” or “AGM”) of **TIONG NAM LOGISTICS HOLDINGS BERHAD** will be held virtually through live streaming from the Broadcast Venue at Lot 30462, Jalan Kempas Baru, 81200 Johor Bahru, Johor Darul Takzim, Malaysia and Remote Participation and Voting facilities provided by Tricor Investor & Issuing House Services Sdn. Bhd. (“Tricor”) via its TIH Online website at <https://tiah.online> on Saturday, 24 August 2024 at 9:30 a.m. to transact the following businesses:

## AS ORDINARY BUSINESS

- |                        |  |                                 |                     |                |                     |                |   |                |                     |                        |   |                |                     |               |   |                |                     |  |
|------------------------|--|---------------------------------|---------------------|----------------|---------------------|----------------|---|----------------|---------------------|------------------------|---|----------------|---------------------|---------------|---|----------------|---------------------|--|
| 1.                     | To receive and adopt the Audited Financial Statements for the financial year ended 31 March 2024 and the Reports of the Directors and Auditors thereon.  | <b>(Please refer to Note 1)</b> |                     |                |                     |                |   |                |                     |                        |   |                |                     |               |   |                |                     |  |
| 2.                     | To re-elect Directors retiring in accordance with the following Regulation in the Constitution of the Company:   |                                 |                     |                |                     |                |   |                |                     |                        |   |                |                     |               |   |                |                     |  |
|                        | <table border="0" style="width: 100%;"> <tr> <td style="width: 40%;">Ong Yoong Nyock</td> <td style="width: 10%;">-</td> <td style="width: 40%;">Regulation 104</td> <td style="width: 10%; text-align: right;"><b>Resolution 1</b></td> </tr> <tr> <td>Yong Kwee Lian</td> <td>-</td> <td>Regulation 104</td> <td style="text-align: right;"><b>Resolution 2</b></td> </tr> <tr> <td>Christina Ong Chu Voon</td> <td>-</td> <td>Regulation 104</td> <td style="text-align: right;"><b>Resolution 3</b></td> </tr> <tr> <td>Mok Juan Chek</td> <td>-</td> <td>Regulation 111</td> <td style="text-align: right;"><b>Resolution 4</b></td> </tr> </table> | Ong Yoong Nyock                 | -                   | Regulation 104 | <b>Resolution 1</b> | Yong Kwee Lian | - | Regulation 104 | <b>Resolution 2</b> | Christina Ong Chu Voon | - | Regulation 104 | <b>Resolution 3</b> | Mok Juan Chek | - | Regulation 111 | <b>Resolution 4</b> |  |
| Ong Yoong Nyock        | -  | Regulation 104                  | <b>Resolution 1</b> |                |                     |                |   |                |                     |                        |   |                |                     |               |   |                |                     |  |
| Yong Kwee Lian         | -  | Regulation 104                  | <b>Resolution 2</b> |                |                     |                |   |                |                     |                        |   |                |                     |               |   |                |                     |  |
| Christina Ong Chu Voon | -  | Regulation 104                  | <b>Resolution 3</b> |                |                     |                |   |                |                     |                        |   |                |                     |               |   |                |                     |  |
| Mok Juan Chek          | -  | Regulation 111                  | <b>Resolution 4</b> |                |                     |                |   |                |                     |                        |   |                |                     |               |   |                |                     |  |
| 3.                     | To approve the payment of the Directors’ Fees amounting to RM 362,360-00 in respect of the financial year ended 31 March 2024.   | <b>Resolution 5</b>             |                     |                |                     |                |   |                |                     |                        |   |                |                     |               |   |                |                     |  |
| 4.                     | To appoint KPMG PLT as Auditors and to authorise the Directors to fix their remuneration.  | <b>Resolution 6</b>             |                     |                |                     |                |   |                |                     |                        |   |                |                     |               |   |                |                     |  |

## AS SPECIAL BUSINESS

- |    |   |                     |
|----|---|---------------------|
| 5. | To consider and if thought fit, pass the following resolution as an ordinary resolution | <b>Resolution 7</b> |
|----|---|---------------------|

### **PROPOSED RENEWAL OF SHAREHOLDERS’ MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE (“RRPTs”)**

“**THAT**, subject to the Companies Act 2016 (“Act”), the Constitution of the Company and the Main Market Listing Requirements of the Bursa Malaysia Securities Berhad, approval be and is hereby given to the Company and/or its subsidiary companies to enter into and give effect to the class and nature of Recurrent Related Party Transactions in Section 2.3 subsection 2.3.1 as specified in the Circular to Shareholders dated 26 July 2024 involving the interests of Directors and major shareholders of the Company, namely **Mr Ong Yoong Nyock and Madam Yong Kwee Lian** and persons connected to them, Ms Christina Ong Chu Voon, Mr Ong Yong Meng, Mr Ong Weng Seng, Madam Yong Wei Lian, Mr Pan Chee Seng and Mr Wong Swee Siong provided that such Recurrent Related Party Transactions are:

- (i) recurrent transactions of a revenue or trading nature;
- (ii) necessary for the day-to-day operations;
- (iii) carried out in the ordinary course of business on normal commercial terms and on terms which are not more favourable to the Related Parties than those generally available to the public; and
- (iv) are not to the detriment of the minority shareholders.

(“Proposed Shareholders’ Mandate of RRPTs - Mr Ong Yoong Nyock and Madam Yong Kwee Lian”);



**NOTICE OF ANNUAL GENERAL MEETING  
(CONT'D)**

**AND THAT** the Mandate is subject to annual renewal and any authority conferred by a Mandate shall only continue to be in force until:

- (a) the conclusion of the next AGM of the Company following the AGM at which such Mandate was passed, at which time it will lapse, unless by a resolution passed at the meeting, the authority is renewed;
- (b) the expiration of the period within which the next AGM after that date is required to be held pursuant to section 340(2) of the Act (but shall not extend to such extension as may be allowed pursuant to section 340(4) of the Act); or
- (c) revoked or varied by resolution passed by the shareholders in general meeting, whichever is the earlier.

**AND FURTHER THAT** the Directors of the Company be authorised to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to the "Proposed Shareholders' Mandate for RRPTs - Mr Ong Yoong Nyock and Madam Yong Kwee Lian".

6. To consider and if thought fit, pass the following resolution as an ordinary resolution

**Resolution 8**

**PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE ("RRPTs")**

**"THAT**, subject to the Companies Act 2016 ("Act"), the Constitution of the Company and the Main Market Listing Requirements of the Bursa Malaysia Securities Berhad, approval be and is hereby given to the Company and/or its subsidiary companies to enter into and give effect to the class and nature of Recurrent Related Party Transactions in Section 2.3.2 as specified in the Circular to Shareholders dated 26 July 2024 involving the interests of a Director, **Mr Ong Wei Kuan** provided that such Recurrent Related Party Transactions are :

- (i) recurrent transactions of a revenue or trading nature;
  - (ii) necessary for the day-to-day operations;
  - (iii) carried out in the ordinary course of business on normal commercial terms and on terms which are not more favourable to the Related Parties than those generally available to the public; and
  - (iv) are not to the detriment of the minority shareholders
- ("Proposed Shareholders' Mandate for RRPTs – Mr Ong Wei Kuan");

**AND THAT** the Mandate is subject to annual renewal and any authority conferred by a Mandate shall only continue to be in force until:

- (a) the conclusion of the next AGM of the Company following the AGM at which such Mandate was passed, at which time it will lapse, unless by a resolution passed at the meeting, the authority is renewed;
- (b) the expiration of the period within which the next AGM after that date is required to be held pursuant to section 340(2) of the Act (but shall not extend to such extension as may be allowed pursuant to section 340(4) of the Act); or
- (c) revoked or varied by resolution passed by the shareholders in general meeting, whichever is the earlier.

**AND FURTHER THAT** the Directors of the Company be authorised to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to the "Proposed Shareholders' Mandate for RRPTs - Mr Ong Wei Kuan".

NOTICE OF ANNUAL GENERAL MEETING  
(CONT'D)

7. To consider and if thought fit, pass the following resolution as an ordinary resolution

**Resolution 9**

**PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE ("RRPTs")**

**"THAT**, subject to the Companies Act 2016 ("Act"), the Constitution of the Company and the Main Market Listing Requirements of the Bursa Malaysia Securities Berhad, approval be and is hereby given to the Company and/or its subsidiary companies to enter into and give effect to the class and nature of Recurrent Related Party Transactions in Section 2.3.3 as specified in the Circular to Shareholders dated 26 July 2024 involving the interests of a Director, **Mr Chang Chu Shien** provided that such Recurrent Related Party Transactions are :

- (i) recurrent transactions of a revenue or trading nature;
  - (ii) necessary for the day-to-day operations;
  - (iii) carried out in the ordinary course of business on normal commercial terms and on terms which are not more favourable to the Related Parties than those generally available to the public; and
  - (iv) are not to the detriment of the minority shareholders
- ("Proposed Shareholders' Mandate for RRPTs – Mr Chang Chu Shien");

**AND THAT** the Mandate is subject to annual renewal and any authority conferred by a Mandate shall only continue to be in force until:

- (a) the conclusion of the next AGM of the Company following the AGM at which such Mandate was passed, at which time it will lapse, unless by a resolution passed at the meeting, the authority is renewed;
- (b) the expiration of the period within which the next AGM after that date is required to be held pursuant to section 340(2) of the Act (but shall not extend to such extension as may be allowed pursuant to section 340(4) of the Act); or
- (c) revoked or varied by resolution passed by the shareholders in general meeting, whichever is the earlier.

**AND FURTHER THAT** the Directors of the Company be authorised to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to the "Proposed Shareholders' Mandate for RRPTs - Mr Chang Chu Shien".

NOTICE OF ANNUAL GENERAL MEETING  
(CONT'D)

8. To consider, and if thought fit, to pass with or without modifications the following resolutions:

**Resolution 10**

**Proposed Renewal of Shareholders' approval for Share Buy-Back ("Proposed Renewal of Share Buy-Back")**

"**THAT** subject to the provisions of the CA 2016, the Constitution of the Company, the Main Market Listing Requirements ("**MMLR**") of Bursa Securities and/or regulatory authorities, the Company be and is hereby authorised to purchase such number of ordinary shares in the Company as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors of the Company may deem fit, necessary and expedient in the interest of the Company provided that the aggregate number of shares purchased pursuant to this resolution shall not exceed ten percent (10%) of the total number of issued shares of the Company at any point in time; and the Directors of the Company shall allocate an amount of funds which will not be more than the aggregate sum of the retained profits of the Company based on the latest audited financial statements and/or the latest management accounts (where applicable) available at the time of purchase of the Proposed Renewal of Share Buy-Back.

**THAT** the Directors of the Company be and is hereby authorised to deal with the shares purchased at their absolute discretion, either partially or fully, in the following manner:

- a) cancel all the shares so purchased; or
- b) distribute the shares as share dividends to the shareholders; or
- c) resell the shares through Bursa Securities in accordance with the rules of Bursa Securities; or
- d) transfer the shares for the purpose of or under an employees' share scheme; or
- e) transfer the shares as purchase consideration; or
- f) such other manners as may be permitted by the CA 2016, the MMLR of Bursa Securities and any other relevant authorities for the time being in force.

**THAT** the Directors of the Company be and is hereby authorised to take all such necessary steps to give effect to the Proposed Renewal of Share Buy-Back with full powers to assent to any conditions, variations, modifications and/or amendments in any manner as may be required by the relevant authorities or deemed by the Directors to be in the best interest of the Company, and to take all steps and to do all such acts and matters as they may consider necessary or expedient to implement, finalise and give full effect to the Proposed Renewal of Share Buy-Back.

**AND THAT** the authority conferred by this resolution shall commence immediately upon the passing of this resolution and continue to be in force until:

- a) the conclusion of the next AGM of the Company at which time the authority shall lapse, unless by ordinary resolution passed at the meeting, the authority is renewed either unconditionally or subject to conditions; or
- b) the expiration of the period within the next AGM of the Company is required by law to be held; or
- c) revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting,

whichever occurs first."

NOTICE OF ANNUAL GENERAL MEETING  
(CONT'D)

**AND THAT** the authority conferred by this resolution shall commence upon the passing of this resolution and shall continue to be in force until: -

- (i) the conclusion of the next annual general meeting ("AGM") of the Company following the forthcoming AGM, at which time the said authority will lapse unless by ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions; or
- (ii) the expiration of the period within which the next AGM of the Company is required to be held pursuant to section 340(2) of the Act (but shall not extend to such extension as may be allowed pursuant to section 340(4) of the Act); or
- (iii) revoked or varied by ordinary resolution passed by shareholders of the Company in a general meeting of the Company,

whichever occurs first;

**AND THAT** the Directors of the Company be and are hereby authorised to take such steps to give full effect to the Proposed Renewal of Share Buy-Back Authority with full power to assent to any conditions, modifications, variations and/or amendments as may be imposed by the relevant authorities and/or to do all acts and things as the Directors may deem fit and expedient in the best interest of the Company."

9. To consider, and if thought fit, to pass with or without modifications the following resolutions:

**Resolution 11**

Proposed authority to issue and allot shares by the Directors pursuant to Sections 75 and 76 of the Companies Act 2016 ("CA 2016") and waiver of pre-emptive rights pursuant to the CA 2016

**"THAT** pursuant to Sections 75 and 76 of the CA 2016, the Directors be and are hereby authorised to issue and allot shares in the Company at any time, at such price, upon such terms and conditions, for such purposes and to such person or persons whomsoever as the Directors may in their absolute discretion, deem fit provided that the aggregate number of shares to be issued does not exceed ten percent (10%) of the total number of issued shares (excluding treasury shares) of the Company at the time of issue **AND THAT** the Directors be and are also authorised to obtain the approval of Bursa Malaysia Securities Berhad ("Bursa Securities") for listing of and quotation for the additional shares so issued **AND THAT** such authority shall continue to be in force until the conclusion of the next AGM of the Company.

**THAT** in connection with the above, pursuant to Section 85 of the CA 2016 to be read together with Clause 13 of the Constitution of the Company, the shareholders do hereby waive the statutory pre-emptive rights of the offered shares in proportion of their holdings at such price and at such terms to be offered arising from any issuance of the new shares above by the Company."

**NOTICE OF ANNUAL GENERAL MEETING  
(CONT'D)**

**FURTHER NOTICE IS HEREBY GIVEN THAT** for the purpose of determining who shall be entitled to attend this meeting, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to make available to the Company pursuant to Paragraph 7.16(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, a Record of Depositors as at **16 August 2024** and only a Depositor whose name appears on such Record of Depositors shall be entitled to attend this meeting or appoint proxies to attend and/or vote on his/her behalf.

By order of the Board

**TAI YIT CHAN** (MAICSA 7009143)  
SSM Practising Cert. No.: 202008001023

**SANTHI A/P SAMINATHAN** (MAICSA 7069709)  
SSM Practising Cert. No.: 201908002933

**LAW TIK LONG** (MIA 18452)  
SSM Practising Cert. No.: 201908003258  
Secretaries

Date: 26 July 2024

**NOTES:**

**1. Audited Financial Statements**

*The audited financial statements are laid in accordance with Section 340(1)(a) of the Companies Act 2016 for discussion only under agenda 1. They do not require shareholders' approval and hence will not be put forward for voting.*

**2. Re-election of Directors who retire in accordance with Regulation 104 and 111 of the Company's Constitution ("Constitution")**

*Clause 104 of the Company's Constitution expressly states that at the Annual General Meeting ("AGM") in every subsequent year, one-third of the Directors for the time being or, if their number is not three or a multiple of three, then, the number nearest to one-third shall retire from office and be eligible for re-election. With the current Board size of nine (9), three (3) Directors are to retire in accordance with Regulation 104 of the Constitution.*

*Whereas Clause 111 of the Company's Constitution provides that any Director so appointed either to fill a casual vacancy or as an addition to the existing Directors shall hold office only until the next following AGM and shall then be eligible for re-election but shall not be taken into account in determining the Directors who are to retire by rotation at such meeting.*

*The Nomination Committee has assessed the performance of these Directors seeking for re-election based on salient criteria of their contribution to the Board's decision making and their individual performance in their roles and responsibilities to the Company/Group.*

*The satisfactory outcome of the assessment was reported to the Board of Directors and the Board recommends these Directors to be re-elected according to the resolutions put forth in the forthcoming AGM.*

*These Directors had abstained from deliberation and participation of their own agenda in both the Nomination Committee meeting as well as the Board of Directors' meeting.*

**3. Directors' fees and allowance**

*Ordinary Resolution 5, pursuant to Section 230(1) of the Companies Act, 2016, the fees of the directors and any benefits payable to the directors of a listed company and its subsidiaries shall be approved at a general meeting.*

*The Fee payable to the Non-Executive Directors up to an amount of RM 362,360-00 is for the period of 1 April 2023 to 31 March 2024.*

*The Board will seek shareholders' approval at the next AGM in the event the remuneration amount is insufficient due to an increase in Board/Board Committee meetings and/or increase in board size. Details of the Directors' fees and benefits paid are disclosed on page 48 in this Annual Report 2024.*

NOTICE OF ANNUAL GENERAL MEETING  
(CONT'D)

**4. Appointment of Auditors**

Ordinary Resolution 6, pursuant to Section 273(b) of the Companies Act, 2016, , the term of office of the present Auditors, Messrs KPMG PLT, shall lapse at the conclusion of this AGM unless they are re-appointed by the shareholders to continue in office.

Messrs KPMG PLT, have indicated their willingness to continue their service. The re-appointment of Messrs KPMG PLT as Auditors has been considered against the relevant criteria prescribed by Paragraph 15.21 of the MMLR. This proposed Ordinary Resolution 6, if passed, will also give the Directors of the Company, the authority to determine the remuneration of the Auditors.

**5. Form of Proxy**

- i. The 35<sup>th</sup> AGM will be conducted virtually through live streaming from the Broadcast Venue at Lot 30462, Jalan Kempas Baru, 81200 Johor Bahru, Johor Darul Takzim, Malaysia and Remote Participation and Voting facilities provided by Tricor Investor & Issuing House Services Sdn. Bhd. ("Tricor") via its TIIH Online website at <https://tiih.online>, members/proxies/corporate representatives/attorneys are advised to refer to the Administrative Details on the registration and voting process for the 35<sup>th</sup> AGM.
- ii. Members/proxies/corporate representatives/attorneys are to attend, speak (including posing questions to the Board via real time submission of typed texts) and vote (collectively, "participate") remotely at the 35<sup>th</sup> AGM via the Remote Participation and Voting facilities ("RPV") provided by Tricor Investor & Issuing House Services Sdn Bhd (the "Share Registrar", "Tricor" or "TIIH") via its TIIH Online website at <https://tiih.online>. Please follow the Procedures for RPV provided in the Administration Details of the 35<sup>th</sup> AGM and read the notes therein in order to participate remotely via RPV.
- iii. Every member is entitled to appoint a proxy (or in the case of a corporation, to appoint a representative) to attend and vote in his place. A proxy may but need not be a member of the Company.
- iv. Where a Member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("Omnibus Account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each Omnibus Account it holds.
- v. Where a member or authorised nominee appoints two (2) proxies, or when an exempt authorised nominee appoints two (2) or more proxies, the appointments shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.
- vi. A member who has appointed a proxy or attorney or corporate representative to attend and vote at the 35<sup>th</sup> AGM must request his/her proxy or attorney or corporate representative to register himself/herself for RPV at TIIH Online website at <https://tiih.online>. Please follow the Procedures for RPV in the Administrative Details of the 35<sup>th</sup> AGM.
- vii. The appointment of a proxy may be made in a hard copy form or by electronic means in the following manner and must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the 35<sup>th</sup> AGM or adjourned general meeting at which the person named in the appointment proposes to vote:
  - (a) In hard copy form  
In the case of an appointment made in hard copy form, the Form of Proxy must be deposited at (with the Share Registrar of the Company at Tricor Investor & Issuing House Services Sdn. Bhd., Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, Tricor Customer Services Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia) not less than forty-eight (48) hours before the time of holding the Meeting or any adjournment thereof.
  - (b) By electronic form  
The Form of Proxy can be electronically lodged via TIIH Online website at <https://tiih.online>. Kindly refer to the Administrative Details of the 35<sup>th</sup> AGM on the procedure for electronic lodgement of proxy form via TIIH Online.



**NOTICE OF ANNUAL GENERAL MEETING  
(CONT'D)**

- viii. Please ensure **ALL** the particulars as required in the Form of Proxy are completed, signed and dated accordingly.
- ix. Last date and time for lodging the Form of Proxy is **Thursday, 22 August 2024 at 9.30 a.m.**
- x. Any authority pursuant to which such an appointment is made by a power of attorney must be deposited at (with the Share Registrar of the Company at Tricor Investor & Issuing House Services Sdn. Bhd., Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, Tricor Customer Services Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia) not less than forty-eight (48) hours before the time appointed for holding the 35<sup>th</sup> AGM or adjourned general meeting at which the person named in the appointment proposes to vote. A copy of the power of attorney may be accepted provided that it is certified notarially and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.
- xi. For a corporate member who has appointed an authorised representative, please deposit the original or duly certified certificate of appointment of authorised representative at (with the Share Registrar of the Company at Tricor Investor & Issuing House Services Sdn. Bhd., Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, Tricor Customer Services Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia.). The certificate of appointment of authorised representative should be executed in the following manner:
- (a) If the corporate member has a common seal, the certificate of appointment should be executed under seal in accordance with the constitution of the corporate member.
- (b) If the corporate member does not have a common seal, the certificate of appointment should be affixed with the rubber stamp of the corporate member (if any) and executed by:
- (1) at least two (2) authorised officers, of whom one shall be a director; or
- (2) any director and/or authorised officers in accordance with the laws of the country under which the corporate member is incorporated.
- xii. For the purpose of determining who shall be entitled to attend this meeting, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to make available to the Company pursuant to Paragraph 7.16(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, a Record of Depositors as at 16 August 2024 and only a Depositor whose name appears on such Record of Depositors shall be entitled to attend this meeting or appoint proxies to attend and/or vote on his/her behalf.

**6. Explanatory Notes on Special Business**

**i. Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature ("RRPTs") ("Proposed Shareholders' Mandate")**

The proposed Resolutions No. 7, 8 and 9 if passed, will authorise the Company and/or its subsidiaries to enter into RRPTs with the respective related parties as set out in Section 2.3, Part B of the Circular to the Shareholders dated 26 July 2024. This authority, unless revoked or varied at a general meeting, will expire at the next Annual General Meeting of the Company. For further information on the Proposed Shareholders' Mandate for RRPTs, please refer to the Circular to Shareholders dated 26 July 2024 which was dispatched together with the Company's 2024 Annual Report.

**ii. Proposed Renewal of Share Buy-Back Authority**

The proposed Resolution No. 10, if passed, will empower the Company to purchase and/or hold up to ten percent (10%) of the total number of issued shares of the Company. This authority, unless revoked or varied at a general meeting, will expire at the next Annual General Meeting of the Company. For further information on the Proposed Share Buy-Back, please refer to Part A of the Circular to the Shareholders dated 26 July 2024 which is dispatched together with the Company's 2024 Annual Report.

**NOTICE OF ANNUAL GENERAL MEETING  
(CONT'D)**

- iii. *Proposed authority to issue and allot shares by the Directors pursuant to Sections 75 and 76 of the CA 2016 and waiver of pre-emptive rights pursuant to the CA 2016*

*The Proposed authority to issue shares, Ordinary Resolution 11, if passed, will give the Directors of the Company, from the date of the 35<sup>th</sup> AGM, authority to issue not more than ten percent (10%) of the total number of issued shares of the Company for such purposes as they consider would be in the best interest of the Company without having to convene separate general meetings. Such issuance of shares will still be subject to the approvals of the Securities Commission and Bursa Securities. This authority, unless revoked or varied at a General Meeting, will expire at the conclusion of the next AGM of the Company.*

*The rationale for this resolution is to eliminate the need to convene general meeting(s) from time to time to seek shareholders' approval as and when the Company issues new shares and thereby reducing administrative time and cost associated with the convening of such meeting(s).*

*The mandate sought under Ordinary Resolution 11 above is a renewal of an existing mandate. There was no issuance of share and thus no proceed being raised since the last renewal was sought.*

*The renewal of the general mandate above, if approved will provide flexibility to the Company for any potential fund-raising activities and there is no specific purpose and utilisation for the proceeds to be raised under this mandate. Hence, the proceed to be raised, if any, may be used for funding future investments, working capital, repayment of bank borrowings and/or any acquisition.*

**Personal Data Privacy:**

*By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, participate, speak and vote at the Annual General Meeting and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the Annual General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Annual General Meeting (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.*





**TIONG NAM LOGISTICS HOLDINGS BERHAD**  
Company No. 198901005177 (182485-V)  
(Incorporated in Malaysia)

**FORM OF PROXY**

No. of Shares held	CDS Account No. (For Nominees Account only)

I/We ..... NRIC/Passport/Registration No.: .....  
(Full name in block letters)

of .....  
(Address)

being a member/members of **TIONG NAM LOGISTICS HOLDINGS BERHAD** hereby appoints:

Full Name (in Block) (P1):	NRIC/Passport No.:	Proportion of Shareholdings	
		No. of Shares	%
Email Address:			
Address:			

and/or\*

Full Name (in Block) (P2):	NRIC/Passport No.:	Proportion of Shareholdings	
		No. of Shares	%
Email Address:			
Address:			

or failing him, the Chairman of the Meeting as my/our proxy to vote for me/us on my/our behalf at the Thirty-Fifth Annual General Meeting of the Company to be held virtually through live streaming from the Broadcast Venue at Lot 30462, Jalan Kempas Baru, 81200 Johor Bahru, Johor Darul Takzim, Malaysia and Remote Participation and Voting facilities provided by Tricor Investor & Issuing House Services Sdn. Bhd. ("Tricor") via its TIIH Online website at <https://tiah.online> on Saturday, 24 August 2024 at 9:30 a.m. or any adjournment thereof.

Please indicate with an "x" in the space below how you wish your votes to be cast. In the absence of specific directions, your proxy will vote or abstain as he thinks fit.

NO.	RESOLUTIONS	FOR	AGAINST
<b>ORDINARY BUSINESS</b>			
1.	Re-election of Director - Ong Yoong Nyock		
2.	Re-election of Director - Yong Kwee Lian		
3.	Re-election of Director - Christina Ong Chu Voon		
4.	Re-election of Director - Mok Juan Chek		
5.	Payment of Directors' Fees of RM 362,360-00		
6.	Appointment of KPMG PLT as Auditors		
<b>SPECIAL BUSINESS</b>			
7.	Proposed Shareholders' Mandate for Recurrent Related Party Transactions - Mr Ong Yoong Nyock and Madam Yong Kwee Lian		
8.	Proposed Shareholders' Mandate for Recurrent Related Party Transactions - Mr Ong Wei Kuan		
9.	Proposed Shareholders' Mandate for Recurrent Related Party Transactions - Mr Chang Chu Shien		
10.	Proposed Renewal of Share Buy-Back Authority		
11.	Proposed authority to issue shares pursuant to Section 75 and 76 of the Companies Act 2016		

For appointment of 2 proxies, percentage of shareholdings **to be represented by the proxies:-**

	No. of shares	Percentage
Proxy 1		
Proxy 2		
<b>Total</b>		<b>100%</b>

Signed this..... day of .....2024

Signature of Member ..... No. of shares held .....



Notes:

1. Every member is entitled to appoint a proxy (or in the case of a corporation, to appoint a representative) to attend and vote in his place. A proxy may but need not be a member of the Company.
2. Where a Member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("Omnibus Account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each Omnibus Account it holds.
3. Where a member or authorised nominee appoints two (2) proxies, or when an exempt authorised nominee appoints two (2) or more proxies, the appointments shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.
4. The Proxy Form must be signed by the member and in the case of a corporation, executed under its common seal or attorney duly authorised in writing or in that behalf. In the case of joint holders, all holders must sign the Proxy Form.
5. The Proxy Form must be deposited at the Share Registrar of the Company at Tricor Investor & Issuing House Services Sdn. Bhd., Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, Tricor Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia not less than 48 hours before the time of holding the Meeting or any adjournment thereof. The last date and time to lodge this proxy form is on Thursday, 22 August 2024 at 9:30 a.m.
6. For the purpose of determining who shall be entitled to attend this meeting, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to make available to the Company pursuant to Paragraph 7.16(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, a Record of Depositors as at 16 August 2024 and only a Depositor whose name appears on such Record of Depositors shall be entitled to attend this meeting or appoint proxies to attend and/or vote on his/her behalf.

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AFFIX  
STAMP

Tiong Nam Logistics Holdings Berhad  
Unit 32-01, Level 32, Tower A,  
Vertical Business Suite, Avenue 3, Bangsar South,  
No. 8, Jalan Kerinchi, 59200 Kuala Lumpur,  
Malaysia

2nd Fold Here

Fold This Flap For Sealing

**TIONG NAM LOGISTICS HOLDINGS BERHAD**  
**198901005177 (182485-V)**



**Lot 30462, Jalan Kempas Baru  
81200 Johor Bahru,  
Johor Darul Takzim  
Malaysia**



**+607 232 1299**



**+07 238 9254**



**[www.tiongnam.com](http://www.tiongnam.com)**