



SLP RESOURCES BERHAD
(Registration No. 200401025355 (663862 - H))

**NAVIGATING INTO
BRIGHTER HORIZON**

ANNUAL REPORT 2024



Navigating into Brighter Horizon

In the face of a volatile economy, SLP remains steadfast, guiding its course through uncertainty with resilience and determination. Like a buoyant sailing boat navigating stormy weather on the open seas, we hold steady and focused, knowing that brighter skies lie ahead on the horizon. As we weather the challenges, our resolute commitment to steady progress and innovation ensures that we continue to diligently build a future of opportunity and growth. With each momentum guided by persistence, we move closer to our vision of sustainability and excellence, ready to embrace new possibilities and chart a course for success in the years to come.



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GROUP PROFILE



AT A GLANCE →

From a manufacturer of ice-tube plastic packaging for domestic market three decades ago, our Group has grown in size and has become a niche manufacturer for wide-range of flexible plastic packaging products and films for domestic and international markets. On 12 March 2008, SLP Resources Berhad ("SLP" or "the Company") was listed on the Main Market of Bursa Malaysia Securities Berhad. The Company is an investment holding company and its three (3) wholly-owned subsidiaries are involved in manufacturing and sale of plastic packaging products and plastic related goods, and trading of polymer products such as resin.

OUR VISION

To be an internationally-renowned plastic packaging solutions specialist through the application of innovative research & development and latest technology

OUR MISSION

To continuously provide innovative, high-quality plastic packaging solutions to meet our customers' ever-changing needs and to exceed users' expectation



OUR CORE VALUES



01
Trustworthiness



02
Caring



03
Innovative



04
Commitment



05
Flexibility to change

OUR GROUP STRUCTURE

as at 31 December 2024



SLP RESOURCES BERHAD

100%

Sinliplas Holding Sdn. Bhd.

100%

SLP Polymers Sdn. Bhd.

100%

SLP Green Tech Sdn. Bhd.

CORPORATE INFORMATION

BOARD OF DIRECTORS

KHAW KHOON TEE
Executive Chairman

KHAW SEANG CHUAN
Group Managing Director

KHAW CHOON HOONG
Executive Director

KHAW CHOON CHOON
Executive Director

LAW CHENG LOCK
Senior Independent Non-Executive
Director

OH PHAIK CHOO
Independent Non-Executive
Director

LEE KEAN CHEONG
Independent Non-Executive
Director

AUDIT AND RISK MANAGEMENT COMMITTEE

OH PHAIK CHOO (Chairman)

LEE KEAN CHEONG (Member)
LAW CHENG LOCK (Member)

NOMINATION COMMITTEE

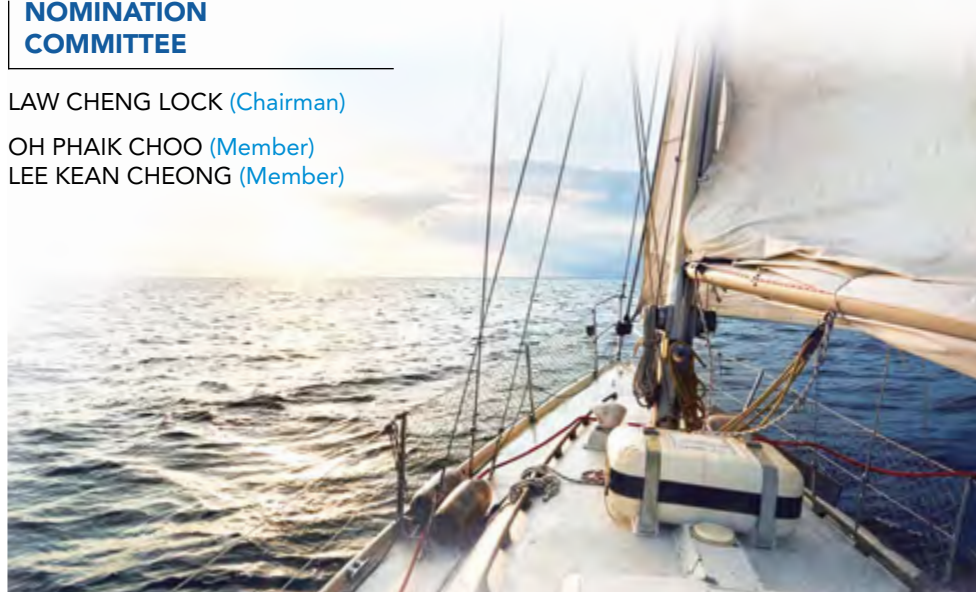
LAW CHENG LOCK (Chairman)

OH PHAIK CHOO (Member)
LEE KEAN CHEONG (Member)

REMUNERATION COMMITTEE

LEE KEAN CHEONG (Chairman)

OH PHAIK CHOO (Member)
LAW CHENG LOCK (Member)



COMPANY SECRETARY

CH'NG LAY HOON
(SSM PC No.: 201908000494)
(MAICSA 0818580)

EXTERNAL AUDITORS

KPMG PLT (LLP0010081-LCA & AF 0758)
Chartered Accountants
Level 18, Hunza Tower,
163E, Jalan Kelawei,
10250 George Town,
Penang, Malaysia

INTERNAL AUDITORS

JWC Consulting Sdn. Bhd.
201601015139 (1186070-H)
1-2-5, BL Business Centre,
Solok Thean Teik,
11500 Ayer Itam,
Penang, Malaysia

PRINCIPAL BANKER

Hong Leong Bank Berhad

REGISTRAR

Securities Services (Holdings)
Sdn Bhd 197701005827 (36869T)
Suite 18.05, MWE Plaza,
No. 8 Lebuhr Farquhar,
10200 Penang, Malaysia
Telephone No.: 604-263 1966
Facsimile No.: 604-262 8544
Email: info@sshsb.com.my

REGISTERED OFFICE

Suite 12-A, Level 12,
Menara Northam, No. 55,
Jalan Sultan Ahmad Shah,
10050 George Town,
Penang, Malaysia
Telephone No.: 604-228 0511
Facsimile No.: 604-228 0518
Email: general@enetcorpsb.com

HEAD OFFICE/ MANAGEMENT OFFICE

P.T.1, Lot 57A,
Lorong Perusahaan 5,
Kulim Industrial Estate,
09000 Kulim, Kedah
Telephone No.: 604-489 1858
Facsimile No.: 604-489 1857

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia
Securities Berhad
Stock Name: SLP
Stock Code: 7248

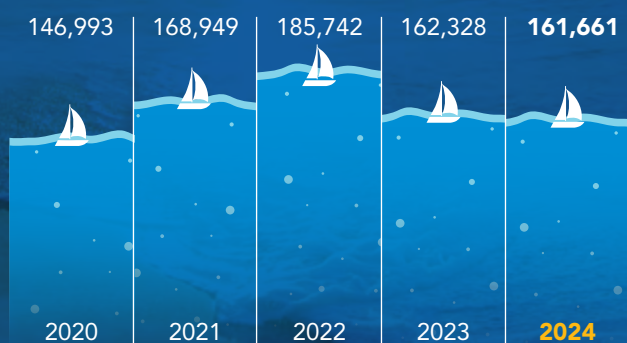
INVESTOR RELATIONS

KHAW SEANG CHUAN, KELVIN
Group Managing Director
Email: kelvin@sinliplas.com.my

FINANCIAL HIGHLIGHTS

31 DECEMBER	2020	2021	2022	2023	2024
Key Operating Results:					
Revenue (RM'000)	146,993	168,949	185,742	162,328	161,661
Profit before tax (RM'000)	22,485	23,300	25,538	14,236	17,455
Profit after tax (RM'000)	16,469	17,726	20,580	10,607	14,044
Total comprehensive income attributable to equity owners of the Company (RM'000)	14,921	20,949	25,176	13,892	12,093
Other Key Financial Data:					
Total assets (RM'000)	216,431	216,608	229,270	219,872	214,041
Total liabilities (RM'000)	34,637	31,297	36,217	28,775	25,907
No of ordinary shares in issue ('000)	316,960	316,960	316,960	316,960	316,960
Equity attributable to owners of the Company (RM'000)	181,794	185,310	193,053	191,097	188,135
Financial Ratio:					
Revenue growth (%)	(11.9)	14.9	9.9	(12.6)	(0.4)
Profit before tax margin (%)	15.3	13.8	13.7	8.8	10.8
Profit after tax margin (%)	11.2	10.5	11.1	6.5	8.7
Return on equity (%)	9.1	9.6	10.7	5.6	7.5
Shares Information:					
Earnings per share (sen)	5.20	5.59	6.49	3.35	4.43
Net dividend per share (sen)	5.50	5.50	5.50	4.75	4.75
Dividend as % of Net Profit (%)	105.9	98.3	84.7	141.9	107.2
Net assets per share (sen)	57.36	58.46	60.91	60.29	59.36

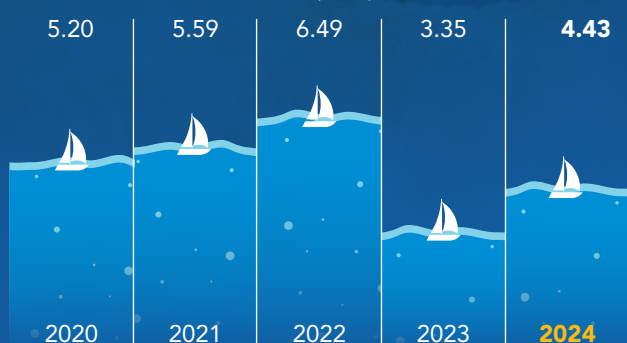
REVENUE (RM'000)



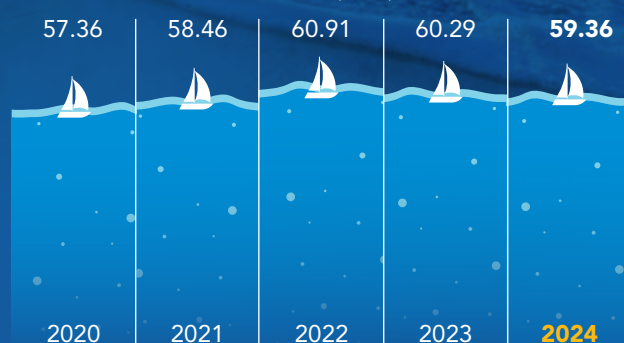
PROFIT AFTER TAX (RM'000)



EARNINGS PER SHARE (SEN)



NET ASSETS PER SHARE (SEN)



PROFILE OF DIRECTORS

→ OUR LEADERSHIP

2

KHAW SEANG CHUAN
Group Managing Director



1

KHAW KHOON TEE
Executive Chairman



3

KHAW CHOON HOONG
Executive Director



4

KHAW CHOON CHOON
Executive Director



5

LAW CHENG LOCK
Senior Independent
Non-Executive Director



6

OH PHAIK CHOO
Independent
Non-Executive Director



7

LEE KEAN CHEONG
Independent
Non-Executive Director



Notes:

- (i) **Family Relationships and Substantial Shareholders**
Save for Khaw Khoon Tee who is the father of Khaw Seang Chuan, Khaw Choon Hoong and Khaw Choon Choon, none of the Directors of the Company have any relationship with any Director or substantial shareholder of the Company.
- (ii) **Directors' Shareholdings**
Details of the Directors' shareholdings in the Company are provided in the Analysis of Shareholdings Section in this Annual Report.
- (iii) **No Conflict of Interest**
All Directors of the Company do not have any conflict of interest or potential conflict of interest, including interest in any competing business, with the Company or its subsidiaries.
- (iv) **Non-Conviction of Offences**
All the Directors have not been convicted with any offences other than traffic offences in the past 5 years and no public sanction or penalty imposed by the relevant regulatory bodies during the financial year.
- (v) **Attendance at Board Meetings**
The number of board meetings attended by the Directors in the financial year ended 31 December 2024 is disclosed in the Corporate Governance Overview Statement of this Annual Report.

PROFILE OF DIRECTORS



**KHAW
KHOON TEE**
Executive Chairman



**KHAW
SEANG CHUAN, KELVIN**
Group Managing
Director

Nationality	Malaysian
Gender	Male
Age	75 years
Date of Appointment	26 August 2009
Date of Re-Designated as Executive Chairman	26 October 2007 (Founder of SLP Group)

Nationality	Malaysian
Gender	Male
Age	55 years
Date of Appointment	26 October 2007
Date of Re-Designated as Managing Director	26 August 2009

Length of Service (as at 18 April 2025)

- 17 years and 5 months
- 17 years and 5 months

Date of Last Re-Election

- 7 June 2024
- 9 June 2023

Board Meetings Attended in The Financial Year

- Five (5) out of five (5) meetings
- Five (5) out of five (5) meetings

Academic Qualification(s)

- Secondary Education
- Secondary Education

Present Directorship(s)

Listed entity: Nil
Other public company: Nil

Listed entity: Nil
Other public company: Nil

Past Appointments and Working Experiences

He was appointed as Treasurer of Malaysian Plastics Manufacturers Association (“MPMA”) in 1994 and as the Chairman of MPMA for northern region of Malaysia in May 2000. Upon his retirement as the Chairman of MPMA in May 2004, he was then appointed as the Adviser to MPMA.

During his involvement in MPMA, he attended annual conferences at the Asia Plastics Forum and the ASEAN Federation of Plastic Industries in relation to the growth of plastic industry in ASEAN. He had also represented MPMA in various discussions and meetings with the Malaysian government authorities in respect of policies such as import duties, legislation framework and new developments within the Plastics Industry.

He has over 50 years of experience in the polymer industry, gaining his experience through a hands-on management style ever since he assisted his late father in their family business involved in the manufacture of plastic packaging products in 1965.

He has more than 30 years of experience in the polymer industry, gaining his experience when he first joined his father in their family business involved in the manufacture of plastic packaging products way back in 1987.

He pioneered the setting up of the Group’s new production lines through technology transfer arrangements with Maruzen Kako Co Ltd of Japan and Okahata Sangyo Co Ltd of Japan in 1998 and Okura Industrial Co Ltd of Japan in 2001. He had initiated a few major new products development for the Group namely Vertical-Form-Fill-Seal films for packaging of edible palm oil in 2005, antibacterial plastic sleeve and newspaper wrapping films in 2009, NCPP wrapping films in 2010/11 and shrink film for food packaging in 2012. The success of the Group in product innovation owes much to his commitments and extensive involvement in research and development, and management of the Group.

PROFILE OF DIRECTORS



**KHAW
CHOON HOONG,
JASMINE**

Executive Director



**KHAW
CHOON CHOON, JESSY**

Executive Director

Nationality	Malaysian
Gender	Female
Age	53 years
Date of Appointment	26 October 2007

Nationality	Malaysian
Gender	Female
Age	51 years
Date of Appointment	1 July 2010

Length of Service (as at 18 April 2025)

- 17 years and 5 months
- 14 years and 9 months

Date of Last Re-Election

- 10 June 2022
- 7 June 2024

Board Meetings Attended in The Financial Year

- Five (5) out of five (5) meetings
- Five (5) out of five (5) meetings

Academic Qualification(s)

- Bachelor Degree in Management from the University of Lethbridge, Canada
- Secondary Education

Present Directorship(s)

Listed entity: Nil
Other public company: Nil

Listed entity: Nil
Other public company: Nil

Past Appointments and Working Experiences

Upon her graduation in 1997, she joined our Group as Marketing Director and has since participated in various trade exhibitions and promotions locally and internationally. She was also the management representative of our Group's quality management system which led to the successful achievement of ISO 9002 quality system certification awarded by Lloyd's Register Quality Assurance to the Group in 1998 and ISO 22000 for Food Safety Management System in 2013.

She has more than 30 years of experience in the polymer industry, gaining her experience when she joined the Group in 1989 as Sales Coordinator. In 2003, she was promoted as Assistant Marketing Manager and later in 2008 as Logistic Manager of the Group.

PROFILE OF DIRECTORS

LAW CHENG LOCK

Senior Independent
Non-Executive Director



OH PHAIK CHOO

Independent
Non-Executive Director



Nationality	Malaysian
Gender	Male
Age	66 years
Date of Appointment	7 August 2014

Nationality	Malaysian
Gender	Female
Age	52 years
Date of Appointment	1 July 2022

Length of Service (as at 18 April 2025)

- 10 years 8 months
- 2 years 9 months

Date of Last Re-Election

- 9 June 2023
- 9 June 2023

Board Committees

- Chairman of Nomination Committee
- Member of Audit and Risk Management Committee and Remuneration Committee
- Chairman of Audit and Risk Management Committee
- Member of Remuneration Committee and Nomination Committee

Board Meetings Attended in The Financial Year

- Five (5) out of five (5) meetings
- Five (5) out of five (5) meetings

Academic Qualification(s)

- LLB (Hons) London CLP
- Chartered Association of Certified Accountants, United Kingdom

Professional Associations

- Member of Kedah Bar
- Member of the Malaysian Institute of Accountants (MIA)
- Fellow of the Association of Chartered Certified Accountants (FCCA)
- Member of The Institute of Internal Auditors Malaysia (IIAM)
- Associate member of Chartered Tax Institute of Malaysia (CTIM)

Present Directorship(s)

Listed entity: Nil
Other public company: Nil

Listed entity: Nil
Other public company: Nil

Past Appointments and Working Experiences

He is a senior lawyer by profession who holds a Bachelor of Laws degree from the University of London and was called to the Malaysian Bar in 1996. He started his legal practise in Penang and is currently based in a law firm in Kulim, Kedah. Having practised law for more than twenty-five years, he has extensive experience as a conveyancer and his scope of practise also covers aspects of corporate and banking law. He also acts as legal advisor to several charitable organisations and societies.

She graduated from Tunku Abdul Rahman College in 1996 and joined a local accounting firm with international affiliation from 1997 to 2007. In 2008, she joined and admitted as partner of KFF PLT and currently in public practice.

PROFILE OF DIRECTORS



Nationality	Malaysian
Gender	Male
Age	57 years
Date of Appointment	1 July 2022

Length of Service (as at 18 April 2025)

- 2 years 9 months

Date of Last Re-Election

- 9 June 2023

Board Committees

- Chairman of Remuneration Committee
- Member of Audit and Risk Management Committee and Nomination Committee

Board Meetings Attended in The Financial Year

- Five (5) out of five (5) meetings

Academic Qualification(s)

- Master degree in Commerce, The University of New South Wales, Australia
- Bachelor degree in Commerce, Murdoch University, Australia

Professional Associations

- Member of the Malaysian Institute of Accountants (MIA)
- Member of the Certified Practising Accountant (CPA) Australia

Present Directorship(s)

Listed entity:

- Pentamaster Corporation Berhad
- MSM International Ltd (Singapore)

Past Appointments and Working Experiences

He started his career with Ernst & Young and later moved to the commercial sector involving public listed companies and multinational corporations. He has more than 25 years of experience in the commerce and financial field, having previously held various senior managerial positions in the commercial sector. Currently, he is one of the partners in an accounting firm and a Director for a management consultancy firm.



SERVING WITH
EXCELLENCE



PROFILE OF KEY SENIOR MANAGEMENT



**SAW
SUE NING**
Group Accountant

Nationality	Malaysian
Gender	Female
Age	37 years
Date of Appointment	25 June 2018

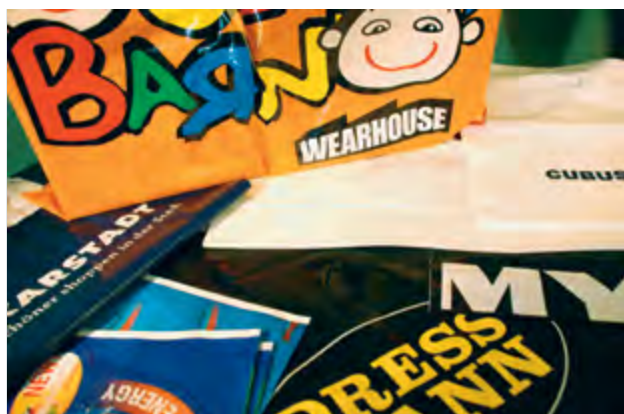
Academic Qualification(s)

- Bachelor of Accounting
- Chartered Associations of Certified Accountants, United Kingdom

Past Appointments and Working Experiences

In year 2011, she was attached with an audit firm involved to external audit. Then, she left the audit firm and started working in manufacturing industry. In year 2018, she joined SLP as Accounts Manager overseeing the accounting and financial reporting of the Group. In year 2021, she was promoted as Group Accountant.

She is a member of the Malaysian Institute of Accountants.



Save as disclosed, none of the Key Senior Management have:

1. any directorship in public companies and listed issuers;
2. any family relationship with any Directors and/or major shareholders of the Company;
3. any conflict of interest or potential conflict of interest, including interest in any competing business, with the Company or its subsidiaries;
4. any conviction for offences within the past 5 years other than traffic offences; and
5. any public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

CHAIRMAN'S MESSAGE



KEY MESSAGES TO SHAREHOLDERS

REVENUE

RM161.7 million
FY2024

PROFIT BEFORE TAX ("PBT")

RM17.5 million
FY2024

NET DIVIDEND PER SHARE

4.75 sen
FY2024

Dear Shareholders,

On behalf of the Board of Directors (the "Board"), I am honoured to present SLP Resources Berhad's ("SLP") Annual Report for the financial year ended 31 December 2024 ("FY2024").

FINANCIAL PERFORMANCE

For FY2024, the Group posted a revenue of RM161.7 million, a slight decrease compared to RM162.3 million in the financial year ended 31 December 2023 ("FY2023"). However, the Group's profit before tax ("PBT") in FY2024 showed a significant improvement of RM3.3 million to RM17.5 million from RM14.2 million in FY2023.

Export sales contributed 41.7% or RM67.5 million of group revenue in FY2024 compared to 34.9% or RM56.7 million of group revenue in FY2023. Despite the vicissitudes of a challenging business landscape in FY2024, the Group's bottom line improved over FY2023, undergirded by higher capacity utilisation and stronger overseas demand. Our operating outlay surged amidst a subdued global economy. Although the situation in the Red Sea and Panama Canal has improved, the logistics costs remain high and continue to erode the Group's margins. In FY2024, the Group encountered delays and extended lead time for goods imported from the North American continent. Intense competition in the local market also negatively impacted our average selling price and margins.

The Managing Director's Message and Management Discussion and Analysis of this Annual Report review the Group's performance for this year in detail.

CHAIRMAN'S MESSAGE

DIVIDEND

The Company has consistently declared and paid annual dividends exceeding 40.0% of the Group's net profit over the past sixteen (16) years.

For FY2024, the Company declared four (4) single-tier dividends totalling 4.75 sen, with a total payout of RM15.1 million.

This payout represents approximately 107.2% of the Group's net profit and exceeds the Group's commitment to pay out at least 40% of its annual net profit to reward our shareholders for their trust and faith in the Company.

The Company will continue to pay dividends based on its business performance to ensure a satisfactory return on investment to shareholders while conserving sufficient funds for capital requirements.

GOOD CORPORATE GOVERNANCE

The Board continually applies corporate governance best practices as a crucial step towards achieving continuous growth. We are committed to implementing business strategies that correspond with the Group's visions deemed value-accretive to protect and maximise stakeholders' value. The Annual Report's Corporate Governance Overview Statement emphasises our commitment to upholding and improving corporate governance group-wide.

SUSTAINABILITY AND ESG INITIATIVES

The Board persistently compiles best practices in corporate governance, recognising this endeavour as vital to pursuing continuous growth. Our commitment lies in executing business strategies that align harmoniously with the Group's vision, regarded as value-accretive, safeguarding and maximising shareholders' interests.

This annual report's Corporate Governance Overview Statement accentuates our initiatives to uphold and enhance corporate governance throughout the Group.

Aiming to provide customers with an unparalleled value proposition, the Group fosters durable and loyal relationships.

The Group's core strengths emanate from its people, encompassing employees, suppliers, customers, shareholders, and other stakeholders. The engagement and satisfaction of these individuals propel the Group towards achieving sustainability across all dimensions of business operations, spanning from the procurement of raw materials to the efficiencies in production processes, culminating in the final delivery and utilisation of our products.

The Board recognises the significance of weaving sustainability into the organisation's fabric, aspiring to achieve excellence and create value within its operations. As a responsible corporate citizen, the Group endeavours to meet the expectations of shareholders, stakeholders, and the community by honouring its social responsibilities.

We continuously commit to educating our management team and updating board members regarding new and revised statutory, regulatory, and reporting requirements set forth by Bursa Malaysia, the Securities Commission, the Companies Commission of Malaysia, the Inland Revenue Board, the Malaysian Accounting Standards Board, Bank Negara Malaysia and other statutory bodies.

Moreover, we allocate resources and time to education, training, documentation, and implementing new or revised ESG initiatives, thereby fortifying our management and coordination of environmental, social, and governance programmes, which ensures our Group's responsible, ethical, and enduring success while enhancing the well-being of our employees and stakeholders.



In FY2024, as part of our corporate social responsibility initiative, we distributed over RM10,000 worth of medical equipment, hygiene care products, and nutritional food aids to the elderly care home.

SOUTHEAST ASIA AND MALAYSIA'S ECONOMIC OUTLOOK AND THE CHALLENGES AHEAD

The Asian Development Bank ("ADB") forecasts 4.7% gross domestic product ("GDP") growth in 2025, compared to the projected 4.6% for 2024. According to the ADB, robust consumption, increased investment, continued tourism recovery, and a rebound in electronic exports will support growth in 2025.

CHAIRMAN'S MESSAGE

SOUTHEAST ASIA AND MALAYSIA'S ECONOMIC OUTLOOK AND THE CHALLENGES AHEAD (Cont'd)

However, the new Trump administration's planned spending cuts, the weakening of the Japanese Yen, and the Russian-Ukraine War will reduce imports from the world's two largest economies, impacting exporting nations such as Malaysia while raising the cost of doing business with artificially high oil prices.

Furthermore, augmented geopolitical tensions could once more make global trade intractable. Severe weather disturbances could also disrupt growth momentum across the subregion.

Most economists expect Malaysia to grow moderately, between 4.5% and 4.8%, compared to the 5% growth in the fourth quarter of 2024, fuelled by favourable labour market conditions and fiscal policies.

According to Bank Negara Malaysia, the robust expansion in investment activity, strong exports, resilient household spending, continued progress of multi-year projects in both the private and public sectors, higher realisation of approved investments, and the implementation of catalytic initiatives under the national master country's economy will drive Malaysia's economy in 2025.

Malaysia's debt-to-GDP ratio, among the highest in the region, will tighten its monetary policy and impact its investment and consumption initiatives, while its high household and corporate debts will lead to higher borrowing costs.

PROSPECTS AND STRATEGIES

The vicissitudes of the turbulent economic landscape in 2025 challenge us to think outside the box to navigate the Group to a brighter horizon. Our 2025 corporate theme, 'Navigating Towards a Brighter Horizon,' includes plans to develop bespoke niche, environmentally friendly products for specific high-growth markets.

We will focus on our new products in Japan and New Zealand. According to an International Monetary Fund ("IMF") report, Japan's growth will accelerate in 2025, with private consumption strengthening further, as above-inflation wage growth will boost households' disposable income. The IMF expects private investment to remain strong, undergirded by high corporate profits and accommodative financial conditions.

Westpac, one of the largest banks in New Zealand, projects a rosy year for the country, supported by a 2.5% growth rate in 2025. It also expects another one percentage point cut in the official cash rate in 2025 - reducing the benchmark interest rate to 3.25%, which should stimulate the economy. Westpac expects household spending and tourism to grow again, which should drive the demand for flexible plastic packaging products.

A recent Fortune Business Insights report projects that the global flexible plastic packaging market, valued at US\$157.74 billion in 2024, will hit US\$ 250.34 billion by 2032, exhibiting a 6% compound annual growth rate ("CAGR") during the forecast period. Asia Pacific dominated the flexible plastic packaging market with a market share of 38.32% in FY2024.

Given the abovementioned factors, we will strategically evaluate our capital expenditures in FY2025. We will focus on expanding production capacity to tap into new markets while driving further automation. This approach aims to lower operating costs, reduce reliance on labour and enhance overall production efficiency. In FY2025, regional economic data, consumer spending habits, and the ringgit's performance against the greenback and others will influence the demand for our products.

Through our marketing networks and distribution channels, we expect our new packaging products to gain favourable client responses, enabling us to penetrate new markets.

The Group acknowledges the importance of environmental, social and governance ("ESG") and has allocated capital expenditure in FY2025 to support such programmes. We shall stay circumspect and adaptable in making business decisions to address the rapidly evolving business landscape.

For SLP, we will continue to innovate cost-effective, bespoke packaging solutions to sustain the Group's performance and generate long-term returns to shareholders.

APPRECIATION

On behalf of the Board, I sincerely thank the Group's management and employees for their dedication, team spirit and hard work in achieving sustainable financial results in FY2024.

Lastly, I thank our stakeholders, including customers, shareholders, suppliers, and other business associates, for their long-standing support, cooperation, and assistance.

Khaw Khoon Tee
Executive Chairman

GROUP MANAGING DIRECTOR'S MESSAGE AND MANAGEMENT DISCUSSION AND ANALYSIS



Dear Valued Shareholders,

We anticipate that Trump's spending cuts and tariffs will create new intractable barriers to the global economy in 2025. The austerity budget, impacting public schools, foreign aid, broadband, green subsidies and medical aid, will save the Trump administration over US\$600 billion annually. These cuts will reverberate through the population's spending power by raising unemployment, lowering imports, and impacting exporting nations like Malaysia. The US gross domestic product ("GDP") is expected to slow to 1.8% in 2025 from 2.7% in 2024.

The US Federal Reserve (Fed) has indicated that it will cut interest rates by a 50-basis-point (bp) instead of 100 bps as previously projected, as the disinflation process has stalled, indicating that the US dollar may remain strong, with interest rates remaining high in 2025. High interest rates will divert funds from Asia to the US, weakening their currencies and purchasing power, particularly the buying capacity of Asian economic juggernauts like China and Japan, which will hit Malaysia, their primary trading partner. Current federal rates in the US is between 4.25% and 4.5% compared to over 5% in September 2024.

For example, as the currencies of China and Japan weaken, their ability to purchase Malaysian goods may decline, leading to a drop in demand for Malaysian exports and an overall economic slowdown in Malaysia, which will affect growth prospects and job creation. China's yuan has lost 2.4% against the dollar since Donald Trump's election victory in November 2024.

If the Malaysian Ringgit is closely tied to the currencies of China and Japan, it may also face downward pressure, leading to further economic challenges. A debilitated ringgit means Malaysian consumers may pay more for imported goods, impacting inflation rates within Malaysia.

And should Trump impose tariffs on Malaysia, the country's exports to the US will also be affected. The challenges stemming from the US requires a circumspect business approach to guide the group's directions and growth.

'Navigating into Brighter Horizon', our corporate theme for 2025, aptly sums up our risk-averse blueprint. Fortunately, rays of hope radiate. The stability of oil and resin prices has allowed us to bear with the rise of logistic costs and compete. Polyethylene prices have stabilised around US\$ 1000 per tonne for the past 12 months, allowing us to imbibe the increase in logistic costs without raising our selling prices.

For 2025, we will be more cautious to perform due diligence processes before committing in any capital expenditure, for example to upgrade our machinery in order to reduce dependency on labour and increase production efficiency.

GROUP MANAGING DIRECTOR'S MESSAGE AND MANAGEMENT DISCUSSION AND ANALYSIS

Despite the anticipated challenges ahead, we remain steadfast in our commitment to declaring dividends to reward our shareholders in accordance with our established policies.

Given Japan's status as our largest export market, we expect that improvement in its economy particularly those driven by a resurgence in its tourism sector will significantly enhance our performance in 2025.

According to a ReportLinker analysis, Japanese plastic imports are expected to reach US\$19.9 billion by 2028, rising from US\$18 billion in 2023, marking an average 1.6% annual growth rate. Over the same period since 1993, Japan's demand for plastic has grown by an average of 1.1% annually.

Another pivotal market, New Zealand, stands on the brink of recovery in 2025, buoyed by low interest rates that encourage consumer spending. However, persistent global economic uncertainties may exert pressure on business investment choices. The combination of heightened prices for several key commodities and a depreciating exchange rate promises to significantly bolster export revenues.

On the domestic front, we expect the country's economy to improve and stimulate demand for flexible plastic packaging solutions in the food and beverage, hospital, and hotel sectors.

OCBC Global Markets Research adopts a cautiously optimistic stance, projecting a 4.5% GDP growth for Malaysia in 2025, riding on enhanced household and investment expenditures alongside a robust electrical and electronic (E&E) sector that will support the nation's economic landscape. While OCBC predicts strong E&E export growth, it expects a moderation compared to the figures observed in 2024.

Regarding monetary policy, OCBC foresees that underlying inflationary pressures will remain manageable, with no adjustments to Bank Negara Malaysia's policy rate anticipated in 2025. Since May 2023, Bank Negara Malaysia has maintained the overnight policy rate at 3%. In Malaysia, the food service market is estimated to reach US\$14.75 billion in 2025, with projections indicating growth to US\$27.5 billion by 2030, reflecting a remarkable compound annual growth rate of 13.26% during the same period. This industry is undergoing a significant digital transformation, propelled by increasing internet access and social media engagement.

The hotel market revenue in Malaysia is anticipated to attain US\$1.38 billion by 2025. Forecasts suggest a 3.4% annual growth rate, leading to an expected market volume of US\$1.57 billion by 2029.

Moreover, the hospital market in Malaysia is set for substantial growth in the coming years. Projections indicate that revenue in this sector could reach US\$ 9.04 billion by 2025. Furthermore, an annual growth rate of 5.67% is anticipated between 2025 and 2029, resulting in a market volume of US\$11.27 billion by 2029.

According to a research report from Mordor Intelligence, the Asia-Pacific flexible packaging market, valued at approximately US\$84.82 billion in 2025, is projected to attain US\$96.76 billion by 2030, reflecting a 2.67% compound annual growth rate during the forecast period from 2025 to 2030. The flexible packaging sector in this region is set to experience stable growth as several leading vendors increasingly prioritise environmental sustainability by implementing efficient manufacturing practices throughout the packaging life cycle, which encompasses manufacturing, transportation, and disposal.

As retail sales continue to flourish, markets tend to expand, paving the way for new product introductions and an enhanced distribution of existing offerings. The versatility of flexible packaging across many product categories facilitates its utilisation in various industries, including food and beverages, pharmaceuticals, and personal care.

OVERVIEW OF THE GROUP'S BUSINESS AND OPERATIONS

SLP Resources Berhad ('SLP' or 'the Company'), along with its three (3) wholly-owned subsidiaries (herein collectively referred to as "the Group") manufactures and distributes flexible plastic packaging and ancillary products.

With a workforce of 312 individuals in Kulim, SLP maintains in its own production facilities covering a total area of 387,000 square feet. The Group prides itself on producing high-quality, thin-gauged flexible plastic packaging products, servicing the Malaysian market, and extending its reach globally.



GROUP MANAGING DIRECTOR'S MESSAGE AND MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW OF THE GROUP'S BUSINESS AND OPERATIONS (CONT'D)

Among the Group's signature offerings is a gamut of products that include kitchen bags, refuse bags primarily aimed at the Japanese market, vertical form fill seal machine (VFFS) films, fashion bags, patch handle bags, industrial bags, oil VFFS films, and premium films tailored for healthcare packaging.

In pursuit of organic growth strategies for 2025, the Group remains committed to cautiously investing in and enhancing the competitive edge of its core operations within the flexible plastic packaging sector. Collaboration with clients facilitates the provision of innovative concepts, specialised expertise, and tailored solutions that address specific requirements.

The Group's strategic initiatives have effectively broadened its portfolio of high-value-added packaging products beyond the confines of the food and beverage sectors. SLP also caters to the personal care, home care, healthcare, and industrial markets, ensuring its high-quality plastic packaging materials serve both personal and medical care applications. The high-value-added nature of these packaging solutions presents formidable entry barriers and substantial market potential.

To further augment its revenue streams, SLP will persist in diversifying its range of flexible packaging materials, enhancing the selection available to consumers within the personal and healthcare domains.

FINANCIAL PERFORMANCE REVIEW

Revenue

The table below elucidates the contributions of various geographical markets to the Group's overall revenue.

	FY2024 RM'000		FY2023 RM'000		Increase/(Decrease) RM'000 %	
Countries						
Malaysia	94,168	58.3%	105,664	65.1%	(11,496)	(10.9)
Japan	59,791	37.0%	47,409	29.2%	12,382	26.1
Australia and New Zealand	5,683	3.5%	7,422	4.6%	(1,739)	(23.4)
Other countries	2,019	1.2%	1,833	1.1%	186	10.1%
Total	161,661	100.0%	162,328	100.0%	(667)	(0.4)%

Domestic sales contributed 58.3% of the total revenue in FY2024, a 10.9% decrease compared to FY2023's performance due to slower demand and intense competition. The Group's core products sold to domestic markets comprised plastic resins for other plastic converters, flexible plastic packaging bags and films for packaging food, medical, and industrial products. Japan contributed RM59.8 million or 37% of the revenue in FY2024, increasing about 26.1% from the RM47.4 million contribution in FY2023. Japan buys primarily flexible plastic packaging bags for retail and kitchen bags used in households from SLP.

Australia and New Zealand are also leading consumers of the group's fashion and carrier bags, contributed 3.5% or RM5.7 million of the total sales in FY2024, dropping about 23.4% from the RM7.4 million contribution generated in FY2023.

Other markets contributed 1.2% or RM2.0 million of the total revenue in FY2024, registering about a 10.1% increase from the RM1.8 million contribution generated in FY2023. In FY2024, SLP exported household, industrial and retail plastic packaging bags and films to other countries.

GROUP MANAGING DIRECTOR'S MESSAGE AND MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL PERFORMANCE REVIEW (CONT'D)

Gross Profit

	FY2024	FY2023	Increase / (Decrease)
Gross Profit (RM'000)	23,068	18,931	4,137
Gross Profit margin	14.3%	11.7%	2.6%

The Group recorded a higher gross profit of RM23.1 million, an increase of RM4.2 million compared to RM18.9 million recorded in FY2023. This improvement is attributable to better product mix and higher capacity utilisation.

Profit Before Tax

	FY2024	FY2023	Increase / (Decrease)
Profit Before Tax (RM'000)	17,455	14,236	3,219
Profit Before Tax margin	10.8%	8.8%	2.0%

In tandem with improved gross profit, the Group posted a higher profit before tax of RM17.5 million in FY2024, compared to RM14.2 million in preceding year. This improvement is due to better product mix and higher capacity utilisation.

	FY2024	FY2023	Increase / (Decrease)
Other operating income (RM'000)	2,923	3,560	(637)
Other operating expenses (RM'000)	8,536	8,256	280

For FY2024, the Group's other operating income decreased by RM0.6 million, while other operating expenses increased by RM0.2 million. The decline in other operating income was mainly due to lower interest income and reduced foreign currency gains.

The Group's other operating expenses comprised mainly of administrative, selling and marketing expenses. The increase in the other expense was due to increase in logistic cost.

Profit After Tax

	FY2024	FY2023	Increase / (Decrease)
Profit After Tax (RM'000)	14,044	10,607	3,437
Profit After Tax margin	8.7%	6.5%	2.2%

With higher profit before tax, the Group recorded an after-tax profit of RM14.0 million in FY2024, an increase of RM3.4 million from RM10.6 million in FY2023. The Group's profit after tax margin of 8.7% in FY2024 is higher when compared to 6.5% in FY2023, due to utilization of tax incentives for plant and machinery.

GROUP MANAGING DIRECTOR'S MESSAGE AND MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL POSITION

An analysis of financial position is presented below:

Total Assets

As of 31 December 2024, the Group's total assets stood at RM214.0 million, decreased from RM219.9 million as at 31 December 2023.

As of 31 December 2024, the Group reported property, plant and equipment ("PPE") and right-of-use assets ("ROU") of RM64.8 million, compared to RM65.9 million as at 31 December 2023.

As part of the Group's continuing expansion program, the Group invested approximately RM6.7 million in FY2024, mainly to install new production machinery, funded by cash generated from operations. Please refer to Note 2 – Property, Plant and Equipment of the Audited Financial Statements for further details on this item.

As of 31 December 2024 and 2023, the Group's inventories stood at RM36.9 million and RM42.7 million, respectively, representing 17.2% and 19.4% of total assets.

As of 31 December 2024 and 2023, the Group reported cash and cash equivalents of RM86.7 million and RM84.3 million respectively, representing 40.5% and 38.3% of total assets.

As of 31 December 2024 and 2023, the Group's receivables stood at RM24.9 million and RM26.8 million, respectively, representing 11.6% and 12.2% of total assets.

Total Liabilities

As of 31 December 2024 and 2023, the Group total liabilities stood at RM25.9 million and RM28.8 million.

Trade and other payables were the significant total liabilities accounting for 61.4% and 64.6% as of 31 December 2024 and 2023.

Shareholders' equity

As of 31 December 2024 and 2023, the Group shareholders' equity stood at RM188.1 million and RM191.1 million, respectively. The decrease in shareholders' equity was due to dividends declared that exceeded profit earned, along with the drop in foreign currency translation reserves in FY2024. Please refer to "Consolidated Statement of Changes in Equity" in the Audited Financial Statements for more details on this item.

Liquidity

The Group generated RM25.2 million from operating activities in FY2024 as compared to RM15.4 million in FY2023. This was attributed to higher profit before tax posted in FY2024 and less funding tied up in inventories.

The last component in the cash flow statement is cash flows used in financing activities mainly for the payment of dividends to the shareholders, which amounted to RM19.0 million.

As of 31 December 2024, the Group's net changes in cash and cash equivalents stood at RM2.7 million. After adding RM84.3 million of cash and cash equivalents brought forward from FY2023, the Group's liquidity of 31 December 2024 stood at RM86.7 million including RM0.4 million of the effect of foreign exchange fluctuation on cash held.

Ongoing increases in labour costs, mainly due to adjustments in minimum wage regulations, will continue to impact the Group's operating expenses. In response, the Group persists in implementing various mitigation strategies to transition manual operations to automated processes, thereby reducing reliance on human labour.

Digitalisation represents another significant investment for the Group, enhancing real-time and accurate reporting within the manufacturing process.

In FY2024, the Group encountered challenges in achieving its targeted results, primarily attributed to disruptions from China. Despite a rapid pivot towards the local market, the Group successfully dispatched 12,087 tonnes of flexible plastic packaging products valued at approximately RM9,170 per tonne.

Nevertheless, logistical challenges hindered export shipments to international clients, including container shortages and elevated shipping costs. Additionally, foreign currency exchange fluctuations in the second half of FY2024 complicated the Group's decision-making processes.

In FY2024, the Group adopted a conservative approach to capital expenditures, preserving cash reserves to navigate the prevailing health crisis.

GROUP MANAGING DIRECTOR'S MESSAGE AND MANAGEMENT DISCUSSION AND ANALYSIS

OUTLOOK, RISKS AND STRATEGIES

Rigorous ecological statutes pose a formidable challenge to the flexible plastic packaging sector within the group. The imposition of rigorous legislation aimed at alleviating environmental threats has engendered a burgeoning demand for bioplastics and other ecologically sound packaging alternatives. In response to this shifting paradigm, a plethora of eco-friendly labels has emerged in the marketplace, catering to the heightened consumer expectations for sustainable products.

Since the inception of 2020, SLP has strategically introduced its eco-conscious flexible packaging solutions, thereby augmenting its competitive stance within the industry. Thus far, the eco-friendly offerings have demonstrated commendable performance in the market, indicating a positive reception from consumers who prioritise sustainability. The group remains committed to the production of recyclable and sustainable plastic packaging materials, ensuring alignment with environmental imperatives.

Looking ahead to 2025, the group anticipates significant contributions from its eco-friendly products within key markets, further enhancing its commitment to sustainability. However, alongside the stringent environmental regulations, the group has discerned various other significant risks. Foreign exchange fluctuations, particularly concerning the US Dollar, alongside resin price adjustments and escalated labour costs, constitute substantial threats to operational viability.

Given that a considerable portion of the group's revenue transacts in US Dollars, fluctuations in exchange rates between the Malaysian Ringgit and the US Dollar may adversely impact revenues, earnings, and liquidity. In order to mitigate foreign currency exchange risk exposure, the group employs a hedging strategy, utilising foreign currency forward contracts whenever advantageous opportunities arise.

Additionally, the ongoing trade tensions between the United States and China represent another critical risk factor that could potentially undermine the group's business performance. The persistent elevation of labour costs further exacerbates the challenges faced by the group, influencing overall operational expenditures. In recognition of these challenges, the group diligently implements a variety of mitigation strategies, aimed at transitioning manual operations to automated processes, thereby reducing reliance on labour and enhancing operational efficiency.

DIVIDEND PAYOUT

The Company has consistently declared and has paid out an annual dividend of above 40.0% of the Group's net profit over the past sixteen (16) years. For FY2024, the Company declares four (4) single tier interim dividends totalling 4.75 sen with a total payout amount of RM15.1 million. The dividends represents approximately 107.2% of the Group's net profit. It has exceeded the Group's commitment to pay out at least 40% of its annual net profit to reward our shareholders for their trust and faith in the Company.

The Company will continue to pay dividends based on its business performance to ensure a satisfactory return on investment to our valued shareholders and enable the Group to conserve sufficient funds for capital requirements.

APPRECIATION

On behalf of SLP, I would like to express heartfelt gratitude to our valued customers, business associates, vendors, relevant authorities, bankers, financiers, and investors who have supported us throughout the financial year under review.

I also take this opportunity to acknowledge the contributions of our dedicated management team, who have worked tirelessly to help the group attain its goals and finally, to our Board of Directors for their invaluable counsel and guidance.

Thank you.

Khaw Seang Chuan
Group Managing Director



SUSTAINABILITY STATEMENT

SUSTAINABILITY STATEMENT FY2024

This Sustainability Statement (“Statement”) highlights SLP Resources Berhad’s (“SLP” or the “Company”) and its subsidiaries (“SLP Group” or the “Group”) sustainability issues, efforts, targets, performance, and accomplishments in the financial year ended 31 December 2024 (“FY2024”). This Statement demonstrates how we create value for our stakeholders from time to time and how our sustainability approaches and performance align with the SLP Group’s Vision, Mission, Core Values, and long-term strategy.

Vision	Mission	Core Values
To be an internationally renowned plastic packaging solutions specialist through the application of innovative research & development and latest technology	To continuously provide innovative, high-quality plastic packaging solutions to meet our customers’ ever-changing needs and to exceed users’ expectation	<ul style="list-style-type: none"> Trustworthiness Caring Innovative Commitment Flexibility to change

Reporting Scope and Standards

The scope of this Statement covers information and performance data gathered from all operations and entities of the Group, all of which are located in Kulim, Kedah. This includes SLP’s three (3) wholly-owned subsidiaries, namely Sinliplas Holding Sdn Bhd, SLP Green Tech Sdn Bhd, and SLP Polymers Sdn Bhd.

The Statement has been prepared in accordance with the Main Market Listing Requirements (“Listing Requirements”) of Bursa Malaysia Securities Berhad (“Bursa”) and the Sustainability Reporting Guide 3rd Edition and its accompanying Toolkits published by Bursa. The reporting period for this Statement spans 1 January 2024 to 31 December 2024, unless stated otherwise. This Statement incorporates comparative historical data where relevant.

Assurance

In the preparation of this Statement, the Group has established appropriate controls and internal reporting measures to improve the quality of data reporting and will continue to enhance the processes for data collection, review, and reporting.

Selected sustainability indicators in this Statement have obtained limited assurance from KPMG PLT, as follows:

- number of operations assessed for corruption-related risk;
- confirmed incidents of corruption; and
- Scope 3 emissions covering Category 6 – Business Travel and Category 7 – Employee Commuting.

The assurance engagement was carried out in accordance with the Malaysian Approved Standard on Assurance Engagements (“ISAE”) 3000 (Revised), Assurance Engagements Other Than Audits or Reviews of Historical Financial Information.

Based on the assurance engagement, the assurance provided has concluded that nothing has come to their attention to cause them to believe that the selected sustainability data has not been prepared, in accordance with the Company’s definition and calculation methodologies and/or where relevant, the Bursa’s Listing Requirements.

In addition, the accuracy and integrity of our disclosures in this Statement have been strengthened through a review by the Audit and Risk Management Committee (“ARMC”).

Sustainable Development Goals

The Group recognises and supports the United Nations (“UN”) 2030 Agenda for Sustainable Development and the Sustainable Development Goals (“SDGs”). In our sustainability efforts, we evaluate how our sustainability strategies and initiatives align with and support the achievement of these SDGs.



SUSTAINABILITY STATEMENT

FY2024 KEY HIGHLIGHTS

Highlights of the Group’s sustainability performance and initiatives of the SLP for FY2024 are as follows.

Key initiatives

<p>Ongoing energy-saving practices</p>	<p>3R (Reduce, Reuse, Recycle) Programme</p>	<p>Safety and Health Policy Safeguarding our employees in the way we operate</p>
<p>Environmental Policy guides the way we do business and protects the environment</p>	<p>Code of Conduct and Ethics and Whistle Blowing Policy</p>	<p>Adequate procedures to prevent bribery and having an Anti-Bribery and Corruption Policy</p>

Key performance

<p>All our products are fully recyclable</p>	<p>All suppliers are assessed via the due diligence process</p>	<p>7% of materials used in manufacturing are recycled materials</p>
<p>Solar energy generation avoided an estimated 1,277 tCO₂e and estimated RM585,621 in saving</p>	<p>8,721 tCO₂e in Scope 1 and Scope 2 emissions generated in operations</p>	<p>10.3 training hours per employee</p>
<p>Compliant with scheduled waste management regulations and standards</p>	<p>No whistleblowing cases were received</p>	<p>100% of staff holding critical positions are trained in anti-bribery and corruption</p>
<p>1 incident of corruption or bribery or serious breaches of business ethics</p>		

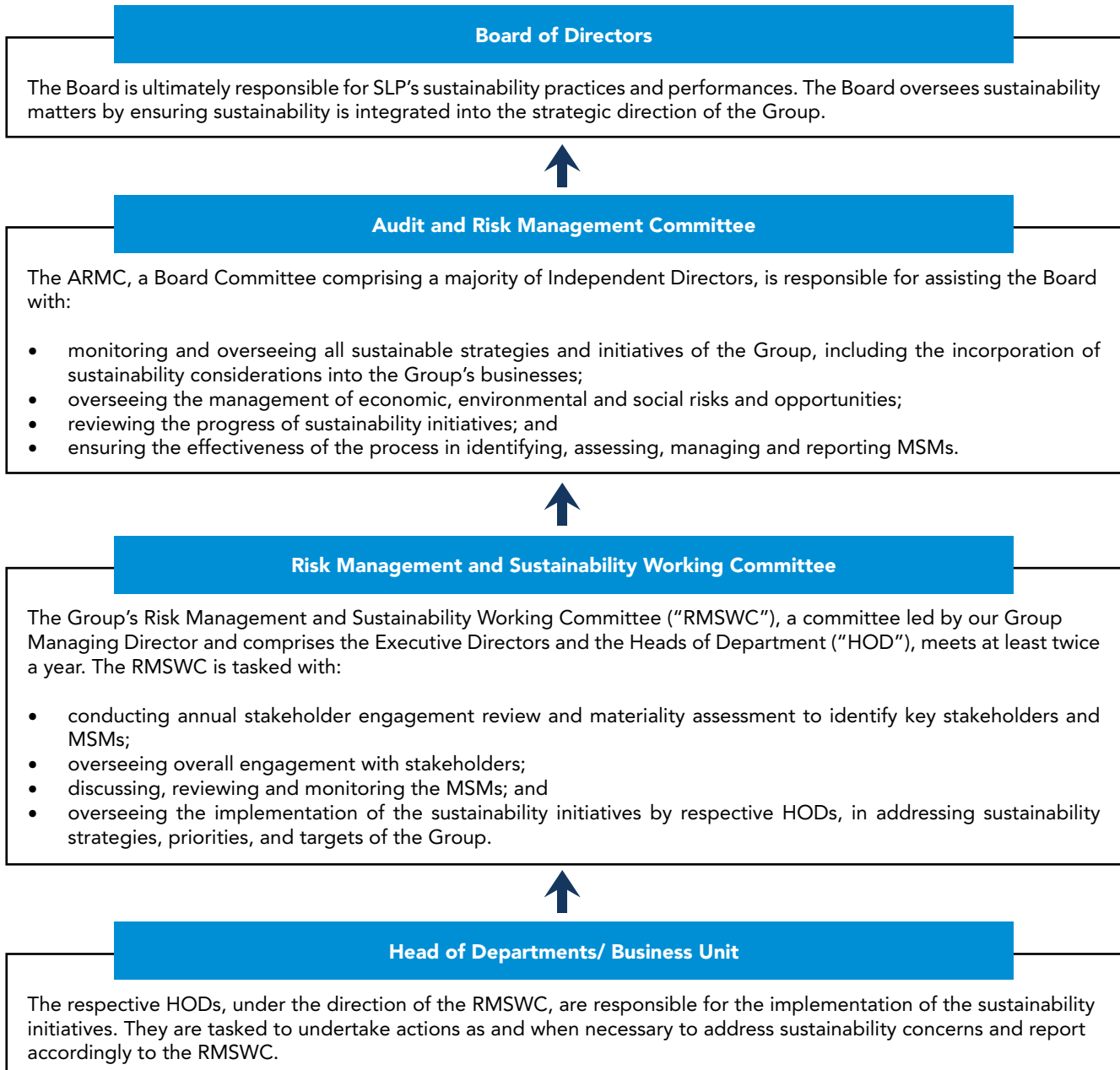
Key Performance Indicators

<p>Average customer evaluation score FY2024: 4.18 / 5.00</p>	<p>Wastage rate FY2024: 10.7%</p>	<p>Safety Performance FY2024: 2 major and 6 minor accidents, 136 lost days FY2024 Target: 0 accidents</p>
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SUSTAINABILITY STATEMENT

SUSTAINABILITY GOVERNANCE STRUCTURE

An overview of the governance structure for overseeing and managing sustainability matters across the Group is as follows:



SUSTAINABILITY STATEMENT

SUSTAINABILITY GOVERNANCE STRUCTURE (CONT'D)

The Board acknowledges its duty and responsibilities to integrate sustainability into the Company's long-term business strategy. As custodians of the Company, the Board oversees the development and execution of sustainability strategies, with assistance from the ARMC, to ensure an efficient process is established for identifying, evaluating, managing, and reporting the Group's Material Sustainability Matters ("MSMs").

Moreover, the Board acknowledges the importance of understanding and addressing the overall interests of the Group's stakeholders. This involves communicating relevant information about the Group's sustainability strategies, priorities, and targets with stakeholders. The Group employs multiple engagement channels not only to communicate effectively but also to gather insight into stakeholders' needs, perspectives, and concerns.

To ensure the Board remains informed about sustainability issues pertaining to the Group's operations, the Group Managing Director and the Executive Directors, who are consistently updated on sustainability matters within the Group, provide regular updates to the Board on MSMs relevant to the industry and the business. These updates encompass social and environmental challenges faced by the industry or industry peers, as well as emerging concerns.

The Board is further supported by the Risk Management and Sustainability Working Committee ("RMSWC"), which is responsible for carrying out our materiality assessment to determine the MSMs of the Group and engagements with stakeholders. Sustainability-related strategies and initiatives are developed to address or manage the MSMs, and the Heads of Departments/ Business Units are responsible for ensuring the implementation of these initiatives in their respective functions or departments.

The Board, through the Nomination Committee, is tasked with integrating sustainability considerations when assessing Directors' training requirements and needs. In addition, Directors receive periodic training or briefings on updates relating to sustainability trends or sustainability issues in the industry.

To strengthen accountability in managing the Group's sustainability matters, the Board and the Nomination Committee have incorporated evaluations of progress and achievement of annual sustainability strategies and targets into the annual assessment of the Board, Board Committees, and individual Directors.

For detailed information on the annual assessment conducted, please refer to the **Corporate Governance Overview Statement** in this Annual Report FY2024 and the **Corporate Governance Report FY2024**.

SUSTAINABILITY STATEMENT

STAKEHOLDER ENGAGEMENTS

SLP Group recognises the significance of responsible corporate citizenship, which involves prioritising the broader interests of stakeholders, striving to understand their concerns, and maintaining transparent communication to enable stakeholders to make informed decisions. At SLP Group, we engage regularly with stakeholders to gain a deeper understanding of their interests and concerns, which impact our business decisions towards shared value creation between the Company and our stakeholders. This ongoing engagement also helps us build and sustain long-term and close relationships with our stakeholders.

During the financial year, the RMWSC reviewed its stakeholder assessment and overall engagement activities, considering the effectiveness and adequacy of existing engagement channels, as well as the sustainability issues pertaining to stakeholders. Through its engagement channels, the Group communicates its sustainability initiatives across all business operations to address both the potential and actual economic, environmental, and social (“EES”) risks and opportunities. The table below provides an overview of the Group’s engagement channels, frequency of engagement, and key areas of interest for each stakeholder group.

Stakeholders	Areas of Concern	Methods of Engagement	Frequency of Engagement
Employees	<ul style="list-style-type: none"> Business performance and direction Career development Learning and development Employee welfare and benefits Employee wellness Health and safety Human rights and labour practices 	<ul style="list-style-type: none"> Video conferencing Meetings and communications via email circulation Performance appraisals Forums, training, and workshops Employee events including festive celebrations and gatherings 	<ul style="list-style-type: none"> Ad-hoc Regular Annual Ad-hoc Ad-hoc
Customers	<ul style="list-style-type: none"> Product quality and safety Product innovation Customers’ privacy Production capacity Customer service 	<ul style="list-style-type: none"> Customer satisfaction surveys and feedback Customer service platform including phone calls and emails Face-to-face meetings Free product samples and site visits 	<ul style="list-style-type: none"> Annual Ad-hoc Regular Ad-hoc
Shareholders/ Investors	<ul style="list-style-type: none"> Profitability Dividend Shareholders’ value Corporate governance 	<ul style="list-style-type: none"> Annual General Meeting Company website Announcements to Bursa Securities Annual report, circulars, notices, and press releases Meetings and briefings Engagement surveys 	<ul style="list-style-type: none"> Annual Ad-hoc Ad-hoc/ Quarterly Annual/ Ad-hoc Quarterly Annual
Regulators and Government Authorities	<ul style="list-style-type: none"> Adherence to laws and regulations Certifications/ Awards Industry best practices and updates 	<ul style="list-style-type: none"> Compliance and certification exercises such as ISO, BRC, etc. Periodic site visits and audits Company representation at briefings and training 	<ul style="list-style-type: none"> Ad-hoc Regular Ad-hoc

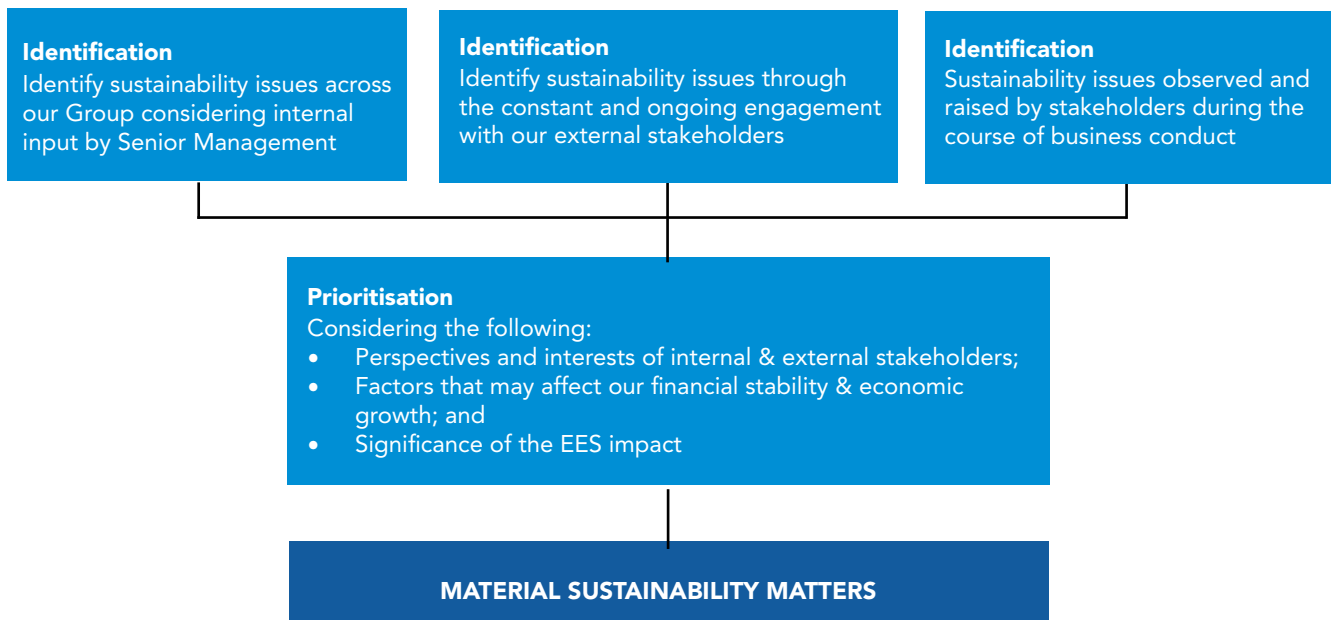
SUSTAINABILITY STATEMENT

STAKEHOLDER ENGAGEMENTS (CONT'D)

Stakeholders	Areas of Concern	Methods of Engagement	Frequency of Engagement
Suppliers, service providers, and sub-contractors	<ul style="list-style-type: none"> Product and service quality Timely delivery of products/ services Payment terms and timeliness Technical training Supply chain 	<ul style="list-style-type: none"> Meetings with the management Evaluations and performance reviews Supplier selection through prequalification Site visits 	<ul style="list-style-type: none"> Regular Ad-hoc/ Annual Ad-hoc Ad-hoc
Local Community, Industry Associations, Academia, and Non-Governmental Organisations (“NGOs”)	<ul style="list-style-type: none"> Company reputation and branding Corporate social responsibility Best management practices and industry-related research 	<ul style="list-style-type: none"> Participation in technical working groups or associations such as the Malaysian Plastics Manufacturers Association Community outreach and social programmes Educational site visits 	<ul style="list-style-type: none"> Ad-hoc Ad-hoc Ad-hoc

MATERIAL SUSTAINABILITY MATTERS

The RMSWC conducted a review of the Group’s materiality assessment to identify and assess the EES risks and opportunities that are relevant and significant to the Group. The materiality assessment approach is summarised below:



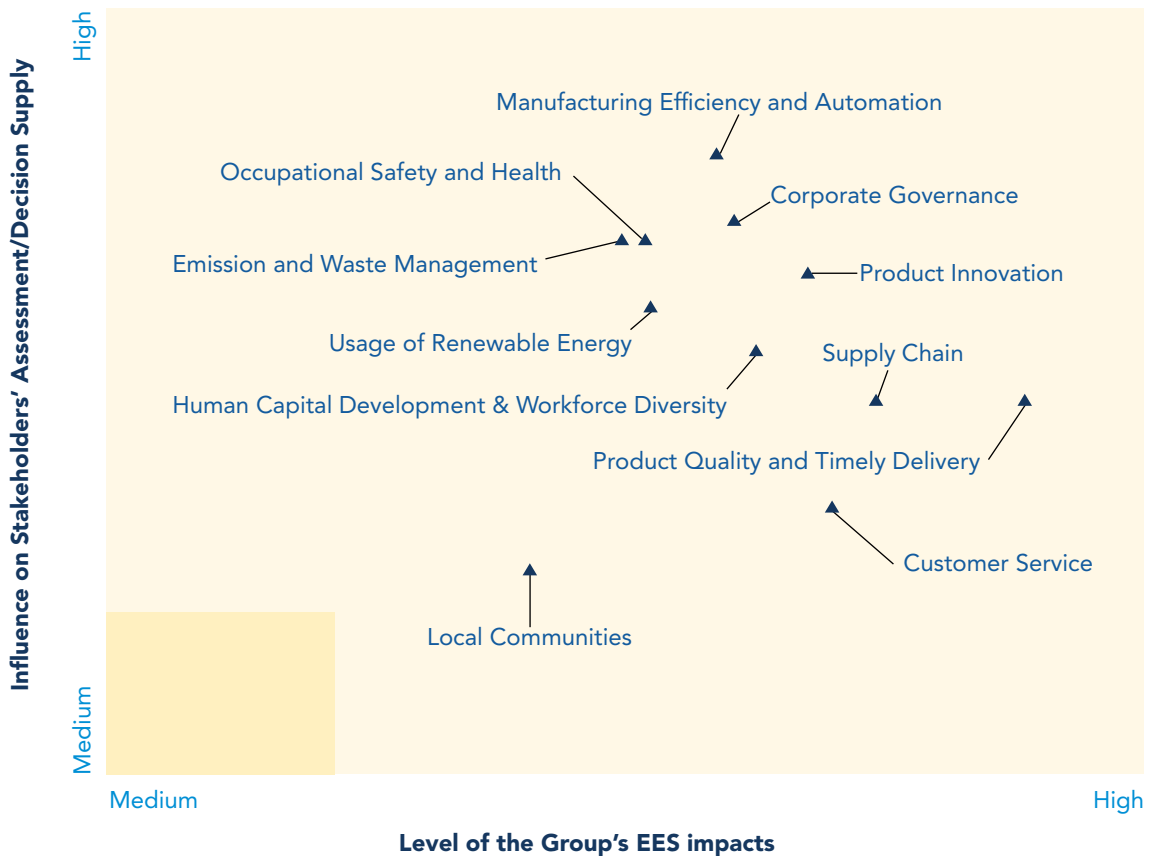
A materiality assessment was carried out by incorporating feedback from the internal Management team and external stakeholders. The assessment process involved active participation from relevant Management personnel and employees, including those who engage with external stakeholders and are familiar with their concerns. By integrating insights from internal and external perspectives, the materiality assessment aims to identify key sustainability issues that hold significance for the business or the stakeholders.

SUSTAINABILITY STATEMENT

MATERIAL SUSTAINABILITY MATTERS (CONT'D)

Based on the materiality assessment conducted during the year, the 11 identified sustainability matters continued to remain relevant and significant to the Group’s business operations. Most of the MSMs showed a slight increase in their ratings, with the top priority MSM being “Manufacturing Efficiency & Automation”, demonstrating the Group’s strong focus on enhancing operational effectiveness and driving technological advancement. Following closely is the sustainability matter of “Corporate Governance”, which underscores our Group’s commitment to maintaining high standards of ethical conduct, transparency, and accountability in all business practices. The outcomes of this materiality assessment were reviewed by the RMSWC before being reported to the Board for approval, ensuring alignment with the Group’s strategies, objectives, and stakeholder expectations.

A materiality matrix was developed and the existing 11 MSMs are summarised and presented as follows:



SUSTAINABILITY STATEMENT

RESPONSIBLE PRODUCTS AND SERVICES

Supply Chain

Supply chain management serves as a critical foundation for our business and manufacturing operations, enabling key processes such as inventory planning, material procurement, production, and the distribution of finished products.

Supplier Management and Procurement Process

To develop a stable and consistent supply of materials, we consistently monitor and evaluate our supply chain to maintain sufficient inventory levels and plan for extended or longer lead times. Besides, the Group regularly monitors and assesses the integrity and reliability of its supply chain and adopts measures to mitigate associated risks, including those arising from economic, geopolitical, and environmental uncertainties that could impact supply chain operations.

We regularly assess new and existing suppliers, incorporating an evaluation process to ensure that our suppliers consistently provide high-quality products and services with integrity.

Before engaging in business, all suppliers are required to undergo a due diligence process and must be registered on the Group's approved vendor list. Existing suppliers are subject to annual assessments to ensure they maintain consistency, quality, and reliability in delivering products and services. These assessments evaluate supplier performance across a wide range of criteria, including product safety and quality, legal adherence, delivery reliability, price competitiveness, and after-sales service support.

The Group also expects its key suppliers to adhere to business ethics and comply with anti-bribery policies when conducting business with or on behalf of the Group.

Site visits or audit processes are also carried out for selected suppliers periodically. These on-site evaluations and audits provide assurance to SLP Group on whether suppliers are meeting the required standards in practice.

Local Procurement

The Group acknowledges that supporting local suppliers not only enhances the robustness of our supply chain but also encourages investment, contributing to the stability of the local economy. The Group sources materials from local suppliers where possible, to optimise logistics and transportation to reduce costs and environmental impact. In FY2024, 69% of the Group's materials were procured from local suppliers. The proportion of spending on local suppliers is provided in the following table.

	FY2022	FY2023	FY2024
Proportion of spending on local suppliers (materials consumed for manufacturing)	59%	75%	69%

Product Quality and Timely Delivery

The Group's Mission is to consistently provide high-quality and innovative plastic packaging solutions that meet the evolving customer demands and exceed user expectations. Apart from providing products, we also act as a solutions provider, assisting our customers in integrating elements such as design, safety, and quality into our products, while also considering the cost and pricing factors.

SUSTAINABILITY STATEMENT

RESPONSIBLE PRODUCTS AND SERVICES (CONT'D)

Product Quality and Timely Delivery (Cont'd)

Certifications and Relevant Standards

We uphold the high standards of quality and safety in our products, ensuring that our products undergo rigorous quality and safety checks. Regular communication with customers is conducted to ensure that the right type of products, such as polybags and polyfirms, are provided to meet their requirements. Our operations are certified with ISO 9001:2015 – Quality Management Systems, ISO 22000:2018 – Food Safety Management Systems, and the British Retail Consortium (“BRC”)/ IOP Global Standard for Packaging and Packaging Materials, enabling us to serve diverse customer requirements, including food, non-food, pharmaceutical, healthcare, and household purposes.

Our certifications reflect our commitment to providing products and services that meet customer requirements, are safe, and comply with relevant regulations and requirements. Apart from that, our products are also compliant with various relevant standards required, such as the Japanese Industrial Standards (“JIS”) and Australian & New Zealand Standards (“ANW”), promoting export and sales in global markets.

The Group established a dedicated Quality Control (“QC”) Department to ensure consistent product quality and safety, which performs quality inspections on both incoming raw materials and manufactured products to maintain high standards before delivery to customers. Adhering to stringent criteria for raw materials and product quality, any quality deviations result in the rejection and return of the raw materials to the suppliers or the reworking or scrapping of products.

In addition, the QC Department conducts random sampling of finished products to verify their condition and quality, thoroughly inspecting these samples to ensure compliance with the Group’s strict standards and customers’ requirements. By implementing these measures, the Group identifies and addresses potential issues early, minimising risks, and ensuring that only high-quality products reach our customers and consumers. Besides, the QC Department submits a monthly Product Quality Summary Report for Management’s review, and the Management team also conducts regular on-field inspections to further ensure quality compliance.

Customer Service

Customer Satisfaction

To ensure product quality meets expectations and complies with all relevant requirements, we conduct regular internal production line audits and engage auditors for independent audits, and we are also subject to routine customer audits. We have established a systematic approach to monitor product quality, which includes internal reports and various performance indicators, such as customer satisfaction, customer complaints, and delivery punctuality.

We carry out an annual Customer Satisfaction Survey that focuses on two key areas, namely “Product Quality”, which highlights quality and safety, and “Customer Service”, which covers delivery, cost management, and technical support. The Group targets to achieve scores of 3.50 or higher out of 5.00 for both “Product Quality” and “Customer Service”, as well as the overall Customer Satisfaction Survey score.

Our Customer Satisfaction Survey scores are summarised as follows:

Customer Evaluation on	Target	FY2022	FY2023	FY2024
Product Quality	≥ 3.50	4.08	4.05	4.22
Customer Service	≥ 3.50	4.09	4.02	4.15
Average score	≥ 3.50	4.09	4.03	4.18

In FY2024, our overall Customer Satisfaction Survey score increased to 4.18, from 4.03 in FY2023, and we continue to achieve our target of maintaining a minimum average score of 3.50. The improvement in the average Customer Satisfaction Survey score was driven by fewer quality-related complaints, timely responses to ever-changing customer requests, such as frequent product revisions, and faster resolutions through immediate supporting team access. We will continue to strive to improve our performance.

SUSTAINABILITY STATEMENT

RESPONSIBLE PRODUCTS AND SERVICES (CONT'D)

Customer Service (Cont'd)

Customer Satisfaction (Cont'd)

The feedback gathered from customers via the survey is highly valuable to us, and we treat it with great importance. We take this feedback seriously and regularly review and report it during our monthly Management Review meetings, where it plays a key role in guiding our efforts to improve our processes.

Customer Experience and Feedback

This year, the percentage of product quality-related complaints dropped from 2.0% to 1.4%, and the average monthly complaints decreased from 11.3 to 9.8, allowing us to achieve our target of maintaining average monthly complaints below 10.0. Notably, customer complaints were resolved and addressed within an average of less than 7 working days.

The statistics of complaints received pertaining to product quality are summarised as follows:

	Target	FY2022	FY2023	FY2024
% of complaints received out of total deliveries (product quality-related)	-	2.0%	2.0%	1.4%
Average monthly complaints received on product quality	≤ 10.0	11.8	11.3	9.8
Average response time	Less than 7 working days	Less than 7 working days	Less than 7 working days	Less than 7 working days

The Group has implemented procedures to investigate all complaints received, with the findings promptly reported to Management. This ensures that appropriate corrective actions are taken and safeguards are established to prevent similar issues from recurring in the future, thereby aligning with our target of continuous improvement and customer satisfaction.

There were no substantiated complaints or cases from customers regarding breaches of their privacy and losses of customers' data noted across our operations.

	FY2022	FY2023	FY2024
Substantiated complaints concerning breaches of customer privacy and losses of customer data (number)	0	0	0

During the financial year under review, the Group recorded a late delivery rate of 0.09% for sales orders received, which is within our target of 1.00% or below. Details of the late deliveries are provided in the table below:

	Target	FY2022	FY2023	FY2024
% of late delivery cases over sales orders received	≤ 1.00%	2.28%	0.54%	0.09%

Our processes to ensure prompt product delivery include the following:

Using a resource planning system to perform budgeting and planning for materials, taking into consideration our suppliers' lead time, to reduce the risk of human error and material shortage

Holding production meetings weekly to update the production schedule incorporating customer feedback and revised requirement, if any

Regularly updating manufacturing and logistics status to customers to ensure customers' expectations are well managed

SUSTAINABILITY STATEMENT

RESPONSIBLE PRODUCTS AND SERVICES (CONT'D)

Customer Service (Cont'd)

Industry Initiatives

The Group is proud to share that Sinliplas Holding Sdn Bhd, one of our subsidiaries, is now a member of Sedex since 2019 and the International Sustainability & Carbon Certification ("ISSC") Association beginning from 2025. This marks another milestone in our progress towards sustainable supply chains.

Manufacturing Efficiency and Automation

All our products are recyclable, and that helps reduce waste and minimise environmental impact. Where practical, we also integrate the adoption of advanced technologies and systems that enhance resource management, reduce costs, and improve overall operational efficiency. This approach not only supports sustainability but also drives innovation in our processes.

Besides, maintaining our facilities and equipment in excellent condition is essential to ensure they operate in optimal condition. Simultaneously, we continuously evaluate opportunities to automate processes where appropriate, balancing between production continuity, cost, and benefits.

Our manufacturing process is supported by the use of integrated systems, which ensure transparency and quality across the entire manufacturing workflow. This includes tracking incoming raw materials and monitoring inventory levels, managing raw material usage, and overseeing production progress. These systems enable us to improve decision-making and respond quickly to any issues that may arise. The system also helps us trace materials and products by batches throughout the supply chain, enabling the timely addressing of quality issues, if any.

Various digitalisation initiatives are designed to reduce human error and redundant tasks, improve the timeliness and precision of data reporting and recording, decrease paper usage and reliance on manual labour, as well as ultimately enhance the efficiency and effectiveness of our processes. The key initiatives implemented in FY2024 are summarised as follows:

Initiative	Status	Brief description
Guard checkpoint	Completed	QR code scanning at different check points for Security Guards instead of the traditional clocking method.
Visitor form	Completed	System recording of visitor details when entering and exiting the factory premises.
QR code scanning (stock count)	Completed	Stock count via the use of QR code scanning, including the subsequent generation of stock count report.
Linkage between production and the store system	The further enhancement was also completed	Tracking and monitoring of goods from the manufacturing floor (finished goods) to the delivery of goods to customers.

In FY2024, we significantly increased our investments in enhancing manufacturing capabilities (e.g. machinery), improving manufacturing efficiency, and advancing automation, with total expenditures rising to RM6,710,000. A significant portion of this investment was allocated to the procurement of advanced machinery, which is expected to bolster our production capacity and streamline operations. We acquired a Machine-Directional-Oriented ("MDO") machine for the extrusion process, which helps to reduce plastic trim waste during the manufacturing process while requiring less human intervention. Additionally, the machine features a water heating system instead of traditional oil heating system, making the MDO machine more environmentally friendly.

We also purchased a new wricket machine, which enables the conversion process to be more efficient. The Group modified and integrated an auto packing machine with our existing converting machines. This upgrade streamlines the packaging process by automating the filling of semi-FG into plastic bags, reducing manual labour demands.

SUSTAINABILITY STATEMENT

RESPONSIBLE PRODUCTS AND SERVICES (CONT'D)

Manufacturing Efficiency and Automation (Cont'd)

	FY2022	FY2023	FY2024
Total investment in manufacturing capability, manufacturing efficiency, and automation (RM'000)	616	109	6,710

The Group continued to invest in technologies, automation, and product innovation and is in line with Target 9.5 of the SDG, as we continue to seek out opportunities to enhance and upgrade technological capabilities towards producing environmentally friendly products, and further improving manufacturing efficiency.



Contributing to the Sustainable Development Goals ("SDGs")

Target 9.5

Enhance scientific research, upgrade the technological capabilities of industrial sectors in all countries, in particular developing countries, including, by 2030, encouraging innovation and substantially increasing the number of research and development workers per 1 million people and public and private research and development spending

Reference: www.sdg.un.org/goals/goal9

Product Innovation

The Vision of the Group is to become an internationally recognised plastic packaging solutions specialist by emphasising innovative research and development ("R&D") and leveraging the latest technology. To achieve this Vision, we focus on manufacturing recyclable products, which is a strategic focus aligned with our corporate direction across our businesses and R&D efforts. We also focus on enhancing operational efficiency and incorporating strategies to reduce waste, minimise material usage, and enhance recyclability. We are actively implementing appropriate measures and finding ways to minimise the environmental impact of our products throughout their lifecycle, from manufacturing to consumption. By working closely with customers, the Group strives to meet their needs, including environmental expectations, to deliver sustainable products and packaging solutions.

In recent years, the market has undergone significant change, marked by a growing variety and accessibility of goods and services for consumers. To stay competitive, we prioritise understanding our customers' needs and expectations, investing in R&D to create products and services that meet their demands. Our manufacturing facilities are equipped with a range of capabilities, including Flexo Printing Press, Blown Film Lines, Slitting Rewinder and other Converting Lines, allowing us to collaborate with customers on innovative product development and expand our presence across multiple industries. By utilising newly developed resins and enhanced machinery technologies, along with precise polymer processing parameters, we can down-gauge our plastic packaging products, using fewer materials to produce lighter, more versatile, and more durable products. This approach supports energy and resource conservation, particularly in sectors like retail and healthcare. Additionally, our Pre-Opened Perforated Bags-on-Roll enhances efficiency in filling operations for semi-auto or automated packing machines, serving multiple industries such as electronics, medical, and food production.

The flexible packaging industry is increasingly embracing "sustainable packaging", as evidenced in large-scale shows and exhibitions. This shift is expected to benefit the Group, as we produce mono-material structured films and pouches, products that have been fully recyclable since their introduction to the market in 2020.

Moreover, we have invested in high-tech equipment to manufacture MDO polyolefin films, supporting stakeholders with products and solutions in achieving fully recyclable flexible packaging materials. The MDO polyolefin films began production in 2023 and were well-received by the market.

In FY2024, the Group continued to enhance its existing products by enabling the production of thinner plastic bags without compromising functionality. This enhancement reduces material costs, as less raw material is required to manufacture the same products. The cost savings are then passed on to our customers through lower selling prices. In addition, the thinner bags generate less waste for end-users, further supporting environmental sustainability.

SUSTAINABILITY STATEMENT

RESPONSIBLE PRODUCTS AND SERVICES (CONT'D)

Product Innovation (Cont'd)

The Group’s initiatives in sustainable packaging technology and products are aligned with Target 12.5 of the SDG – Responsible Consumption and Production, as we actively seek out opportunities to minimise waste generation via prevention, reduction, recycling, and reuse strategies. Our goal is to lower waste generation and minimise our business’s environmental footprint by introducing eco-friendly products to consumers. These environmentally friendly products have not only strengthened existing and potential customers’ retention and attraction but have also been particularly appealing to our overseas customer base. Many of these customers adhere to international standards of environmental management systems, reinforcing their commitment to protecting the environment and its future.



Contributing to the Sustainable Development Goals (“SDGs”)
Target 12.5
 By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse

Reference: www.sdg.un.org/goals/goal12

PROTECTING THE ENVIRONMENT

Energy and Emissions Management

As a responsible corporate citizen, we make ongoing efforts to reduce and address climate change, thereby safeguarding our environment and effectively combating global warming. To this end, the Group has implemented various measures to mitigate climate change, including but not limited to the following:

- leveraging technology to conduct remote meetings and attend training or seminars virtually, which helps to reduce emissions associated with travelling, and at the same time enhances work efficiency;
- a policy requiring all vehicles, including trucks and passenger cars, to switch off their engine while waiting in the compound of our premises;
- ensuring strict compliance with the environmental laws and regulations relating to environmental standards, emission standards, and noise level management; and
- all our commercial vehicles are certified by PUSPAKOM and the emissions released from these vehicles are within regulatory limits.

In our operations, all machinery and equipment are maintained and serviced according to schedule, ensuring they operate under desirable conditions and minimise the risks of breakdown and pollution related to inefficient operations or breakdowns. During the financial year under review, there were no fines or penalties imposed by authorities for any non-compliance with environmental regulations.

During the financial year under review, there were no fines or penalties imposed by authorities for any non-compliance with environmental regulations.

	FY2022	FY2023	FY2024
Fines or penalties due to non-compliance with environmental regulations (RM)	0	0	0

SUSTAINABILITY STATEMENT

PROTECTING THE ENVIRONMENT (CONT'D)

Energy and Emissions Management (Cont'd)

Energy Management

Electricity consumption is a major source of greenhouse gas ("GHG") emissions within the Group's operations, and this is a critical area for improvement. To address this, SLP Group actively monitors its electricity usage to identify opportunities for energy-saving and energy-efficiency. Additionally, the Group also explores the implementation of sustainable energy alternatives where possible. This initiative is not only aimed at enhancing cost-efficiency and savings but also plays a vital role in reducing the Group's overall GHG emissions.

By prioritising energy management and transitioning to more sustainable energy solutions, we have implemented various energy-saving initiatives, including the following efforts:

Installation of Light Emitting Diodes ("LED") lighting

Constant reminder to switch off the lighting of unoccupied spaces

Increasing the temperature setting of the air-conditioning when the weather gets cold

Prioritising energy efficiency when considering procurement of equipment

During the financial year under review, the Group's total energy consumption was reported at 13,337 MWh. This included 625 MWh generated from fuel consumption and 12,712 MWh consumed from electricity. Electricity usage is the major source of energy for our business operations.

The following table presents the Group's total energy consumption and energy intensity per kilogram of production output

Total energy consumption (MWh)	FY2022	FY2023	FY2024
Diesel consumed	NA ¹	NA ¹	597
Petrol consumed	NA ²	NA ²	28
Electricity consumed	10,524	10,046	11,062
Renewable energy generated and used	1,634	1,327	1,650
Total energy consumption	12,158	11,373	13,337

¹ No past years' data available for diesel consumed as we began to collect data in FY2024.

² No past years' data available for petrol consumed as we began to collect data in FY2024.

In FY2024, the Group's energy intensity increased slightly compared to the previous year, primarily due to higher electricity consumption during the testing and commissioning of new machinery before production.

	FY2022	FY2023	FY2024
Electricity consumed (MWh)	10,524	10,046	11,062
Renewable energy generated and used (MWh)	1,634	1,327	1,650
Total electricity consumption (MWh)	12,158	11,373	12,712
Energy Intensity: Electricity consumed per output (kWh/kg)	1.00	0.99	1.00

Usage of Renewable Energy

In 2018, the Group invested RM6 million for the installation of a solar photovoltaic ("PV") system on its factory premises, designed to generate approximately 2,074 MWh of renewable energy at peak capacity each year.

SUSTAINABILITY STATEMENT

PROTECTING THE ENVIRONMENT (CONT'D)

Energy and Emissions Management (Cont'd)


Usage of Renewable Energy (Cont'd)

During the financial year under review, our PV system generated a total energy yield of 1,650 MWh, accounting for an estimated 13% of the Group's total electricity consumption, totalling 12,712 MWh. This renewable energy contribution resulted in savings of approximately RM 585,621 in electricity costs and helped avoid the release of 1,277 tonnes of CO₂e emissions.

	FY2022	FY2023	FY2024
Total energy yield (MWh)	1,634	1,327	1,650
Energy yield over total consumption	13%	12%	13%
Estimated electricity cost-saving (RM)	580,049	471,043	585,621
Estimated CO ₂ e avoidance (tonnes CO ₂ e) ³	1,263	1,027	1,277

³ FY2022 and FY2023 emission avoidance data, as reported in the Sustainability Statement FY2023 as 1,134 tCO₂e and 1,006 tCO₂e, respectively, were estimated using Peninsular Malaysia's Grid Emission Factor of 0.758 Gg CO₂e/ GWh for FY2021. Subsequent to updates by the Energy Commission of Malaysia, which updates the 2022 grid emissions factors, the FY2022 and FY2023 emission avoidance data are recalculated. FY2024 emission avoidance data is also calculated using the 2022 grid emission factor. Source: Grid Emission Factor (GEF) in Malaysia, 2017-2022, News & Resources - MyEnergyStats.

By investing in renewable energy, our Group actively contributes to achieving Target 7.2 of the SDG – Affordable and Clean Energy.



7 AFFORDABLE AND
CLEAN ENERGY

Contributing to the Sustainable Development Goals ("SDGs")

Target 7.2
By 2030, increase substantially the share of renewable energy in the global energy mix

Reference: www.sdg.un.org/goals/goal7

Emissions Management

The Group begins to report its Scope 1 and Scope 2 GHG emissions for FY2024, which represent the Group's emissions related to the use of energy. Scope 1 GHG emissions are estimated based on diesel and petrol consumption or distance provided by vehicles controlled or owned by SLP Group. Scope 2 GHG emissions, on the other hand, are derived from the electricity purchased to power our business operations.

SUSTAINABILITY STATEMENT

PROTECTING THE ENVIRONMENT (CONT'D)

Energy and Emissions Management (Cont'd)

Emissions Management (Cont'd)

The emissions generated throughout the year are summarised as follows:

Emissions generated (tonnes CO ₂ e)	Conversion factor	FY2024 ⁴
Scope 1 emissions – diesel consumed ⁵	2.662 kgCO ₂ e/ L	149.39
Scope 1 emissions – petrol consumed ⁶	2.354 kgCO ₂ e/ L 0.165 kgCO ₂ e/ km	7.09 2.76
Scope 2 emissions – electricity purchased ⁷	0.774 kgCO ₂ e/ kWh	8,562.14
Total Scope 1 and 2 emissions generated	-	8,721.39

We are also reporting GHG emissions for the Scope 3 Category 6 Business Travel and Category 7 Employee Commuting this year.

⁴ No past years' data available for these indicators as we began to collect data in FY2024.

⁵ FY2024 GHG emissions for diesel consumed is estimated based on the UK Government GHG Conversion Factors for Company Reporting. Source: <https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2024>.

⁶ FY2024 GHG emissions for petrol consumed is estimated based on the UK Government GHG Conversion Factors for Company Reporting. Source: <https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2024>.

⁷ FY2024 GHG emissions for electricity purchased is estimated based on Peninsular Malaysia's Grid Emission Factor of 0.774 Gg CO₂e/ GWh for FY2022. Source: Grid Emission Factor (GEF) in Malaysia, 2017-2022, News & Resources - MyEnergyStats.

Our GHG emissions from business travel arise from essential operational activities, including employee use of personal vehicles, domestic and international flights, train travel, taxis, as well as buses. GHG emissions are calculated using actual data where available, such as fuel purchase invoices, travel distance records, and transportation costs.

To calculate GHG emissions from employee commuting, we utilised employee survey to capture data, including round-trip distance between each employee's residence and SLP Group's office, transportation mode, such as private cars, motorbikes, carpool, and motorbikepool, fuel type, such as petrol, diesel, electric, and number of days worked during the financial year.

Emissions generated (tonnes CO ₂ e) ⁸	FY2024 ⁹
Scope 3 emissions – Category 6 (Business Travel)	57.46
Scope 3 emissions – Category 7 (Employee Commuting)	97.07

⁸ FY2024 Scope 3 GHG emissions were estimated based on the UK Government GHG Conversion Factors for Company Reporting. Source: <https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2024>.

⁹ No past years' data available for these indicators as we began to collect data in FY2024.

Waste Management

In line with our objectives of reducing waste and improving material efficiency, the Group closely monitors waste produced during the manufacturing process. Waste is sorted into recyclable and non-recyclable categories to support the recycling process. Recyclable waste is then processed by subcontractors into recycled materials for our internal utilisation.

A dedicated waste reduction team was formed to monitor and analyse waste generation, with a focus on production processes that produce significant waste. This waste often results from interruptions in the production process, such as machinery malfunctions and changes in production output. To improve manufacturing efficiency, minimising these disruptions is crucial, requiring collaboration among production, maintenance, as well as production planning functions. Reducing waste not only supports environmental sustainability but also lowers the production cost per unit output, emphasising the importance of coordinated efforts in waste reduction.

SUSTAINABILITY STATEMENT

PROTECTING THE ENVIRONMENT (CONT'D)

Waste Management (Cont'd)

In FY2024, the wastage rate was maintained at 10.7%, missing the target of 10.0% or lower. The waste generated during the year also includes waste from the commissioning of new machines. We will continue to pursue waste efficiencies in our production.

	Target	FY2022	FY2023	FY2024
Wastage rate	≤ 10.0%	9.2%	10.7%	10.7%

Additionally, waste generated is repurposed into recycled materials for certain product lines, such as shopping bags and fashion bags, which can utilise up to 80% recycled materials. Nonetheless, recycled materials are not incorporated into flexible plastic packaging bags or films for hygiene, food, and beverage-related items, mainly due to safety concerns.

In FY2024, the use of recyclable materials in our manufacturing activities increased to 7%, driven by higher demand for our products made with recycled materials compared to the previous year.

	FY2022	FY2023	FY2024
Percentage of recyclable materials among the materials used in manufacturing	11%	6%	7%

The Group will continue to further explore opportunities to increase the use of recyclable materials in its products, supporting the Group's commitment to long-term sustainability.


The Group actively monitors and reports scheduled waste, such as sludge ink and chemical waste, to relevant Government authorities, including the Department of Environment Malaysia, on a monthly basis. Moreover, a treatment process has been implemented to manage effluents generated during production activities. These treated effluents are then handed over to a licensed hazardous waste management company for proper disposal.

To support the Group's 3R (Reduce, Reuse, Recycle) Programme, recycling bins for paper, plastic, cans, and bottles have been strategically placed across our premises. All our employees are required to separate waste accordingly and dispose of it in the designated bins, promoting a culture of responsible waste management.

The detailed information about our efforts to recycle production waste and utilise recyclable materials in our manufacturing processes is reported in the **Manufacturing Efficiency and Automation** section in this Statement.

The Group's various initiatives aimed at effluent treatment, responsible disposal practices, lowering wastage rates, and incorporating recyclable materials are aligned with Target 12.4 and Target 12.5 of the SDG – Responsible Consumption and Production.

12 RESPONSIBLE
CONSUMPTION
AND PRODUCTION



Contributing to the Sustainable Development Goals ("SDGs")

Target 12.4
By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimize their adverse impacts on human health and the environment

SUSTAINABILITY STATEMENT

PROTECTING THE ENVIRONMENT (CONT'D)

Waste Management (Cont'd)



Contributing to the Sustainable Development Goals ("SDGs")

Target 12.5

By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse

Reference: www.sdgs.un.org/goals/goal12

Water Management

Water usage has a minimal impact on our operations, therefore, we consider water management as a low-risk area. This is further supported by the fact that our operations are not situated in water-stressed areas, and there are no significant concerns regarding water scarcity that could affect our activities.

During the financial year, the Group's total water consumption amounted to 19 megalitres ("ML"), primarily utilised for domestic purposes.

	FY2023	FY2024
Water used (ML) ¹⁰	19.023	19.119

¹⁰ No past year's data available for this indicator as we began to collect data in FY2023.

INVESTING IN PEOPLE AND PROMOTING A SAFE AND HEALTHY WORKPLACE

Workforce Diversity

Human capital is an important capital of the SLP Group's operations, serving as the cornerstone of our operations. Our employees are the key drivers enabling us to achieve our long-term goals and objectives, and their contributions are essential for our ability to innovate and develop new products continuously.

Reflecting broader trends in the manufacturing industry, our factory workforce is primarily comprised of male employees, a reflection of the physically demanding and labour-intensive nature of these roles. However, we continue to maintain a relatively balanced gender diversity in managerial and higher-level positions.

As at 31 December 2024, there were a total of 347 employees within our operations, and our workforce composition is summarised as follows:

Workforce breakdown [number (%)]	By Age			By Gender	
	< 30	30 – 50	> 50	Male	Female
Board of Directors	0 (0%)	0 (0%)	7 (100%)	4 (57%)	3 (43%)
Employee Category					
Executive Directors/ Senior Management	0 (0%)	1 (17%)	5 (83%)	3 (50%)	3 (50%)
Managerial Position	0 (0%)	3 (37%)	5 (63%)	6 (75%)	2 (25%)
Other Employees	139 (42%)	177 (53%)	17 (5%)	275 (83%)	58 (17%)
Total Employees	139 (40%)	181 (52%)	27 (8%)	284 (82%)	63 (18%)

SUSTAINABILITY STATEMENT

INVESTING IN PEOPLE AND PROMOTING A SAFE AND HEALTHY WORKPLACE (CONT'D)

Workforce Diversity (Cont'd)

By ethnicity [number (%)]	Malay	Chinese	Indian	Others
Executive Directors/ Senior Management	0 (0%)	6 (100%)	0 (0%)	0 (0%)
Managerial Position	1 (13%)	6 (74%)	1 (13%)	0 (0%)
Other Employees	79 (24%)	11 (3%)	30 (9%)	213 (64%)

By nationality [number (%)]	Malaysian	Non-Malaysian
Executive Directors/ Senior Management	6 (100%)	0 (0%)
Managerial Position	8 (100%)	0 (0%)
Other Employees	124 (37%)	209 (63%)

As at 31 December 2024, the Group's total workforce comprises 347 employees, with 99% being full-time permanent employees and 1% full-time contract-based employees.

Workforce breakdown [number (%)]	31 Dec 2022	31 Dec 2023	31 Dec 2024
Full-time permanent	274 (100%)	287 (99%)	342 (99%)
Part-time permanent	0 (0%)	0 (0%)	0 (0%)
Full-time contract-based	0 (0%)	4 (1%)	5 (1%)
Part-time contract-based	0 (0%)	0 (0%)	0 (0%)

During the financial year under review, the number of employees who left the company was roughly balanced by the number of new hires. This reflects a stable workforce, with turnover rates being effectively offset by new additions. Such equilibrium in employee turnover and new hires suggests a balanced approach is in place to manage staffing changes and maintain operational continuity. In FY2024, we also increased our employee base by about 19% compared to last year to cater for the higher production requirements.

Employee turnover (number)	31 Dec 2022	31 Dec 2023	31 Dec 2024
Executive Directors/ Senior Management	0	0	1
Managerial Position	1	3	0
Other Employees	95	42	34

New hire employee (number) ¹¹	31 Dec 2023	31 Dec 2024
Executive Directors/ Senior Management	0	0
Managerial Position	2	2
Other Employees	52	52

¹¹ No data available for this indicator as we began to collect data as at 31 December 2023.

Employee Capital Development

The Group is dedicated to investing in the development of its employee, with the goal of enhancing their skills and capabilities. This investment is designed to equip our employees with expanded roles and responsibilities, while also supporting the realisation of their full potential. By prioritising both professional and personal growth, the Group aims to strengthen its human capital, improve livelihoods, and make a positive impact on society.

SUSTAINABILITY STATEMENT

INVESTING IN PEOPLE AND PROMOTING A SAFE AND HEALTHY WORKPLACE (CONT'D)

Employee Capital Development (Cont'd)

The Group places a strong emphasis on addressing the training needs of its employees, focusing on both collective requirements based on functions and individual skill enhancement. Regular engagements with employees are maintained to foster open and effective communication between the Group and its workforce. The Group views daily work as a crucial platform for growth and experiential learning. To facilitate this, a mentoring system has been established, where direct managers or supervisors are responsible for providing mentorship, support, coaching, and training to their team members. During annual performance appraisals, employees and supervisors work together to identify and assess areas for improvement and relevant training opportunities, where applicable. Every year, the Group's Human Resource Department ("HR") develops a training plan for employees, taking into account their individual strengths and areas for improvement. The following are the training provided to our employees:

- 5S Awareness Training;
- Awareness on quality problem training;
- Anti-Bribery and Corruption Policy for new joiners and existing employees;
- Whistle blowing awareness & briefing about working in SLP;
- Awareness Training on Customer Complaints;
- Calibration and Equipment Condition, Calibration instructions, and Calibration Training;
- Control of Using Cotton Rag Training;
- E-Invoicing;
- Enhancing Waste Management and Disposal Through Scheduled Waste Analysis;
- Food fraud and food defence training;
- GMP Auditor Training;
- ISCC Plus related Training;
- MIDA-MPMA Conference on Government Facilitation & Incentives for Circular & Low Carbon Economy;
- Briefing on Site Security Arrangement Procedure;
- Proper Machines, Equipment, Tools and Utilities Maintenance; and
- Training related to Health and Safety (please refer to the **Occupational Safety and Health** section for the training details).

During the financial year under review, the Group reported a total of 3,563 hours of training attended by employees. The average training hours per employee decreased to 10.3 hours, compared to 14.3 hours per employee in the previous year.

The breakdown of total training hours by employee category is summarised as follows:

Hours of training by employee category (number)	FY2022	FY2023	FY2024
Executive Directors/ Senior Management	20.00	153.17	192.00
Managerial Position	119.15	193.74	166.00
Other Employees	2,105.85	3,819.17	3,205.02
Total training hours	2,245.00	4,166.08	3,563.02
Average training hours per employee	8.2	14.3	10.3

Human Rights and Labour Standards

The Group places a strong emphasis on both employee growth and development, as well as upholding equality and respect for diversity within its workforce. Discrimination on the basis of race, age, religion, gender, nationality, disability, etc., is strictly prohibited. This focus and management practice is in line with our non-discrimination policy, which is outlined in the Group's Employee Handbook and is available to all employees to ensure that they are aware of the Group's commitment. The Group is dedicated to promoting an inclusive workplace that values diversity, non-discrimination, and equal opportunities while ensuring fair treatment for all our employees.

The Group is also committed to protecting human rights and strictly prohibits child labour, forced labour, or compulsory labour in all its operations, in compliance with relevant laws and regulations. This commitment also applies to our suppliers, and any violations of child labour, forced labour, or compulsory labour identified will result in immediate action.

SUSTAINABILITY STATEMENT

INVESTING IN PEOPLE AND PROMOTING A SAFE AND HEALTHY WORKPLACE (CONT'D)

Human Rights and Labour Standards (Cont'd)

Moreover, we also provide a range of employee benefits, including medical health screening, health awareness initiatives, recognition for long-term service, enhanced employer contribution to EPF based on job grade, hospitalisation insurance coverage, and free medical check-ups for employees and their legal spouses.

In addition to the mentioned benefits, SLP Group also places a high priority on the living conditions of our workers. The Group's accommodations comply with the Employees' Minimum Standards of Housing, Accommodations and Amenities Act 1990, ensuring compliance with legal requirements. In 2020, authorities conducted an audit of our accommodations for foreign workers, and our HR consistently reviews labour practices to maintain acceptable labour standards.

Employees and other individuals are encouraged to report any violations of human rights standards through the whistleblowing channel. The Group is pleased to report that we did not receive any substantiated complaints concerning human rights violations from either our employees or external parties throughout the year.

	FY2022	FY2023	FY2024
Substantiated complaints concerning human rights violations (number)	0	0	0

Occupational Safety and Health

The Group is committed to providing a safe workplace environment, and this commitment is outlined in the Group's Code of Conduct and Ethics ("Code"). To uphold this commitment, a dedicated Safety, Health and Environmental Committee ("SHEC") has been established. The SHEC meets quarterly to oversee operational safety, supported by the appointed Safety, Health and Environmental team. Monthly safety audits are carried out to ensure compliance with the Group's latest safety management system, controls, and relevant regulatory requirements, such as the Occupational Safety and Health Act 1994. The SHEC prepares monthly reports detailing non-compliance incidents, newly identified risks, and any accidents that occurred. These reports are submitted directly by the SHEC to the respective Executive Directors, who provide leadership and direction on safety and health practices across the operations.

Safety practices and procedures are embedded in the Group's Procedures and Work Instructions, providing guidance to our employees for their daily tasks. Regular safety and health inspections are carried out to identify and mitigate any potentially hazardous working conditions and monitor health risks. Safety signages are strategically placed in designated areas to remind employees of relevant safety procedures. The Group strictly complies with applicable fire safety regulations and standards, securing necessary certifications from the Fire and Rescue Department for its manufacturing plants.

To address potential emergencies, SLP Group has established Workplace Emergencies and Evacuations and Immediate Action Guidelines, which outline responses to incidents such as fires and natural disasters. In addition, safety equipment and systems at our manufacturing facilities are consistently well-maintained to ensure they remain fully operational and effective. The SHEC organises regular safety and health-related activities for all employees to promote a culture of safety and equip them with the knowledge needed for a safe and healthy workplace. In FY2024, the safety and health training provided to employees covered the following topics, amongst others:

- Safety Induction Training;
- Chemical & Toxic Substance Control Procedure;
- Fire Extinguishers Management;
- Inspection & Monitoring of Safety Equipment;
- Emergency Preparedness / Response Procedure;
- Forklift Driving Training;
- Machine Handling Safety;
- Product Quality Safety & Management Policy;
- Safety in Chemical Spillage Control Training;
- Safety Training such as Industrial Accident, PPE, and First Aid Kit; and
- Site Security Arrangement Procedure & Static Discharge.

SUSTAINABILITY STATEMENT

INVESTING IN PEOPLE AND PROMOTING A SAFE AND HEALTHY WORKPLACE (CONT'D)

Occupational Safety and Health (Cont'd)

As the Group views safety as a top priority, we regularly conduct training sessions for employees on health and safety standards to ensure they are well-equipped to safeguard themselves in the workplace. The table below shows the number of employees who received training on health and safety standards.

	FY2022	FY2023	FY2024
Employees trained on health and safety standards (number)	336	235	313

In FY2024, the Group recorded 0 work-related fatalities and a lost time incident rate of 1.66, which is lower compared to the previous year, reflecting a decrease in accident cases. However, the average lost days per accident increased significantly from 3.58 to 17.00, while the number of accidents halved to 8 from last year. This increase in lost days was mainly due to an accident that resulted in hand fracture and another accident that caused finger wounds, which were slow to heal due to the underlying medical condition of the employees. The remaining accidents recorded were relatively minor, resulting in not more than 5 lost days each.

	FY2023 Target	FY2022	FY2023	FY2024
Work-related fatalities (number)	0	0	0	0
Accident cases (number)	0	16	16	8
Lost days	0	39	129	136
Lost-time incident rate	0	NA ¹²	3.52	1.66
Average lost days per accident	not applicable	2.44	3.58	17.00

¹² No data available for this indicators as we began to collect data in FY2023.

Every accident case was thoroughly investigated in accordance with the Group's internal procedures. Through this investigative process, we identified areas for improvement and implemented necessary changes to prevent similar incidents in the future. This proactive approach not only resolves immediate issues but also promotes a culture of continuous improvement in safety standards, ensuring the sustained protection and well-being of all our employees.

The Group's commitment to health and safety practices aligns with Target 8.8 of the SDG – Decent Work and Economic Growth, demonstrating our commitment to providing a safe workplace for our employees.

8 DECENT WORK AND
ECONOMIC GROWTH



Contributing to the Sustainable Development Goals ("SDGs")

Target 8.8

Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment

Reference: www.sdgs.un.org/goals/goal8

SUSTAINABILITY STATEMENT

INVESTING IN PEOPLE AND PROMOTING A SAFE AND HEALTHY WORKPLACE (CONT'D)

Local Communities

SLP Group upheld its role as a responsible corporate citizen by actively supporting initiatives that aimed at addressing the educational and social needs of local communities, in alignment with the Group’s policy.

During the financial year under review, we donated food and necessities to an old folks home, with the total value of these contributions amounting to RM10,000. This initiative aimed to support the well-being and daily needs of the elderly residents, ensuring they have access to food and basic supplies.

	Target	FY2022	FY2023	FY2024
Total amount invested in the community (RM)	10,000	10,400	10,400	10,000
Total number of beneficiaries (estimated)	-	2 schools	Visitors to ¹³ Pantai Bersih	56

¹³ For the purpose of reporting in the Performance Table prescribed by Bursa, this is considered as 1 beneficiary as we were not able to reliably estimate the number of visitors of the Beach.



SUSTAINABILITY STATEMENT

CORPORATE GOVERNANCE

The Board views good and sound governance practices and ethical conduct as essential for the long-term success and ethical integrity of the Group's operations and workforce. This commitment highlights the importance of maintaining high standards of conduct, transparency, and accountability in all business activities and operations. By doing so, the Group aims to protect its reputation and build trust with stakeholders.

Code of Conduct and Ethics

The Group has established the Code outlining the ethical principles and expectations in the conduct of its operations, Directors, and employees. This Code covers a wide range of areas, such as social responsibility, environmental considerations, conflict of interest, non-discrimination, workplace safety, anti-bribery and corruption, insider trading, money laundering, and more. The Code has been communicated to all Board members and employees of the Group and is easily accessible on the corporate website.

Anti-Bribery and Corruption

The Group has introduced an Anti-Bribery and Corruption Policies ("ABCP") that applies to all stakeholders, including the Board, employees, customers, and suppliers. This ABCP enforces a strict zero-tolerance stance against corruption and addresses various forms of improper gratification that may be considered bribery and corruption, such as gifts, kickbacks, hospitality, charitable contributions, and facilitation payments. Additionally, the Group conducts thorough due diligence processes to assess employees, suppliers, contractors, and business partners and communicates its zero-tolerance approach towards bribery and corruption before entering into any business relationships.

We employ a risk-based approach to manage corruption risk and assess our operations and activities to identify and categorise corruption risks by risk levels. These risks are also integrated into our annual risk assessment and management process to mitigate the risks effectively and implement appropriate measures.

As at 31 December 2024, our operation has been assessed for corruption-related risks.

	FY2023	FY2024
Operation ¹⁴ assessed for corruption-related risk ¹⁵	100%	100%

¹⁴ The definition of operation in the SLP Group is based on location. Hence, there is only one operation for the SLP Group as all its businesses are based in the same location.

¹⁵ No past year's data available for this indicator as we began to collect data in FY2023.

The anti-bribery and corruption initiatives undertaken by the Group include, but are not limited to:

- establishment of an ABCP to set out the Group's "zero-tolerance" stance against all forms of bribery and corruption practices;
- conduct of corruption risk assessment to identify activities and positions with higher corruption risk exposures;
- annual refresher training on the ABCP for all employees;
- communication of the Group's stance and expectations to all new suppliers and business associates via letter requiring their acknowledgement;
- inclusion of anti-bribery and corruption-related terms in the Group's new supplier application form; and
- inclusion of the Group's anti-corruption motto, i.e. "We are committed to Zero Corruption" throughout the Group's various communication tools, including in email signature, corporate website, and other relevant documents.

To reinforce the Group's commitment, policies, and control measures against bribery and corruption, we provide training sessions and refresher courses for Directors and employees at all levels holding pivotal roles at least once a year. The table below provides an overview of the total number of employees who have received anti-corruption training.

SUSTAINABILITY STATEMENT

CORPORATE GOVERNANCE (CONT'D)

Anti-Bribery and Corruption (Cont'd)

Number (%) of employees that have received anti-corruption training	FY2022	FY2023	FY2024
Executive Directors/ Senior Management	6 (100%)	6 (100%)	6 (100%)
Managerial Position	6 (100%)	7 (100%)	8 (100%)
Other Employees	- ¹⁶	278 (100%)	333 (100%)

¹⁶ No past year's data available for these employee categories as we began to collect data in FY2023.

Whistle Blowing Policy

To uphold ethical standards across the organisation, SLP Group has in place a formal whistleblowing mechanism which is formalised through its Whistle Blowing Policy. This reporting mechanism is designed to encourage employees and stakeholders to report genuine concerns about unethical business practices and other misconduct without fear of retaliation. The mechanism safeguards whistleblowers from reprisal and harassment and provides a dedicated reporting channel to an Independent Director. The Whistle Blowing Policy is publicly accessible on the corporate website, promoting transparency and accountability in addressing reported issues by whistleblowers.

In FY2024, the Group received a report from our Management personnel regarding an attempted bribery amounting RM200 by a foreign employee. An investigation was carried out and the outcome found the foreign employee was in breach of the Group's business ethics and integrity. The employee involved in the case was terminated subsequently. The case has also been reported to the authorities. We plan to further strengthen awareness on anti-corruption and ethical business for employees in the coming years to prevent similar occurrences.


	FY2022	FY2023	FY2024
Corruption, bribery, or serious breaches of business ethics (number of cases)	0	0	1

For detailed information regarding the Group's corporate governance practices, please refer to the **Corporate Governance Overview Statement of this Annual Report FY2024** and the **Corporate Governance Report 2024**.

The implementation of adequate procedures and relevant measures to combat bribery and corruption aligns with Target 16.5 of the SDG – Peace, Justice and Strong Institutions.

16

PEACE, JUSTICE
AND STRONG
INSTITUTIONS



Contributing to the Sustainable Development Goals ("SDGs")

Target 16.5
Substantially reduce corruption and bribery in all their forms

Reference: www.sdg.un.org/goals/goal16

SUSTAINABILITY STATEMENT

SUSTAINABILITY PERFORMANCE REPORT 2024

Indicator	Measurement Unit	2023	2024
Bursa (Anti-corruption)			
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category			
Executive Directors / Senior Managements	Percentage	100.00	100.00
Managerial Position	Percentage	100.00	100.00
Other Employees	Percentage	100.00	100.00
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	100.00	100.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0	1
Bursa (Community/Society)			
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	10,400.00	10,000.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	1	56
Bursa (Diversity)			
Bursa C3(a) Percentage of employees by gender and age group, for each employee category			
Age Group by Employee Category			
	Internal assurance	External assurance	No assurance
			(*)Restated

SUSTAINABILITY STATEMENT

SUSTAINABILITY PERFORMANCE REPORT 2024

Indicator	Measurement Unit	2023	2024
Executive Directors / Senior Management Under 30	Percentage	0.00	0.00
Executive Directors / Senior Management Between 30-50	Percentage	33.00	17.00
Executive Directors / Senior Management Above 50	Percentage	67.00	83.00
Managerial Position Under 30	Percentage	0.00	0.00
Managerial Position Between 30-50	Percentage	43.00	37.00
Managerial Position Above 50	Percentage	57.00	63.00
Other Employees Under 30	Percentage	40.00	42.00
Other Employees Between 30-50	Percentage	56.00	53.00
Other Employees Above 50	Percentage	4.00	5.00
Gender Group by Employee Category			
Executive Directors / Senior Management Male	Percentage	50.00	50.00
Executive Directors / Senior Management Female	Percentage	50.00	50.00
Managerial Position Male	Percentage	71.00	75.00
Managerial Position Female	Percentage	29.00	25.00
Other Employees Male	Percentage	83.00	83.00
Other Employees Female	Percentage	17.00	17.00

Internal assurance

External assurance

No assurance

(*) Restated

SUSTAINABILITY STATEMENT

SUSTAINABILITY PERFORMANCE REPORT 2024

Indicator	Measurement Unit	2023	2024						
Bursa C3(b) Percentage of directors by gender and age group									
Male	Percentage	57.00	57.00						
Female	Percentage	43.00	43.00						
Under 30	Percentage	0.00	0.00						
Between 30-50	Percentage	14.00	0.00						
Above 50	Percentage	86.00	100.00						
Bursa (Energy management)									
Bursa C4(a) Total energy consumption	Megawatt	11,373.00	13,337.00						
Bursa (Health and safety)									
Bursa C5(a) Number of work-related fatalities	Number	0	0						
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	3.52	1.66						
Bursa C5(c) Number of employees trained on health and safety standards	Number	235	313						
Bursa (Labour practices and standards)									
Bursa C6(a) Total hours of training by employee category	Hours	153	192						
Executive Directors/ Senior Management	Hours	194	166						
Managerial Position	Hours	3,819	3,205						
Other Employees	Hours								
<table border="0" style="width: 100%;"> <tr> <td style="width: 33%; text-align: center;">Internal assurance</td> <td style="width: 33%; text-align: center;">External assurance</td> <td style="width: 33%; text-align: center;">No assurance</td> </tr> <tr> <td style="text-align: center;">(*) Restated</td> <td></td> <td></td> </tr> </table>				Internal assurance	External assurance	No assurance	(*) Restated		
Internal assurance	External assurance	No assurance							
(*) Restated									

SUSTAINABILITY STATEMENT

SUSTAINABILITY PERFORMANCE REPORT 2024

Indicator	Measurement Unit	2023	2024
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	1.00	0.00
Bursa C6(c) Total number of employee turnover by employee category			
Executive Directors/ Senior Management	Number	0	1
Managerial Position	Number	3	0
Other Employees	Number	42	34
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0	0
Bursa (Supply chain management)			
Bursa C7(a) Proportion of spending on local suppliers	Percentage	75.00	69.00
Bursa (Data privacy and security)			
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	0
Bursa (Water)			
Bursa C9(a) Total volume of water used	Megalitres	19.023000	19.119000
Bursa (Waste management)			
Bursa C10(a) Total waste generated	Metric tonnes	-	No Data Provided

Internal assurance

External assurance

No assurance

(*) Restated

SUSTAINABILITY STATEMENT

SUSTAINABILITY PERFORMANCE REPORT 2024

Indicator	Measurement Unit	2023	2024
Bursa C10(a)(i) Total waste diverted from disposal	Metric tonnes	-	No Data Provided
Bursa C10(a)(ii) Total waste directed to disposal	Metric tonnes	-	No Data Provided
Bursa (Emissions management)			
Bursa C11(a) Scope 1 emissions in tonnes of CO2e	Metric tonnes	-	159.24
Bursa C11(b) Scope 2 emissions in tonnes of CO2e	Metric tonnes	-	8,562.14
Bursa C11(c) Scope 3 emissions in tonnes of CO2e (at least for the categories of business travel and employee commuting)	Metric tonnes	-	154.53

(*) Restated

No assurance

External assurance

Internal assurance

ESG ASSURANCE REPORT



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The Board of Directors

SLP Resources Berhad
Plot 1, Lot 57-A
Lorong Perusahaan 5
Kulim Industrial Estate
09000 Kulim
Kedah Darul Aman

Dear Sirs,

Independent Practitioners' Limited Assurance Report on SLP Resources Berhad's (the "Company") Selected Sustainability Indicators for the financial year ended 31 December 2024 ("FYE 2024") presented in the Company's Annual Report 2024

Conclusion

We have performed a limited assurance engagement on the Company's selected sustainability indicators for the FYE 2024 listed below ("Selected Sustainability Indicators") to determine whether they have been prepared in accordance with the Company's definition and calculation methodologies and/ or where relevant, the Bursa Malaysia Securities Berhad Listing Requirements ("Applicable Criteria"):

1. Number of operations assessed for corruption-related risk (No.);
2. Confirmed incidents of corruption and action taken (No.);
3. Scope 3 emissions (category 6 – business travel) (tCO₂e); and
4. Scope 3 emissions (category 7 – employee commuting) (tCO₂e).

The boundary of the limited assurance engagement on the Selected Sustainability Indicators represents SLP Resources Berhad's operations in Malaysia (including subsidiaries).

Based on the procedures performed and evidence obtained, nothing has come to our attention to cause us to believe that the Selected Sustainability Indicators for the FYE 2024 presented in the Company's Annual Report 2024 are not prepared, in all material respects, in accordance with the Company's Applicable Criteria.

Basis for conclusion

We conducted our engagement in accordance with Malaysian Approved Standard on Assurance Engagements ("ISAE") 3000 (Revised), *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information*. Our responsibilities under this standard are further described in the *Our responsibilities* section of our report. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

ESG ASSURANCE REPORT



SLP Resources Berhad (the "Company")
 Independent Practitioner's Limited Assurance Report on the Company's
 Selected Sustainability Indicators for the FYE 2024 presented in
 the Company's Annual Report 2024
 18 April 2025

Basis for conclusion (continued)

Our quality management and independence

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

We have complied with the independence and other ethical requirements of the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Restriction on distribution and use of our report

Our report has been prepared for the Board of Directors of the Company (the "Directors") solely in accordance with the terms of our engagement letter.

Our report should not therefore be regarded as suitable to be used or relied on by any party wishing to acquire rights against us other than the Company for any purpose or in any context. Any party other than the Company who obtains access to our report or a copy and chooses to rely on our report (or any part of it) will do so at its own risk.

Without affecting, adding to or extending our duties and responsibilities to the Company or giving rise to any duty or responsibility being accepted or assumed by or imposed on us by any other party, we consent to the inclusion of this report in the Company's Annual Report 2024, to assist the Directors in responding to their governance responsibilities by obtaining an independent limited assurance report on the Selected Sustainability Indicators.

Our conclusion is not modified in respect of this matter.

Responsibilities for the Selected Sustainability Indicators

The management of the Company (the "Management") is responsible for:

- (a) Designing, implementing and maintaining internal control relevant to the preparation of the Selected Sustainability Indicators such that they are free from material misstatement, whether due to fraud or error;
- (b) Selecting or developing suitable criteria for preparing the Selected Sustainability Indicators and appropriately referring to or describing the criteria used, including who developed them, when not readily apparent from the engagement circumstances;
- (c) Preparing and properly calculating the Selected Sustainability Indicators in accordance with the Applicable Criteria;
- (d) Preventing and detecting fraud; and
- (e) Selecting the content of the Selected Sustainability Indicators, including identifying and engaging with intended users to understand their information needs.

ESG ASSURANCE REPORT



SLP Resources Berhad (the "Company")
*Independent Practitioner's Limited Assurance Report on the Company's
Selected Sustainability Indicators for the FYE 2024 presented in
the Company's Annual Report 2024
18 April 2025*

Inherent limitations

Due to the inherent limitations of any internal control structure, it is possible that errors or irregularities in the information presented in the Company's Annual Report 2024 may occur and not be detected. Our engagement is not designed to detect all weaknesses in the internal controls over the preparation and presentation of the Company's Annual Report 2024, as the engagement has not been performed continuously throughout the period and the procedures performed were undertaken on a test basis.

Our responsibilities

We are responsible for:

- (a) Planning and performing the engagement to obtain limited assurance about whether the Selected Sustainability Indicators are free from material misstatement, whether due to fraud or error;
- (b) Forming an independent conclusion, based on the procedures we have performed and the evidence we have obtained; and
- (c) Reporting our conclusion to the Directors.

Summary of the work we performed as the basis for our conclusion

We exercised professional judgement and maintained professional skepticism throughout the engagement. We designed and performed our procedures to obtain evidence about the Selected Sustainability Indicators that is sufficient and appropriate to provide a basis for our conclusion. Our procedures selected depended on our understanding of the Selected Sustainability Indicators and other engagement circumstances, and our consideration of areas where material misstatements are likely to arise. In carrying out our engagement, we have performed the following procedures, amongst others:

- (a) Enquired the Management to gain an understanding of the processes established from which the Selected Sustainability Indicators are derived;
- (b) Interviewed relevant staff responsible for preparing and presenting the Selected Sustainability Indicators in the Company's Annual Report 2024;
- (c) Compared the Selected Sustainability Indicators presented in the Company's Annual Report 2024 to underlying sources on a sample basis; and
- (d) Read the Selected Sustainability Indicators presented in the Company's Annual Report 2024 to determine whether they are in line with our overall knowledge of, and experience with, the sustainability performance of the Company.

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

ESG ASSURANCE REPORT



SLP Resources Berhad (the "Company")
*Independent Practitioner's Limited Assurance Report on the Company's
Selected Sustainability Indicators for the FYE 2024 presented in
the Company's Annual Report 2024
18 April 2025*

Other matter

Our assurance conclusion was with respect to the Company's Selected Sustainability Indicators for the FYE 2024. We have not performed any procedures with respect to earlier periods or any other elements included in the Company's Annual Report 2024 and therefore, we do not express any conclusion thereon.

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

Penang

Date: 18 April 2025

CORPORATE GOVERNANCE OVERVIEW STATEMENT

This Corporate Governance Overview Statement (“CGOS”) sets out the principal features of SLP Resources Berhad (“SLP” or “the Company”) and its subsidiaries (collectively referred to as the “Group”) corporate governance approach, summary of corporate governance practices during the financial year ended 31 December 2024 (“FYE2024”) as well as key focus areas and future priorities in relation to corporate governance, by setting three (3) key corporate governance principles in:

- Board leadership and effectiveness;
- Effective audit and risk management; and
- Integrity in corporate reporting and meaningful relationship with stakeholders.

The Board of Directors (“Board”) acknowledges the importance in upholding high corporate governance standards, and has applied a balanced approach towards conformance and delivering accountability through effective governance.

This CGOS is made pursuant to Paragraph 15.25(1) of the Main Market Listing Requirements (“Listing Requirements”) of Bursa Malaysia Securities Berhad (“Bursa”) and guidance drawn from Practice Note 9 of the Listing Requirements and the Corporate Governance Guide (4th edition) issued by Bursa.

This CGOS is augmented with a Corporate Governance Report (“CG Report”) based on a prescribed format as enumerated in Paragraph 15.25(2) of the Listing Requirements so as to provide a detailed articulation on the application of the Group’s corporate governance practices vis-à-vis the Malaysian Code on Corporate Governance (MCCG 2021). The CG Report provides the details on how the Company has applied each Practice as set out in the MCCG 2021 during the financial year ended 31 December 2024. The CG Report FYE2024 of the Company is available on the Company’s website at www.sinliplas.com.my as well as via an announcement on Bursa’s website.

Apart from the CG Report FYE2024, this CGOS should also be read in tandem with the other statements in the FYE2024’s Annual Report (e.g. Statement on Risk Management and Internal Control, Audit and Risk Management Committee Report and Sustainability Statement).

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

Board and Board practices

The Board is ultimately responsible and accountable for the Company’s performance and affairs. The Board sets short and long-term objectives and performs oversight over the Company’s achievement over the objectives set. Strategies and initiatives which support the objectives set incorporates elements which enables long-term sustainability of the Company, considering aspects in relation to economic, environmental, social and governance.

The Board has formalised a Board Charter which sets out and demarcates roles and responsibilities of the Board, Board Committees (established to assist the Board in discharging its duties) and the fiduciary duties of individual Directors. Similarly, each Board Committee has a formalised Terms of Reference which highlights the obligations of each Board Committee in assisting the Board in fulfilling its stewardship responsibilities. The Board Charter and the Terms of References of the Board Committees which serve as the primary reference and literature that guides the governance and conduct of the Board and Board Committees are reviewed on a periodic basis, and may be amended by the Board or the Board Committee from time to time to ensure it reflects and adapt to changing circumstances.

To govern the Group and the Company, the Board has set up policies, which include the Diversity Policy (with the aim to provide fair and equitable opportunities, inclusivity and developing diversity without discrimination), Remuneration Policy (to provide fair and competitive remuneration packages), Corporate Disclosure Policy (the Company’s approach towards the determination and dissemination of material information), Group Whistleblowing Policy (to encourage reporting of concerns or wrongdoings to the attention of the Management and/or Board), and the Code of Conduct and Ethic (to set out the Company’s ethical standards/guidelines, including honesty, integrity, and professionalism, for the Directors and Employees of the Group).

CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

Board and Board practices (Cont'd)

The Board consists of seven (7) Directors, four (4) of which are Executive Directors and the remaining three (3) are Independent Non-Executive Directors ("INED"). Out of the seven (7) Directors, three (3) of which are female, accounting for 43% of the Board. The Board is chaired by Khaw Khoon Tee, an Executive Director (i.e. Executive Chairman), who is primarily responsible for the orderly conduct and effective function of the Board, including ensuring that all Directors receive sufficient information on financial and non-financial matters to enable them to participate actively in Board deliberations and decisions. The responsibility for the day-to-day management of the business as well as implementation of the Board's policies and decisions lies on the Group Managing Director (Khaw Seang Chuan). To ensure check and balance as well as objective review by the Board on deliberations emanating from the Board Committees, the Board Chairman is not a member in any of the Board Committees.

To preserve the value an INED brings to the Company, i.e. objectivity to the oversight function of the Board through independence in mind and independence in appearance, the Board has limited the tenure of an INED to a cumulative term of nine (9) years. Nevertheless, should the Company choose to retain an INED beyond the nine (9) years limit, the INED will be subjected to annual assessment regarding his/her independence and contributions, and annual shareholders' approval through a two-tier voting process in the Annual General Meeting ("AGM").

Mr Law Cheng Lock, the senior INED who has served for 9 years and 10 months as at the date of last AGM has undergone a two-tier voting process in the last AGM and the motion was carried. Mr Law Cheng Lock is retained as INED until the following AGM. On February 2025, Mr Law has done the annual assessment on his independence and contributions and Mr Law has to subject to annual shareholders' approval through a two-tier voting process in the forthcoming AGM in order to be retained as INED.

The Company's Constitution provides that all Directors of the Company shall retire from office at least once every three (3) years but shall be eligible for re-election. At least one third (1/3) of the Directors for the time being, or if their number is not a multiple of three, then the number nearest to one-third (1/3), shall retire from office at each AGM. A retiring Director shall be eligible for re-election. This provides an opportunity for shareholders to renew their mandates.

The Board is supported by three (3) Board Committees, namely the Audit and Risk Management Committee ("ARMC"), the Nomination Committee ("NC") and the Remuneration Committee ("RC"). The ARMC assists the Board in providing oversight on the Company's financial reporting, disclosure, regulatory compliance and monitoring of internal control processes and risk management (including sustainability related risks and opportunities) within the Company. The NC oversees matters relating to the nomination of new Directors, annually reviews the required mix of skills, experience, and other requisite qualities of Directors as well as the assessment of the effectiveness of the Board as a whole, its Committees and the contribution of each individual Director. The RC is primarily responsible for examining and making recommendation to the Board as to the remuneration packages for Directors and Senior Management, which reflects the performances of these personnel.

Nomination Committee ("NC")

The NC comprised wholly of INED and is chaired by Law Cheng Lock. The NC facilitates annual assessment of the Board, Board Committees, and individual Director through various key criteria, including skills, knowledge, experience, diversity, time commitment, character, and integrity that are consistent with the criteria in fit and proper policy adopted by the Group. Based on the assessment carried out for FYE2024, the NC is satisfied with the performances of the Board, all the Board Committees and all the Directors.

Apart from annual assessment, the NC is also responsible for the appointment of new Directors and Senior Management, the re-election of Directors, and re-appointment of Non-Executive Directors. To avoid "groupthink", the NC considers diversity in the form of skills, experience, age, cultural background, and gender, apart from criteria such as competency and capability, personal qualities (such as honesty, integrity, diligence, independence of mind and fairness) and time-commitment of a Director and Senior Management. To appoint the right person to the leadership team with the right skills, experience, and credibility (including Board mix), the NC is authorised to utilise independent sources such as the directors' register, industry and professional associations, open advertisements, and independent search firms to source for potential candidates.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

Nomination Committee ("NC") (Cont'd)

Pursuant to Article 88 of the Company's Constitution, 1/3 of directors shall retire and eligible for re-election. The retiring Directors, in accordance with Article 88 of the Company's Constitution, shall be subject to assessment by the NC according to the Group's fit and proper policy and recommendation for re-election only if NC is satisfied with the performance of the retiring Directors.

Remuneration Committee ("RC")

The RC comprised wholly of INED and is chaired by Lee Kean Cheong. The RC supervises remuneration-related matters, including annual review of the remuneration policy and procedures, review and recommend to the Board and subsequently to the shareholder for approval at the AGM, the fees of the Directors and any benefits payable to the Directors. The remuneration packages for Executive Directors are linked to the Company's and individual's performances (measured against key performance indicators ("KPI")). Remuneration packages of Senior Management will be reviewed annually by the immediate superior/ Executive Director, based on achievement of the individual KPI.

The remuneration paid to Directors of the Group and the Company for FYE2024 are as follows:

Company	Director's Fees RM'000	Salary and Bonus RM'000	Meeting Allowance RM'000	Benefits in kind RM'000	EPF & SOCSO RM'000	Total RM'000
Khaw Khoon Tee	-	-	5	-	-	5
Khaw Seang Chuan	-	-	-	-	-	-
Khaw Choon Hoong	-	-	-	-	-	-
Khaw Choon Choon	-	-	-	-	-	-
Non-Executive Directors						
Law Cheng Lock	38	-	5	-	-	43
Oh Phaik Choo	34	-	5	-	-	39
Lee Kean Cheong	32	-	5	-	-	37
Group						
Khaw Khoon Tee	43	392	5	-	18	458
Khaw Seang Chuan	-	390	-	-	50	440
Khaw Choon Hoong	-	325	-	-	44	369
Khaw Choon Choon	-	299	-	-	40	339
Non-Executive Directors						
Law Cheng Lock	38	-	5	-	-	43
Oh Phaik Choo	34	-	5	-	-	39
Lee Kean Cheong	32	-	5	-	-	37

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)**Remuneration Committee ("RC") (Cont'd)**

The aggregated remuneration paid to the Senior Management team in the range of RM50,000 for FYE2024 on an unnamed basis are as follows:

Range of remuneration (RM)	Number of Senior Management Executive
200,001 to 250,000	1
250,001 to 300,000	1
300,001 to 350,000	1
350,001 to 400,000	1
400,001 to 450,000	1
450,001 to 500,000	1

The Board decides to disclose Senior Management team's remuneration (including a retired senior management) on an unnamed and aggregated basis in the range of RM50,000 as it considers disclosure of such information on a named and detailed basis to be detrimental to the Company and the individual, in view of the competitive nature of the human resource market and sensitivity of such information.

Company Secretary

The Board is supported by a suitably qualified and competent Company Secretary (has the requisite credentials and is qualified under the Companies Act 2016), responsible to provide sound governance advice, ensure adherence to rules and procedures, and advocate adoption of corporate governance best practices. The Board as a whole, is responsible and has the authority to appoint and remove the Company Secretary. Criteria considered include amongst others, performance, competency, and capability of the Company Secretary.

The Company Secretary, together with the Board Chairman, sets the agenda for each meeting. The Board and Board Committees members are provided with Board Papers and agenda items at least seven (7) days prior to the meetings. Furthermore, Directors are provided with the authority to request for additional information necessary from the Management team to support informed decision making.

The Company Secretary acts as the Secretary of the Board and all Board Committees. The Company Secretary minutes discussions, comments, deliberations, and decisions made, and upon conclusion of the meetings, timely circulate the minutes to the respective Directors for confirmation.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

Board and Board Committee meeting attendance

For effective functioning of the Board, Directors are required to allocate sufficient time to prepare and attend Board and Board Committee meetings.

The meetings of the Board and Board Committees attended by the Directors for FYE2024 are as follows:

	Board	ARMC	NC	RC
Khaw Khoon Tee (Executive Chairman)	5/5	-	-	-
Khaw Seang Chuan (Group Managing Director)	5/5	-	-	-
Khaw Choon Hoong (Executive Director)	5/5	-	-	-
Khaw Choon Choon (Executive Director)	5/5	-	-	-
Law Cheng Lock (Senior Independent Non-Executive Director)	5/5	5/5	1/1	1/1
Oh Phaik Choo (Independent Non-Executive Director)	5/5	5/5	1/1	1/1
Lee Kean Cheong (Independent Non-Executive Director)	5/5	5/5	1/1	1/1

Board Training

All existing Directors have attended the Mandatory Accreditation Programme ("MAP") Part I and II as required by the Listing Requirements. During the year, they have also attended other training programmes for Directors and seminars on areas such as sustainability, governance, and tax that include the following:

	Course Title	Date
Khaw Khoon Tee	Special Voluntary Disclosure Program 2.0: Seize the (final) opportunity by KPMG	27 Mar 2024
	Internal briefing – ABC policy	12 Apr 2024
	Mandatory Accreditation programme Part II: Leading for Impact (LIP) by ICDM	21 - 22 Aug 2024
	E-Invoicing by OTC Training Centre	19 Sep 2024
	E-Invoicing Training by Autocount	25 Oct 2024
Khaw Seang Chuan	Internal briefing – ABC policy	12 Apr 2024
	MIDA-MPMA Conference on government facilitation and incentives for circular and low carbon economy	26 Jun 2024
	Mandatory Accreditation programme Part II: Leading for Impact (LIP) by ICDM	12 - 13 Aug 2024
	E-Invoicing by OTC Training Centre	19 Sep 2024
	E-Invoicing Training by Autocount	25 Oct 2024
	Tax Summit 2024 by KPMG	19 Nov 2024
Khaw Choon Hoong	ISCC Plus Awareness Training	8 Aug 2024
	Mandatory Accreditation programme Part II: Leading for Impact (LIP) by ICDM	21 - 22 Aug 2024
	E-Invoicing by OTC Training Centre	19 Sep 2024
Khaw Choon Choon	Logistics as the Essence of Exporting by Matrade	26 Feb 2024
	Tax digitalization in action: Landscape of e-Invoicing in Malaysia by KPMG	19 Mar 2024
	Internal briefing – ABC policy	12 Apr 2024

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)**Board Training (Cont'd)**

	Course Title	Date
Khaw Choon Choon (Cont'd)	ISCC Plus Awareness Training	8 Aug 2024
	Mandatory Accreditation programme Part II: Leading for Impact (LIP) by ICDM	12 - 13 Aug 2024
	E-Invoicing by OTC Training Centre	19 Sep 2024
	E-Invoicing Training by Autocount	25 Oct 2024
Law Cheng Lock	Internal briefing – ABC policy	12 Apr 2024
	Mandatory Accreditation Programme Part II: Leading for Impact (LIP) by ICDM	21 - 22 Aug 2024
Oh Phaik Choo	Tax Deductible Expenses – Principles and Latest Developments by CTIM	31 Jan 2024
	Audit of Specialised Industries – Construction & Property Development by MAFA	2 Apr 2024
	Internal briefing – ABC policy	12 Apr 2024
	Latest Income Tax Updates & Recent Tax Cases 2024 by CTIM	24 May 2024
	Preparing a Defense-Ready Transfer Pricing (“TP”) Documentation which Complies with TP Rules 2024 by CTIM	8 Aug 2024
	Audit of Accounting Estimates (Including Impairment & Provisions), Fraud & Error and Audit Opinions by MAFA	22 Aug 2024
	Applying & Reporting Modified Audit Opinions (ISA 705 revised & 706 revised), Performing Compilation Engagements (ISRS 4410 revised) and Ageed Upon Procedures (ISRS 4400 Revised) by MAFA	19 Sep 2024
	Post Implementation of e-Invoicing in Malaysia: Challenges faced by Businesses and What’s Next by ACCA	7 Oct 2024
	Mandatory Accreditation Programme Part II: Leading for Impact (LIP) by ICDM	9 - 10 Oct 2024
	Analysis of Development, Enhancement, Maintenance, Protection and Exploitation (DEMPE) for Intangible Property and Cost Contribution Arrangements by CTIM	15 Oct 2024
	Seminar Percukaian Kebangsaan 2024 by IRB	23 Oct 2024
	Workshop on IFRS Sustainability Standards by Bursa Malaysia	7 Nov 2024
	ISSB: Applying the IFRS Sustainability Disclosure Standards IFC	11 Nov 2024
	AOB Conversation with Audit Committees	19 Nov 2024
	2025 Budget Seminar by MIA	20 Nov 2024
	Unlocking Productivity and Efficiency for Accounting Professionals with AI by ACCA	4 Dec 2024
	Case Study-Based MFRS Webinar: A Comprehensive Review of Latest Developments in MFRS by MIA	11 Dec 2024
	Applying ISA 600 (Revised 2023) – Audit of Group Financial Statements by MAFA	19 Dec 2024
	Lee Kean Cheong	Internal briefing – ABC policy
Navigating the Updates on International Valuation Standards: Transforming Valuation Practices		20 Jun 2024
Mandatory Accreditation Programme Part II: Leading for Impact (LIP) by ICDM		21 - 22 Aug 2024
AOB Conversation with Audit Committees		19 Nov 2024
Future-proof accounting and finance teams: Compliance, cybersecurity, technology and more		12 Dec 2024

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPAL B: EFFECTIVE AUDIT AND RISK MANAGEMENT

Audit and Risk Management Committee

The ARMC comprises solely of INED and is chaired by Oh Phaik Choo, an INED. The Company recognises the need for objectivity is particularly imperative for the Chairman of the Audit Committee, as the committee has a specific role in providing objective oversight in the areas of financial reporting, related party transactions and conflicts of interest, internal control environment, internal audit, and external audit processes. Hence, the Chairman of the ARMC is not the Chairman of the Board.

Two (2) of the three (3) ARMC members are members of professional accountancy bodies, which is in accordance with Paragraph 15.09(1)(c) of Bursa's Listing Requirements, and all three (3) members are financially literate, able to understand matters under the purview of the ARMC and possess the necessary skills to discharge their duties effectively.

To avoid the ability to significantly influence the audit and preparation of the Company's financial statements, the ARMC has revised the ARMC's Terms of Reference to formalise a policy which requires a former partner of the external audit firm (including those providing advisory services, tax consulting, and other similar services) to observe a cooling-off period of at least three (3) years before being able to be appointed to the ARMC.

Risk Management and Internal Control Framework

The Board is ultimately responsible for ensuring the overall adequacy and effectiveness of the Group's risk management and internal control framework. The ARMC is tasked to assist the Board on the Group's risk management matters, including overseeing the overall effectiveness of the risk management framework, the adequacy and effectiveness of internal controls, and reviewing the Group's risks including in the areas of cybersecurity, anti-corruption, and business contingency planning matters.

The Group's risk management practices are guided by an Enterprise Risk Management ("ERM") process which was developed by Management with the help of an independent professional accounting and consulting firm. The ERM process includes the identification, assessment, monitoring, reporting, and mitigation of risks affecting the Company's business and supporting activities.

The Board reviews the adequacy and operating effectiveness of the Group's risk management and internal control framework on an annual basis, based on, amongst others, the audit activities overseen by the ARMC, the assurance from the Group Managing Director and the Group Accountant responsible for the Company's financial affairs, and input from other parties and processes. Details of the features of the Group's risk management and internal control framework and the Board's commentary on its adequacy and effectiveness are disclosed in the Statement on Risk Management and Internal Control, whereas the summary of activities carried out during the financial year under review are disclosed in the ARMC Report included in this Annual Report FYE2024.

External auditor

The external auditor for the Company and the Group is KPMG PLT. Their primary role is to form an opinion on the financial statements of the Company, including accounting and other records relating to those financial statements and thereafter report to the shareholders in AGMs. To ensure effectiveness of the external auditors, ARMC will assess the suitability, objectivity, and independence of the external auditor. The ARMC has performed the assessment and will recommend the re-appointment of KPMG PLT to the shareholders in the upcoming AGM (20th).

In assessing the independence of the external auditor, the ARMC has also considered the nature and fees of any non-audit services provided by the external auditors and/or their affiliates, which for FYE2024, amounting to as follows:

	Company (RM)	Group (RM)
Statutory audit fees	36,300	157,200
Non-audit fees	29,500	29,500
Non-audit fees from local affiliate of KPMG PLT	3,500	31,000

CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

Internal auditor

The Company's internal audit function is outsourced to Messrs. JWC Consulting Sdn Bhd, an independent professional accounting and consulting firm. The firm is tasked to provide reasonable assurance regarding the effectiveness, adequacy, and integrity of the Company's internal control systems. The internal auditors have full and direct access to the ARMC, and the ARMC receives reports on all internal audits conducted, including significant results and recommendations for improvement. The ARMC, through its internal auditors, monitors action plans and the status thereof on a regular basis.

The ARMC has during the financial year, reviewed, and assessed the performance of its outsourced internal auditors and is satisfied with its performance.

Further details on the internal audit function are available in the ARMC Report, CG Report and the Statement on Risk Management and Internal Control of the Annual Report FYE2024.

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

Engagement with Stakeholders

The Board understands the importance and need for communication with its stakeholders, such as the shareholders, employees, customers, business partners, and the general public. Various communication channels were established, including announcements on Bursa's website, the Company's corporate website, as well as annual reports, press releases, quarterly results, and other information which are also available on the corporate website.

Through these channels, relevant information such as the Company's commercial activities and financial performances, the Group's background and products, policies regarding how the Group's businesses are run, sustainability information including economic, environmental, social, and governance matters are communicated to the stakeholders. Furthermore, engagement channels which facilitate two-way communications are in place, such as through AGM, employee appraisal processes, and business meeting forums. These engagement/communication strategies and channels are reviewed annually by the Board, considering amongst others, their adequacy and effectiveness.

Conduct of General Meetings

General meetings serve as a principal forum through which shareholder dialogue is carried out, allowing shareholders to review the Group's performance, understand the Group's long-term strategic direction, as well as financial and non-financial information. The Company has served notice of AGM, together with the Annual Report and Corporate Governance Report to shareholders more than 28 days before the AGM to provide shareholders sufficient time to read and understand the Annual Report, resolutions to be tabled and make the required attendance and voting arrangements.

The Company has leveraged on technology to host the last AGM remotely, facilitate voting and remote shareholder's participation. Prior to the AGM, Management has assessed and considered cyber hygiene practices including data privacy and security to prevent cyber threats of the Remote Participation and Voting ("RPV") facility.

All Board members were present at the last AGM, to provide shareholders with the opportunity to seek pertinent clarifications from the Directors. Shareholders were provided with the opportunity to submit questions prior to and during the AGM, in addition to speaking (in the form of real time submission of typed texts) and voting remotely through the RPV facility.

Questions raised were answered mainly by the Group Managing Director supported by the Senior Management (apart from questions raised directly to individual Director), and any unanswered questions (e.g. due to time constraint) were answered through email subsequent to the meeting.

Further to the above, the Board endeavours to publish the minutes of the upcoming AGM (20th) on our corporate website on or before 30 business days after the AGM.

This Corporate Governance Overview Statement was approved by the Board on **18 April 2025**.

DIRECTORS' RESPONSIBILITY STATEMENT

The Board of Directors is required under paragraph 15.26(a) of the Main Market Listing Requirements of Bursa Malaysia to issue a statement explaining its responsibility for preparing the annual audited financial statements.

The Directors are required by law to prepare financial statements for each financial year which give a true and fair view of the financial position of the Group and of the Company as at the financial year end and of their results and cash flows for the financial year then ended.

The Directors consider that, in preparing the financial statements of SLP for the financial year ended 31 December 2024, the Group has used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgment and estimates. The Directors also consider that all applicable Financial Reporting Standards in Malaysia have been complied with and confirm that the financial statements have been prepared on a going concern basis.

The Directors are responsible for ensuring that the Company keeps accounting records which disclose with reasonable accuracy at any time the financial position of the Company and which enable them to ensure that the financial statements comply with the provisions of the Companies Act 2016.

This Statement is made in accordance with a resolution of the Board of Directors dated **18 April 2025**.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

The Malaysian Code on Corporate Governance requires the Board of Directors (“Board”) to establish a sound risk management framework and internal controls system to safeguard shareholders’ investments and the assets of the Group. Pursuant to paragraph 15.26 (b) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Malaysia”), the Board of listed issuers is required to include in its Annual Report, a statement on the Group’s state of internal control. The Board recognises its responsibilities and the importance of a sound system of Risk Management and Internal Controls.

The Board continues with its commitment to maintain sound systems of risk management and internal control throughout SLP Resources Berhad and its subsidiaries (“Group”) and in compliance with the Main Listing Requirements and the Statement of Risk Management and Internal Control (Guidelines for Directors of Listed Issuers) (“Internal Control Guidelines”), the Board is pleased to provide the following statement which outlines the nature and scope of risk management and internal control of the Group during the financial year under review.

BOARD RESPONSIBILITY

The Board acknowledges the importance of sound risk management and internal controls being embedded into the culture, processes and structures of the Group. The systems of internal control cover risk management and financial, organizational, operational, project and compliance controls. The Board affirms its overall responsibility for the Group’s systems of internal control and for reviewing the effectiveness and efficiency of those systems to ensure its viability and robustness. It should be noted, however, that such systems are designed to manage, rather than eliminate, risks of failure to achieve corporate objectives. Inherently, it can only provide reasonable and not absolute assurance against material misstatement or loss.

AUDIT AND RISK MANAGEMENT COMMITTEE’S ROLE

The Audit and Risk Management Committee (“ARMC”) is accountable to the Board for the implementation of ongoing processes in identifying, evaluating, monitoring and reporting of risks and internal controls. The Group Managing Director and Group Accountant have provided the Board the assurance that the Group’s risk management and internal control systems are operating adequately and effectively, in all material aspects, to ensure achievement of corporate objectives and strategies, during the financial year under review and up to date of this statement.

CONTROL STRUCTURE AND ENVIRONMENT

In furtherance to the Board’s commitment to maintain sound systems of risk management and internal control, the Board strives to implement and maintain a structure and environment for the proper conduct of the Group’s business operations as follows:

- The Board meets at least quarterly and sets a list of agenda which is required to be brought to its attention for discussion, in ensuring an effective and appropriate supervision of controls. The Group Managing Director leads the presentation of board papers and provides explanation of pertinent issues. In addition, the Board is also updated on the Group’s development and its operations;
- An organization structure with well-defined scopes of responsibility, clear lines of accountability and levels of delegated authority;
- A process of hierarchical reporting which provides for a documented and auditable trail of accountability;
- A set of documented internal policies and procedures for operational and human resource management, which is subject to review and improvement. A documented delegation of authority with clear lines of accountability and responsibility that serves as a tool of reference in identifying the authorisation matrix for various transactions including matters that require Board’s approval;
- Regular and relevant information are provided by management, covering financial and operational performance and key business indicators, for effective monitoring and timely decision making;
- Regular visits to operating units by members of the Board.

RISK MANAGEMENT

The Group has established risk management practices to safeguard the Group’s business interest from risk events that may impede the achievement of business strategy and provide assurance to the Groups’ stakeholders.

The Group, with the support of an independent professional accounting and consulting firm, has implemented the Enterprise Risk Management (“ERM”) processes to identify, assess, monitor, report and mitigate risks impacting the Group’s business and supporting activities.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

RISK MANAGEMENT (CONT'D)

The main components of the Group's risk governance and structure consists of the Board and the ARMC. The structure allows for strategic risk discussions to take place between the Board and the ARMC on a periodical basis. The summary of the accountabilities for the Board and the ARMC under the risk governance structure are as follows:

a) Board of Directors

- Overall risk oversight responsibility;
- Determines that the principal risks are identified, and appropriate as well as robust systems are implemented to manage these risks;
- Reviews the adequacy and the integrity of the Group's internal control systems and information systems, including systems for compliance with applicable laws, regulations, rules, directives and guidelines.

b) Audit and Risk Management Committee

- Reviews and endorses policies, frameworks and other key components of risk management including corporate risk profile for implementation within the Group;
- Reviews the progress of risk management activities to identify, evaluate, monitor and manage critical risks;
- Oversees the effective implementation of risk management policies and guidelines, ERM and cultivation of risk management culture within the organisation;
- Reviews and monitors periodically the status of the Group's principal risks and their mitigating actions and update the Board.

Risk awareness sessions have been incorporated in the monthly management meetings attended by the Group's senior and middle management and key employees. This is part of the ongoing initiative to sustain risk awareness and risk management capabilities.

In essence, Risk Management is conducted through an ongoing process between the Board, the Management and employees in the Group. The Group believes that the risk management framework and guidelines adopted and implemented have strengthened the risk ownership and risk management culture amongst the employees.

INTERNAL AUDIT FUNCTION

The Board acknowledges the importance of the internal audit function and has engaged the services of an independent professional accounting and consulting firm, Messrs. JWC Consulting Sdn Bhd, to provide much of the assurance it requires regarding the effectiveness as well as the adequacy and integrity of the Group's systems of internal control.

The internal audit adopts a risk-based approach in developing its audit plan which addresses the core business processes of the Group based on their risk profile. Scheduled internal audits are carried out by the internal auditors based on the audit plan presented to and approved by the ARMC.

The ARMC has full and direct access to the internal auditors and the ARMC receives reports on all internal audits performed. This is to establish an internal audit function which is independent of activities it audits. Significant findings and recommendations for improvement are highlighted to the Management and the ARMC, with periodic follow-up of the implementation of action plans. The Management is responsible for ensuring that corrective actions were implemented accordingly.

Based on the internal auditors' reports for the financial year ended 31 December 2024, the Board has reasonable assurance that the Group's systems of internal control are generally adequate and appear to be working satisfactorily. A number of minor internal control weaknesses were identified during the financial year, all of which have been, or are being, addressed. None of the weaknesses have resulted in any material losses, contingencies or uncertainties that would require disclosure in the Group's annual report.

The Board continues to review and implement measures to strengthen the internal control environment of the Group.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

REVIEW OF THE STATEMENT BY THE EXTERNAL AUDITORS

The external auditors have reviewed this Statement in accordance to Paragraph 15.23 of the Main Market Listing Requirements of Bursa Securities. Based on their review, the external auditors have reported to the Board that nothing has come to their attention that causes them to believe that this Statement on Risk Management and Internal Control intended to be included in the annual report is not prepared, in all material aspects, 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 to be set out, nor is factually inaccurate.

This statement is issued in accordance with a resolution of the Directors dated **18 April 2025**.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

1. Members

The Audit and Risk Management Committee ("ARMC") currently comprises entirely Non-Executive Directors with all of the members being independent as follows:

Name	Position
Oh Phaik Choo	Chairman, <i>Independent Non-Executive Director</i>
Law Cheng Lock	Member, <i>Senior Independent Non-Executive Director</i>
Lee Kean Cheong	Member, <i>Independent Non-Executive Director</i>

Oh Phaik Choo is a Chartered Accountant registered with Malaysian Institute of Accountants (MIA), approved company Auditor and Licensed tax Agent, a Fellow of the Chartered Tax Institute of Malaysia (CTIM), a Fellow of the Association of Chartered Certified Accountants (FCCA) and a Member of The Institute of Internal Auditors. The ARMC, therefore, meets the requirements of Paragraph 15.09(1) of the MMLR of Bursa Securities.

2. Attendance At Meetings

During the financial year ended 31 December 2024, a total of five (5) ARMC meetings were held. The details of attendance of each member of the Committee were as follows:

Directors	Attendance
Law Cheng Lock	5/5
Oh Phaik Choo	5/5
Lee Kean Cheong	5/5

3. Terms Of Reference

As provided for in Bursa's Main Market Listing Requirements, the Committee's Terms of Reference are available on the Company's website www.sinliplas.com.my.

4. Summary Of Activities Of The Audit And Risk Management Committee

During the financial year ended 31 December 2024, the activities undertaken by the Committee included the following:

Financial reporting

- (i) Reviewed the quarterly unaudited financial results and the annual audited financial statements for the financial year ended 31 December 2024 of the Group and of the Company prior to recommending them for approval by the Board of Directors;
- (ii) Reviewed report from the management for related party transactions entered into by the Group and the Company during the year; and
- (iii) Monitored the compliance requirements in line with new updates of Bursa Securities, Securities Commission, MASB and other legal and regulatory bodies.

Annual report

Reviewed the Statement on Risk Management and Internal Control ("SORMIC") for inclusion in the Annual Report.

Risk management and assessment

Reviewed and discussed with management the outcome of the exercise to identify, evaluate and manage significant strategic, operational and financial risks faced by the Group.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

4. Summary Of Activities Of The Audit And Risk Management Committee (Cont'd)

Risk management and assessment (Cont'd)

External audit

- (i) Reviewed with external auditors, the draft Audited Financial Statements of the Group and of the Company for the financial year ended 31 December 2024;
- (ii) Reviewed the external auditors' scope of work, audit plan and fee for the financial year ended 31 December 2024;
- (iii) Reviewed with the external auditors the results of the annual audit and management letter together with Management's response to the findings of the external auditors (if any) for the financial year ended 31 December 2024; and
- (iv) Evaluated the performance and independence of the external auditors and their services rendered including non-audit service and made recommendations to the Board of Directors on their re-appointment and remuneration.

Internal audit

- (i) Reviewed the annual audit plan for FY2024 to ensure adequate scope, coverage of the activities of the Group and of the Company; and
- (ii) Reviewed the Internal Auditors reports, audit recommendations and Management's responses to these recommendations.

Conflict of Interest

- (i) Reviewed conflict of interest or potential conflict of interest situations that may arise between the Board and/or senior management with the Company and/or its subsidiaries, along with the measures taken to resolve, eliminate, or mitigate such conflict; and
- (ii) Reviewed the conflict of interest policy, which establishes procedures to guide the Board and senior management in identifying and disclosing any conflict of interest or potential conflict of interest with the Company or its subsidiaries.

Other duties

- (i) Prepared the ARMC Report and reviewed SORMIC and Sustainability Statement before submission to the Board of Directors for consideration and approval for inclusion in the Company's Annual Report for the financial year ended 31 December 2024.

5. Training

During the financial year ended 31 December 2024, the ARMC Chairman and the members attended the following training programmes, seminars, forums and discussions relating to business, corporate governance, law, accounting, finance, taxation and economy to enhance their knowledge to enable them to discharge their duties more effectively:

- 2025 Budget Seminar
- Analysis of Development, Enhancement, Maintenance, Protection and Exploitation (DEMPE) for Intangible Property and Cost Contribution Arrangements
- AOB Conversation with Audit Committees
- Applying & Reporting Modified Audit Opinions (ISA 705 revised & 706 revised), Performing Compilation Engagements (ISRS 4410 revised) and Agreed Upon Procedures (ISRS 4400 Revised)
- Applying ISA 600 (Revised 2023) –Audit of Group Financial Statements
- Audit of Accounting Estimates (Including Impairment & Provisions), Fraud & Error and Audit Opinions
- Audit of Specialised Industries – Construction & Property Development
- Case Study-Based MFRS Webinar: A Comprehensive Review of Latest Developments in MFRS

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

5. Training (Cont'd)

- Future-proof accounting and finance teams: Compliance, cybersecurity, technology and more
- Internal briefing - ABC policy
- ISSB : Applying the IFRS Sustainability Disclosure Standards IFC
- Latest Income Tax Updates & Recent Tax Cases 2024
- Mandatory Accreditation Programme Part II: Leading for Impact (LIP)
- Navigating the Updates on International Valuation Standards: Transforming Valuation Practices
- Post Implementation of e-Invoicing in Malaysia: Challenges faced by Businesses and What's Next
- Preparing a Defense-Ready Transfer Pricing ("TP") Documentation which Complies with TP Rules 2024
- Seminar Percukaian Kebangsaan 2024
- Tax Deductible Expenses- Principles and Latest Developments
- Unlocking Productivity and Efficiency for Accounting Professionals with AI
- Workshop on IFRS Sustainability Standards

6. Internal Audit Function

The Group has outsourced its internal audit function to a professional service firm, Messrs JWC Consulting Sdn Bhd whose primary responsibility is to independently assess and report to the Board of Directors, through the ARMC, the system of internal control of the Group. The internal audit functions are as set out in the SORMIC on pages 63 to 65 of the Annual Report.

Messrs JWC Consulting Sdn. Bhd. is a member of the Institute of Internal Auditors Malaysia. Details of the lead Internal Auditors from Messrs JWC Consulting Sdn Bhd that carried out the internal audit work for the financial year ended 31 December 2024 are as follows:

Name	Qualifications
Joyce Wong (<i>Director-In-Charge</i>)	Member of Malaysian Institute of Accountants, Institute of Internal Auditors, and Certified Practising Accountants, Australia

During the financial year, the Internal Auditors carried out internal audit reviews based on an annual audit plan approved by the ARMC to assess the adequacy and integrity of the system of internal control as established by the Management, so as to provide reasonable assurance that:

- the system of internal control continues to operate satisfactorily and effectively;
- assets and resources are safeguarded;
- integrity of records and information is protected;
- internal policies, procedures and standards are adhered to; and
- applicable rules and regulations are complied with.

The scope of work, as approved by the ARMC, was essentially based on the risk profiles of companies in the Group, where areas of higher risk were included for internal audit. The internal audit covered key operational, financial and compliance controls, including the risk management process deployed by Management. Audit findings and areas of concern that need improvements were highlighted in the Internal Auditors reports and reviewed at the ARMC meetings.

The relevant Management members were made responsible for ensuring that corrective actions on reported weaknesses were taken within the required time frames. The Internal Auditors conducted follow-up audits on key controls to ensure that the corrective actions were implemented appropriately. During the Board of Directors meetings, the Chairman of the ARMC briefed the Board on audit matters and the minutes of the ARMC meetings were duly noted by the Board.

The cost incurred in outsourcing the internal audit function to an independent professional firm during the financial year amounted to approximately RM30,680.

This report is made in accordance with a resolution of the Board of Directors dated 18 April 2025.

ADDITIONAL COMPLIANCE INFORMATION

The information disclosed below is in compliance with the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”).

1. Material Contracts

The Company and its subsidiaries do not have any material contracts involving Directors and major shareholders.

2. Audit and Non-Audit Services

During the financial year, the audit fees and non-audit fees paid/payable to the Company’s external auditors by the Company and by the Group incurred for services rendered for the financial year ended 31 December 2024 were as follows: -

Type of Fees	Company (RM)	Group (RM)
Audit Fees	36,300	157,200
Non-Audit Fees		
- KPMG PLT	29,500	29,500
- Local affiliate of KPMG PLT	3,500	31,000

3. Employees Share Options Scheme

The Group did not offer any share scheme for employees during the financial year under review.

4. Internal Audit Function

The internal audit function was outsourced and the cost incurred for the internal audit function in respect of the financial year under review was RM30,680.

5. Recurrent Related Party Transactions of Revenue Or Trading Nature

Details of the recurrent related party transactions of revenue nature have been duly disclosed in Note 25 of the Notes to the Financial Statements for the financial year ended 31 December 2024.

The Company is proposing to seek a renewal of shareholders’ mandate at its forthcoming Annual General Meeting pursuant to paragraph 10.09 of the Bursa Malaysia Securities Berhad’s Main Market Listing Requirements for recurrent related party transactions of a revenue or trading nature. Details of the proposals are being disclosed in the Circular to Shareholders dated 30 April 2025.

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 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 December 2024.

Principal activities

The Company is principally engaged in investment holding activities, whilst the principal activities of the subsidiaries are as stated 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

	Group RM	Company RM
Profit for the year attributable to owners of the Company	<u>14,044,208</u>	<u>16,002,167</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 the financial statements.

Dividends

Since the end of the previous financial year, the amount of dividends paid by the Company were as follows :

- i) in respect of the financial year ended 31 December 2023 :
 - a third interim dividend of 1.25 sen per ordinary share totalling RM3,962,001 declared on 10 November 2023 and paid on 5 January 2024; and
 - a fourth interim dividend of 1.25 sen per ordinary share totalling RM3,962,001 declared on 26 February 2024 and paid on 5 April 2024.
- ii) in respect of the financial year ended 31 December 2024 :
 - a first interim dividend of 1.00 sen per ordinary share totalling RM3,169,600 declared on 3 May 2024 and paid on 4 July 2024;
 - a second interim dividend of 1.25 sen per ordinary share totalling RM3,962,001 declared on 9 August 2024 and paid on 10 October 2024; and
 - a third interim dividend of 1.25 sen per ordinary share totalling RM3,962,001 declared on 8 November 2024 and paid on 27 December 2024.

Subsequent to the end of the financial year, the Company declared a fourth interim dividend of 1.25 sen per ordinary share totalling RM3,962,001 in respect of the financial year ended 31 December 2024 on 25 February 2025 and paid on 9 April 2025.

The Directors do not recommend any final dividend to be paid for the financial year ended 31 December 2024.

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2024

Directors of the Company

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

Khaw Khoon Tee
 Khaw Choon Choon
 Khaw Choon Hoong
 Khaw Seang Chuan
 Law Cheng Lock
 Oh Phaik Choo
 Lee Kean Cheong

Directors of subsidiaries

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

Khaw Choon Choon
 Khaw Choon Hoong
 Khaw Khoon Tee
 Khaw Seang Chuan

Directors' interests in shares

The interests and deemed interests in the shares of the Company 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 :

	Number of ordinary shares			At 31.12.2024
	At 1.1.2024	Bought	(Sold)	
Khaw Khoon Tee				
Interest in the Company:				
- own	31,404,478	-	-	31,404,478
- others #	2,757,998	-	-	2,757,998
Deemed interest in the Company:				
- own	131,652,059	2,000,000	-	133,652,059
Khaw Seang Chuan				
Interest in the Company:				
- own	47,489,085	-	-	47,489,085
- others #	2,644,998	80,000	-	2,724,998
Deemed interest in the Company:				
- own	131,652,059	2,000,000	-	133,652,059

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2024

Directors' interests in shares (Cont'd)

	Number of ordinary shares			At 31.12.2024
	At 1.1.2024	Bought	(Sold)	
Khaw Choon Hoong				
Interest in the Company:				
- own	3,929,499	-	-	3,929,499
Deemed interest in the Company:				
- own	131,652,059	2,000,000	-	133,652,059
Khaw Choon Choon				
Interest in the Company:				
- own	1,853,199	-	-	1,853,199
- others #	100,000	-	-	100,000

These are shares held in the name of the spouse and children (who themselves are not Directors of the Company) and are regarded as interests of the Director in accordance with Section 59(11)(c) of the Companies Act 2016.

By virtue of their interests in the shares of the Company, Mr. Khaw Khoon Tee, Mr. Khaw Seang Chuan and Ms. Khaw Choon Hoong are also deemed interested in the shares of the subsidiaries during the financial year to the extent that the Company has an interest.

None of the other Directors holding office at 31 December 2024 had any interest in the ordinary shares of the Company 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 company 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 other than a Director who has a substantial financial interest in a company which traded with a company in the Group in the ordinary course of business.

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

	From the Company RM	From the subsidiaries RM
Fees	104,000	43,200
Remuneration	20,000	1,557,696
	<u>124,000</u>	<u>1,600,896</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.

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2024

Issue of shares and debentures

There were no changes in the issued and paid-up capital of the Company and no debentures were issued 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 Group and of the Company was RM8,119.

There was no indemnity given to or insurance effected for the auditors of the Company.

Options granted over unissued shares

No options were granted to any person to take up unissued shares 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 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 December 2024 has 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.

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2024

Auditors

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

The auditors' remuneration of the Group and of the Company during the year are as follows :

	Group 2024 RM	Company 2024 RM
Audit fees by KPMG PLT	157,200	36,300
Non-audit fees		
- KPMG PLT	29,500	29,500
- Local affiliate of KPMG PLT	31,000	3,500

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

.....

Khaw Khoon Tee

Director

.....

Khaw Seang Chuan

Director

Penang,

Date : 18 April 2025

STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2024

	Note	Group		Company	
		2024 RM	2023 RM	2024 RM	2023 RM
Assets					
Property, plant and equipment	2	55,119,514	55,851,842	-	-
Right-of-use assets	3	9,635,056	10,034,297	-	-
Intangible assets	4	8,580	8,580	-	-
Deferred tax assets	5	1,000	16,000	-	-
Investments in subsidiaries	6	-	-	79,639,689	79,639,689
Other Investment	7	-	-	-	-
Total non-current assets		64,764,150	65,910,719	79,639,689	79,639,689
Inventories	8	36,902,767	42,690,931	-	-
Trade and other receivables	9	24,942,264	26,829,701	4,153,362	3,545,500
Current tax assets		595,523	95,619	291	4,957
Cash and cash equivalents	10	86,656,164	84,345,153	32,276,141	35,894,491
		149,096,718	153,961,404	36,429,794	39,444,948
Asset classified as held for sale	11	180,576	-	-	-
Total current assets		149,277,294	153,961,404	36,429,794	39,444,948
Total assets		214,041,444	219,872,123	116,069,483	119,084,637
Equity					
Share capital	12	113,680,000	113,680,000	113,680,000	113,680,000
Reserves	13	74,454,602	77,416,992	2,298,905	1,352,341
Total equity attributable to owners of the Company		188,134,602	191,096,992	115,978,905	115,032,341

STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2024

	Note	Group		Company	
		2024 RM	2023 RM	2024 RM	2023 RM
Liabilities					
Deferred tax liabilities	5	8,968,000	9,277,000	-	-
Total non-current liability		8,968,000	9,277,000	-	-
Trade and other payables	14	15,923,737	18,584,691	90,578	4,052,296
Current tax liabilities		1,015,105	913,440	-	-
Total current liabilities		16,938,842	19,498,131	90,578	4,052,296
Total liabilities		25,906,842	28,775,131	90,578	4,052,296
Total equity and liabilities		214,041,444	219,872,123	116,069,483	119,084,637

The notes on pages 86 to 115 are an integral part of these financial statements.

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	Group		Company	
		2024 RM	2023 RM	2024 RM	2023 RM
Revenue	15	161,661,475	162,328,073	15,580,000	14,895,000
Changes in work-in-progress and manufactured inventories		(1,239,173)	1,151,690	-	-
Raw materials and consumables used		(112,494,683)	(120,397,965)	-	-
Employee benefits expenses	16	(13,771,447)	(13,336,323)	(5,000)	(5,000)
Depreciation of property, plant and equipment	2	(6,154,419)	(6,182,448)	-	-
Depreciation of right-of-use assets	3	(152,335)	(151,813)	-	-
Gain/(loss) on impairment of financial instruments	17	29,299	(101,955)	-	-
Other expenses		(13,346,887)	(12,634,083)	(436,536)	(479,941)
Other income		1,040,085	1,584,840	58,628	17
Results from operating activities		15,571,915	12,260,016	15,197,092	14,410,076

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	Group		Company	
		2024 RM	2023 RM	2024 RM	2023 RM
Finance income	17	1,882,861	1,975,621	1,056,076	1,114,133
Profit before tax	17	17,454,776	14,235,637	16,253,168	15,524,209
Tax expense	19	(3,410,568)	(3,628,701)	(251,001)	(264,700)
Profit for the year attributable to owners of the Company		14,044,208	10,606,936	16,002,167	15,259,509
Other comprehensive (expense)/ income, net of tax					
Item that is or may be reclassified subsequently to profit or loss					
Foreign currency translation differences	20	(1,950,995)	3,285,017	-	-
Total other comprehensive (expense)/income for the year, net of tax	20	(1,950,995)	3,285,017	-	-
Total comprehensive income for the year attributable to owners of the Company		12,093,213	13,891,953	16,002,167	15,259,509
Basic earnings per ordinary share (sen)	21	4.43	3.35	-	-

The notes on pages 86 to 115 are an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2024

Group	Note	Attributable to owners of the Company				Total equity RM
		Share capital RM	Foreign currency translation reserve RM	Fair value reserve RM	Retained earnings RM	
At 1 January 2023		113,680,000	2,765,820	(105,580)	76,712,800	193,053,040
Foreign currency translation differences		-	3,285,017	-	-	3,285,017
Total other comprehensive income for the year		-	3,285,017	-	-	3,285,017
Profit for the year		-	-	-	10,606,936	10,606,936
Total comprehensive income for the year		-	3,285,017	-	10,606,936	13,891,953
Distributions to owners of the Company		-	-	-	(15,848,001)	(15,848,001)
Dividends to owners of the Company	22	-	-	-	(15,848,001)	(15,848,001)
Total transactions with owners of the Company		-	-	-	(15,848,001)	(15,848,001)
At 31 December 2023		113,680,000	6,050,837	(105,580)	71,471,735	191,096,992
		Note 12	Note 13	Note 13	Note 13	Note 13

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2024

Group	Attributable to owners of the Company					Total equity RM
	Share capital RM	Foreign currency translation reserve RM	Fair value reserve RM	Retained earnings RM		
At 1 January 2024	113,680,000	6,050,837	(105,580)	71,471,735		191,096,992
Foreign currency translation differences	-	(1,950,995)	-	-		(1,950,995)
Total other comprehensive expense for the year	-	(1,950,995)	-	-		(1,950,995)
Profit for the year	-	-	-	14,044,208		14,044,208
Total comprehensive (expense)/income for the year	-	(1,950,995)	-	14,044,208		12,093,213
Distributions to owners of the Company	-	-	-	(15,055,603)		(15,055,603)
Dividends to owners of the Company	-	-	-	(15,055,603)		(15,055,603)
Total transactions with owners of the Company	-	-	-	(15,055,603)		(15,055,603)
At 31 December 2024	113,680,000	4,099,842	(105,580)	70,460,340		188,134,602

Note 12

Note 13

Note 13

Note 13

Note 13

Note 13

Note 13

The notes on pages 86 to 115 are an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	Share capital RM	Retained earnings RM	Total equity RM
Company				
At 1 January 2023		113,680,000	1,940,833	115,620,833
Profit for the year representing total comprehensive income for the year		-	15,259,509	15,259,509
<i>Distributions to and transactions with owners of the Company</i>				
- Dividends to owners of the Company	22	-	(15,848,001)	(15,848,001)
At 31 December 2023/1 January 2024		113,680,000	1,352,341	115,032,341
Profit for the year representing total comprehensive income for the year		-	16,002,167	16,002,167
<i>Distributions to and transactions with owners of the Company</i>				
- Dividends to owners of the Company	22	-	(15,055,603)	(15,055,603)
At 31 December 2024		113,680,000	2,298,905	115,978,905
		Note 12	Note 13	

The notes on pages 86 to 115 are an integral part of these financial statements.

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	Group		Company	
		2024 RM	2023 RM	2024 RM	2023 RM
Cash flows from operating activities					
Profit before tax		17,454,776	14,235,637	16,253,168	15,524,209
Adjustments for :					
Depreciation of :					
- property, plant and equipment	2	6,154,419	6,182,448	-	-
- right-of-use assets	3	152,335	151,813	-	-
Loss on winding up of a subsidiary	A	-	-	-	38,408
Net (reversal of)/ loss on impairment of trade receivables	17	(29,299)	101,955	-	-
Plant and equipment written off	17	21,523	818	-	-
Provision of slow-moving inventories	8	-	242,728	-	-
Write-down of inventories to net realisable value	8	-	216,108	-	-
Dividend income	17	-	-	(15,580,000)	(14,895,000)
Finance income	17	(1,882,861)	(1,975,621)	(1,056,076)	(1,114,133)
Operating profit/(loss) before changes in working capital		21,870,893	19,155,886	(382,908)	(446,516)

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	Group		Company	
		2024 RM	2023 RM	2024 RM	2023 RM
Changes in working capital :					
Inventories		5,260,602	3,014,739	-	-
Trade and other receivables		401,072	4,865,081	(362)	-
Trade and other payables		1,775,216	(7,863,609)	283	(21,544)
Cash generated from/(used in) operations		29,307,783	19,172,097	(382,987)	(468,060)
Dividends received		-	-	14,972,500	16,102,500
Tax paid		(4,102,807)	(3,729,137)	(246,335)	(264,799)
Net cash from operating activities		25,204,976	15,442,960	14,343,178	15,369,641
Cash flows from investing activities					
Acquisition of property, plant and equipment	B	(5,367,627)	(461,479)	-	-
Capital distribution from subsidiary		-	-	-	157,935
Interest received		1,882,861	1,975,621	1,056,076	1,114,133
Net cash (used in)/from investing activities		(3,484,766)	1,514,142	1,056,076	1,272,068

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	Group		Company	
		2024 RM	2023 RM	2024 RM	2023 RM
Cash flows from financing activity					
Dividends paid to owners of the Company		(19,017,604)	(16,640,399)	(19,017,604)	(16,640,399)
Net cash used in financing activity		(19,017,604)	(16,640,399)	(19,017,604)	(16,640,399)
Net increase/(decrease) in cash and cash equivalents		2,702,606	316,703	(3,618,350)	1,310
Effect of foreign exchange rate fluctuations on cash held		(391,595)	674,011	-	-
Cash and cash equivalents at 1 January		84,345,153	83,354,439	35,894,491	35,893,181
Cash and cash equivalents at 31 December	10	86,656,164	84,345,153	32,276,141	35,894,491
Cash outflows for leases as a lessee					
Included in net cash from operating activities					
Payment relating to short-term leases	17	216,300	180,000	-	-
Payment relating to leases of low-value assets	17	7,704	7,704	-	-
Total cash outflows for leases		224,004	187,704	-	-

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2024

NOTE

A. Winding up of a subsidiary

In the previous financial year, the winding up of a subsidiary, Sinliplas Sdn. Bhd. has been completed. The details of the winding up were as follows :

	2024 RM	2023 RM
Fair value of investment in the subsidiary	-	10,586,393
Less : Capital distribution to shareholders	-	<u>(10,547,985)</u>
Loss on winding up of a subsidiary	-	<u>38,408</u>

B. Acquisition of property, plant and equipment

	Notes	2024 RM
Total additions	2	6,679,557
Less : Prepayment made in previous year		<u>(1,311,930)</u>
		<u>5,367,627</u>

The notes on pages 86 to 115 are an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

SLP Resources 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

Plot 1, Lot 57-A
Lorong Perusahaan 5
Kulim Industrial Estate
09000 Kulim
Kedah

Registered office

Suite 12-A, Level 12 Menara Northam
No. 55, Jalan Sultan Ahmad Shah
10050 George Town
Penang

The consolidated financial statements of the Company as at and for the financial year ended 31 December 2024 comprise the Company and its subsidiaries (together referred to as the "Group" and individually referred to as "Group entities").

The Company is principally engaged in investment holding activities, whilst the principal activities of the subsidiaries are as stated in Note 6 to the financial statements.

These financial statements were authorised for issue by the Board of Directors on 18 April 2025.

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

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, where applicable in the respective financial years when the abovementioned accounting standards, interpretations and amendments become effective.

The initial application of the accounting standards, interpretations and amendments is not expected to have any material financial impacts to the current period and prior period financial statements of the Group and of the Company other than MFRS 18 which may impact the presentation of the statement of profit or loss and other comprehensive income in the period of initial application.

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis other than as disclosed in the financial statements.

(c) Functional and presentation currencies

These financial statements are presented in Ringgit Malaysia ("RM"), which is the Company's functional currency.

The functional currency of a subsidiary, Sinliplas Holding Sdn. Bhd. ("SHSB") is United States Dollar ("USD"), being the currency that most faithfully reflects the economic substance of the underlying events of the subsidiary. The financial statements of SHSB are presented in Ringgit Malaysia ("RM"), being the currency of the country in which the subsidiary is incorporated and domiciled.

All financial information is presented in RM, 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.

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 8 - Inventories; and
- Note 26.4 - Measurement of expected credit loss

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

2. Property, plant and equipment - Group

	Freehold land RM	Factory buildings RM	Renovation RM	Plant, machinery and equipment RM	Office furniture and equipment RM	Motor vehicles RM	Capital work-in-progress RM	Total RM
Cost								
At 1 January 2023	177,127	34,520,657	119,000	122,273,237	1,433,097	2,192,829	179,738	160,895,685
Additions	-	-	-	231,186	11,132	-	219,161	461,479
Written off	-	-	-	(1,494,836)	-	-	-	(1,494,836)
Effect of movements in exchange rates	8,071	1,572,695	-	3,847,136	52,613	20,485	4,202	5,505,202
At 31 December 2023/1 January 2024	185,198	36,093,352	119,000	124,856,723	1,496,842	2,213,314	403,101	165,367,530
Additions	-	-	-	6,545,522	71,162	-	62,873	6,679,557
Written off	-	-	-	(1,552,800)	(5,100)	(15,000)	-	(1,572,900)
Transfer to asset classified as held for sale (Note 11)	(180,576)	-	-	-	-	-	-	(180,576)
Reclassification	-	-	-	219,161	-	-	(219,161)	-
Effect of movements in exchange rates	(4,622)	(900,369)	-	(2,215,929)	(31,807)	(12,934)	(4,451)	(3,170,112)
At 31 December 2024	-	35,192,983	119,000	127,852,677	1,531,097	2,185,380	242,362	167,123,499

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

2. Property, plant and equipment - Group (Cont'd)	Freehold land	Factory buildings	Renovation	Plant, machinery and equipment	Office furniture and equipment	Motor vehicles	Capital work-in-progress	Total
	RM	RM	RM	RM	RM	RM	RM	RM
Depreciation								
At 1 January 2023	-	9,018,091	114,597	89,516,620	1,225,238	1,601,339	-	101,475,885
Depreciation for the year	-	773,599	4,400	5,099,601	103,313	201,535	-	6,182,448
Written off	-	-	-	(1,494,018)	-	-	-	(1,494,018)
Effect of movements in exchange rates	-	415,578	-	2,875,370	47,629	12,796	-	3,351,373
At 31 December 2023/1 January 2024	-	10,207,268	118,997	95,997,573	1,376,180	1,815,670	-	109,515,688
Depreciation for the year	-	778,419	-	5,084,372	109,455	182,173	-	6,154,419
Written off	-	-	-	(1,534,419)	(5,100)	(11,858)	-	(1,551,377)
Effect of movements in exchange rates	-	(272,021)	-	(1,801,979)	(30,161)	(10,584)	-	(2,114,745)
At 31 December 2024	-	10,713,666	118,997	97,745,547	1,450,374	1,975,401	-	112,003,985
Carrying amounts								
At 1 January 2023	177,127	25,502,566	4,403	32,756,617	207,859	591,490	179,738	59,419,800
At 31 December 2023/1 January 2024	185,198	25,886,084	3	28,859,150	120,662	397,644	403,101	55,851,842
At 31 December 2024	-	24,479,317	3	30,107,130	80,723	209,979	242,362	55,119,514

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

2. Property, plant and equipment - Group (Cont'd)

2.1 Material accounting policy information

(a) Recognition and measurement

Items of property, plant and equipment are measured at cost 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.

(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. Capital work-in-progress are not depreciated until the assets are ready for their intended use.

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

	Years
Factory buildings	44 - 50
Renovation	4
Plant, machinery and factory equipment	5 - 13
Office furniture and equipment	2 - 10
Motor vehicles	5

3. Right-of-use assets - Group

	Land RM
At 1 January 2023	9,743,159
Depreciation	(151,813)
Effect of movements in exchange rates	442,951
At 31 December 2023/1 January 2024	10,034,297
Depreciation	(152,335)
Effect of movements in exchange rates	(246,906)
At 31 December 2024	9,635,056

The Group leases land for periods ranging from 75 to 78 years.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

3. Right-of-use assets - Group (Cont'd)**3.1 Operating lease payments receivable**

The operating lease payments to be received are as follows :

	2024 RM	2023 RM
Less than one year	<u>75,000</u>	<u>67,500</u>

3.2 Material accounting policy information**(a) Recognition exemption**

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

4. Intangible assets - Group

	Goodwill RM	Development costs RM	Total RM
Cost			
At 1 January 2023/31 December 2023/1 January 2024/ 31 December 2024	<u>19,910</u>	<u>988,302</u>	<u>1,008,212</u>
Amortisation and impairment loss			
At 1 January 2023/31 December 2023/1 January 2024/ 31 December 2024			
Accumulated amortisation	-	(985,977)	(985,977)
Accumulated impairment loss	(11,330)	(2,325)	(13,655)
	<u>(11,330)</u>	<u>(988,302)</u>	<u>(999,632)</u>
Carrying amounts			
At 1 January 2023/31 December 2023/1 January 2024/ 31 December 2024	<u>8,580</u>	<u>-</u>	<u>8,580</u>

Development costs comprised mainly past expenditure incurred on new products at development phase.

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

Intangible assets, other than goodwill, that are acquired by the Group which have finite useful lives, are measured at cost less accumulated amortisation and any accumulated impairment losses.

(b) Amortisation

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of the intangible assets.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

4. Intangible assets - Group (Cont'd)**4.1 Material accounting policy information (Cont'd)****(b) Amortisation (Cont'd)**

The estimated useful lives for capitalised development costs in the current and comparative period is 3 years.

5. Deferred tax assets/(liabilities) - Group**Recognised deferred tax assets/(liabilities)**

Deferred tax assets/(liabilities) are attributable to the following :

	Assets RM	Liabilities RM	Net RM
2024			
Property, plant and equipment	-	(9,404,000)	(9,404,000)
Reinvestment allowance	289,000	-	289,000
Others	148,000	-	148,000
Deferred tax assets/(liabilities)	437,000	(9,404,000)	(8,967,000)
Set-off of tax	(436,000)	436,000	-
Net deferred tax assets/(liabilities)	1,000	(8,968,000)	(8,967,000)
2023			
Property, plant and equipment	-	(9,583,000)	(9,583,000)
Others	322,000	-	322,000
Deferred tax assets/(liabilities)	322,000	(9,583,000)	(9,261,000)
Set-off of tax	(306,000)	306,000	-
Net deferred tax assets/(liabilities)	16,000	(9,277,000)	(9,261,000)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

5. Deferred tax assets/(liabilities) - Group (Cont'd)**Recognised deferred tax assets/(liabilities) (Cont'd)**

Movements in temporary differences during the year are as follows :

	At 1 January 2023 RM	Recognised in profit or loss (Note 19) RM	At 31 December 2023/ 1 January 2024 RM	Recognised in profit or loss (Note 19) RM	At 31 December 2024 RM
Property, plant and equipment	(10,032,000)	449,000	(9,583,000)	179,000	(9,404,000)
Reinvestment allowance carry-forward	-	-	-	289,000	289,000
Others	278,000	44,000	322,000	(174,000)	148,000
	(9,754,000)	493,000	(9,261,000)	294,000	(8,967,000)

6. Investments in subsidiaries

	Company	
	2024 RM	2023 RM
Cost of investments	79,639,689	79,639,689

Details of the subsidiaries are as follows :

Name of subsidiaries	Effective ownership interest and voting interest		Principal activities
	2024 %	2023 %	
Sinliplas Holding Sdn. Bhd. ("SHSB")	100	100	Manufacture and sale of plastic packaging and its related products
SLP Green Tech Sdn. Bhd. ("SLPGT")	100	100	Manufacture and sale of specialised plastic films and packaging products
SLP Polymers Sdn. Bhd. ("SLPP")	100	100	Trading of polymer products such as resins

All the subsidiaries were incorporated in Malaysia with same principal place of business.

6.1 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

FOR THE YEAR ENDED 31 DECEMBER 2024

7. Other investment - Group

Non-current	Note	Unquoted RM
Fair value through other comprehensive income		
At 1 January 2023/31 December 2023/1 January 2024/ 31 December 2024	7.1	<u>-</u>

7.1 Equity investments designated at fair value through other comprehensive income

The Group designated the investments in equity securities as at fair value through other comprehensive income because these equity securities represent investments that the Group intends to hold for long-term strategic purposes.

8. Inventories - Group

	2024 RM	2023 RM
Raw materials	23,025,615	27,574,606
Work-in-progress	8,027,321	7,657,811
Manufactured inventories	5,849,831	7,458,514
	<u>36,902,767</u>	<u>42,690,931</u>
Recognised in profit or loss :		
Provision of slow-moving inventories	-	242,728
Write-down of inventories to net realisable value	-	216,108
	<u>-</u>	<u>458,836</u>

8.1 Significant judgements and assumptions

In determining the amount of inventories to be written down, the Directors took into consideration the age of the inventories and the likelihood of future consumption.

8.2 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

FOR THE YEAR ENDED 31 DECEMBER 2024

9. Trade and other receivables

	Note	2024 RM	2023 RM
Group			
Trade			
Amount due from a company controlled by a Director	9.1	486,892	441,436
Third parties		22,372,842	23,838,590
Trade receivables from contracts with customers		22,859,734	24,280,026
Non-trade			
Other receivables	9.2	432,424	679,412
Deposits		87,547	170,744
Prepayments	9.3	1,562,559	1,699,519
		2,082,530	2,549,675
		24,942,264	26,829,701
Company			
Non-trade			
Other receivable		312	-
Deposits		3,000	3,000
Prepayment		50	-
Dividends receivable from subsidiaries		4,150,000	3,542,500
		4,153,362	3,545,500

9.1 Amount due from a company controlled by a Director

The trade amount due from a company controlled by a Director is unsecured, interest-free and with credit terms of 60 days.

9.2 Other receivables

Included in other receivables of the Group are import duties claimable of RM382,116 (2023 : RM656,912).

9.3 Prepayments

Included in prepayments of the Group are advance payments of RM153,611 (2023 : RM1,311,930) for the purchase of machinery and RM985,712 (2023 : Nil) for the purchase of raw materials.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

10. Cash and cash equivalents

	Note	2024 RM	2023 RM
Group			
Short term funds	10.1	39,735,110	39,024,078
Short term deposits with licensed banks		18,690,000	23,196,000
Cash and bank balances		28,231,054	22,125,075
		86,656,164	84,345,153
Company			
Short term funds	10.1	31,995,450	31,490,190
Short term deposits with a licensed bank		270,000	4,394,000
Cash and bank balances		10,691	10,301
		32,276,141	35,894,491

10.1 Short term funds

Short term funds represent investments in money market funds which can be redeemed within a period of less than 30 days.

11. Asset classified as held for sale - Group

On 15 January 2025, the Group entered into a Sale and Purchase Agreement ("SPA") for disposal of a freehold land at RM230,000 for which a net deposit of RM23,000 has been received on 20 January 2025. The sale has been completed on 18 March 2025 with remaining consideration of RM207,000 being received. Details of the asset classified as held for sale are as follows :

	2024 RM
Carrying amount	
At 1 January	-
Transfer from property, plant and equipment (Note 2)	180,576
At 31 December	180,576

12. Share capital - Group/Company

	2024		2023	
	Number of shares	Amount RM	Number of shares	Amount RM
Issued and fully paid ordinary shares with no par value classified as equity instruments	316,959,999	113,680,000	316,959,999	113,680,000

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

12. Share capital - Group/Company (Cont'd)

12.1 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.

13. Reserves

	Note	2024 RM	2023 RM
Group			
Fair value reserve	13.1	(105,580)	(105,580)
Foreign currency translation reserve	13.2	4,099,842	6,050,837
Retained earnings		<u>70,460,340</u>	<u>71,471,735</u>
		<u>74,454,602</u>	<u>77,416,992</u>
Company			
Retained earnings		<u>2,298,905</u>	<u>1,352,341</u>

The movements in reserves are shown in the statements of changes in equity.

13.1 Fair value reserve

The fair value reserve comprises the cumulative net change in the fair value of equity and debt securities designated at fair value through other comprehensive income until the assets are derecognised or impaired.

13.2 Foreign currency translation reserve

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of a subsidiary where the functional currency is not Ringgit Malaysia.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

14. Trade and other payables

	2024 RM	2023 RM
Group		
Trade		
Trade payables	13,537,281	12,191,793
Non-trade		
Other payables	1,363,239	1,374,358
Accrued expenses	1,023,217	1,056,539
Dividend payable	-	3,962,001
	<u>2,386,456</u>	<u>6,392,898</u>
	<u>15,923,737</u>	<u>18,584,691</u>
Company		
Non-trade		
Accrued expenses	90,578	90,295
Dividend payable	-	3,962,001
	<u>90,578</u>	<u>4,052,296</u>

15. Revenue

	2024 RM	2023 RM
Group		
Revenue from contracts with customers	<u>161,661,475</u>	<u>162,328,073</u>

Company

Revenue represents dividend income received from subsidiaries.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

15. Revenue (Cont'd)

15.1 Disaggregation of revenue

	2024 RM	2023 RM
Major products		
Manufacturing and sale of plastic packaging and its related products	111,195,597	100,607,266
Trading of polymer products	50,465,878	61,720,807
	161,661,475	162,328,073
Timing of recognition		
At a point in time	161,661,475	162,328,073

The disaggregation of revenue by geographical segment is disclosed in Note 23.

15.2 Nature of goods

The following information reflects the typical transactions of the Group:

Nature of goods	Timing of recognition or method used to recognise revenue	Significant payment terms
Manufacturing and sale of plastic packaging and its related products and trading of polymer products	Revenue is recognised when the control over the goods is transferred to the customer.	Credit period of 30 to 90 days from invoice date.

The revenue from contracts with customers of the Group is not subject to variable element in the considerations, obligation for returns or refunds and warranty.

15.3 Transaction price allocated to the remaining performance obligations

The Group applies practical expedient exemption on disclosure of information on remaining performance obligations that have original expected durations of one year or less.

The Group does not have contracts that have a duration of more than one year.

16. Employee benefits expenses

Employee benefits expenses of the Group include contributions to the Employees' Provident Fund of RM724,228 (2023 : RM712,280).

Included in employee benefits expenses of the Group and of the Company are Executive Directors' remuneration as disclosed in Note 18.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

17. Profit before tax

Profit before tax has been arrived at after charging/(crediting) :

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Auditors' remuneration				
- Audit fees by KPMG PLT	157,200	157,200	36,300	36,300
- Non-audit fees				
- KPMG PLT	29,500	4,500	29,500	4,500
- Local affiliate of KPMG PLT	31,000	38,100	3,500	4,600
Loss on disposal of a subsidiary	-	-	-	38,408
Plant and equipment written off	21,523	818	-	-
Gain on foreign exchange, net	(7,172)	(291,746)	-	-
Dividend income from subsidiaries	-	-	(15,580,000)	(14,895,000)
Finance income (Note 17.1)	(1,882,861)	(1,975,621)	(1,056,076)	(1,114,133)
Government grants income (Note 17.2)	(23,400)	(43,810)	-	-
(Reversal of)/Loss on impairment of financial instruments				
Financial assets at amortised cost	(29,299)	101,955	-	-
Expenses arising from leases:				
Expenses relating to short-term leases	216,300	180,000	-	-
Expenses relating to leases of low-value assets	7,704	7,704	-	-
Lease income	289,500	345,500	-	-

17.1 Finance income represents interest income of financial assets calculated using the effective interest method that are at amortised cost.

17.2 The Group received wage subsidy and hiring incentive from the local government to hire unemployed employees.

18. Key management personnel compensations

The key management personnel include all Directors of the Group and their compensations are as follows :

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Directors of the Company				
- fees	147,200	147,200	104,000	104,000
- remuneration	1,577,696	1,576,336	20,000	20,000
Total short-term employee benefits	1,724,896	1,723,536	124,000	124,000

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

19. Tax expense**Recognised in profit or loss**

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Tax expense	3,410,568	3,628,701	251,001	264,700

Major components of income tax expense include :

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Current tax expense				
- Current year	3,782,017	4,127,693	251,017	264,693
- Prior year	(77,449)	(5,992)	(16)	7
Total current tax recognised in profit or loss	3,704,568	4,121,701	251,001	264,700
Deferred tax expense				
- Reversal of temporary differences	(352,000)	(494,000)	-	-
- Under provision in prior year	58,000	1,000	-	-
Total deferred tax recognised in profit or loss	(294,000)	(493,000)	-	-
Total tax expense	3,410,568	3,628,701	251,001	264,700

Reconciliation of tax expense

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Profit for the year	14,044,208	10,606,936	16,002,167	15,259,509
Total income tax expense	3,410,568	3,628,701	251,001	264,700
Profit excluding tax	17,454,776	14,235,637	16,253,168	15,524,209
Income tax calculated using Malaysian tax rate of 24% (2023 : 24%)	4,189,146	3,416,553	3,900,760	3,725,810
Non-deductible expenses	275,764	340,067	103,528	113,683
Tax incentives	(958,906)	(15,516)	-	-
Non-taxable income	(14,071)	-	(3,753,271)	(3,574,800)
Other items	(61,916)	(107,411)	-	-
(Over)/Under provision in prior year	(19,449)	(4,992)	(16)	7
Tax expense	3,410,568	3,628,701	251,001	264,700

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

20. Other comprehensive (expense)/income - Group

	Before tax RM	Tax (expense)/ benefit RM	Net of tax RM
2024			
Item that is or may be reclassified subsequently to profit or loss			
Foreign currency translation differences	<u>(1,950,995)</u>	-	<u>(1,950,995)</u>
2023			
Item that is or may be reclassified subsequently to profit or loss			
Foreign currency translation differences	<u>3,285,017</u>	-	<u>3,285,017</u>

21. Earnings per ordinary share - Group**Basic earnings per ordinary share**

The calculation of basic earnings per ordinary share is based on the profit attributable to the owners of the Company of RM14,044,208 (2023 : RM10,606,936) and on the weighted average number of ordinary shares outstanding during the financial year of 316,959,999 (2023 : 316,959,999).

Diluted earnings per ordinary shares

Diluted earnings per ordinary share is the same as the basic earnings per ordinary share as the Group has no potential shares or other instruments with dilutive effects.

22. Dividends - Group and Company

Dividends recognised by the Group and the Company are :

	Sen per share	Total amount RM	Date of payment
2024			
Fourth interim 2023 ordinary	1.25	3,962,001	5 April 2024
First interim 2024 ordinary	1.00	3,169,600	4 July 2024
Second interim 2024 ordinary	1.25	3,962,001	10 October 2024
Third interim 2024 ordinary	1.25	<u>3,962,001</u>	27 December 2024
		<u>15,055,603</u>	

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

22. Dividends - Group and Company (Cont'd)

	Sen per share	Total amount RM	Date of payment
2023			
Fourth interim 2022 ordinary	1.50	4,754,399	13 April 2023
First interim 2023 ordinary	1.00	3,169,600	6 July 2023
Second interim 2023 ordinary	1.25	3,962,001	5 October 2023
Third interim 2023 ordinary	1.25	<u>3,962,001</u>	5 January 2024
		<u>15,848,001</u>	

Subsequent to the end of the financial year, the Company declared a fourth interim dividend of 1.25 sen per ordinary share totalling RM3,962,001 in respect of the financial year ended 31 December 2024 on 25 February 2025 and paid on 9 April 2025. This dividend will be presented as an appropriation of retained earnings during the financial year ending 31 December 2025.

23. Operating segments - Group**Business segments**

The Group's only reportable segment comprises the manufacturing and sale of plastic packaging and its related products and trading of polymer products.

Business segment is based on the Group's management and internal reporting structure. Segment information has not been separately presented because internal reporting uses the Group's financial statements.

Geographical segments

In presenting information on the basis of geographical segments, segment revenue is based on geographical location of customers. Segment assets are based on the geographical location of the assets. The amounts of non-current assets do not include financial instruments.

	External revenue RM	Non-current assets RM
Geographical information		
2024		
Malaysia	94,167,353	64,764,150
Japan	59,790,896	-
New Zealand	4,071,116	-
Australia	1,612,300	-
Other countries	<u>2,019,810</u>	-
	<u>161,661,475</u>	<u>64,764,150</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

23. Operating segments - Group (Cont'd)

Geographical segment (Cont'd)

	External revenue RM	Non-current assets RM
Geographical information (Cont'd)		
2023		
Malaysia	105,664,017	65,910,719
Japan	47,409,256	-
Australia	4,163,884	-
New Zealand	3,257,563	-
Other countries	1,833,353	-
	<u>162,328,073</u>	<u>65,910,719</u>

Major customer

The following is the contribution by a major customer with revenue equal or more than 10% of the Group's total revenue :

	2024 RM	2023 RM
Customer A	<u>17,190,357</u>	<u>18,035,576</u>

24. Commitment - Group

	2024 RM	2023 RM
Property, plant and equipment		
Contracted but not provided for	<u>17,712</u>	<u>4,986,000</u>

25. Related parties

Identity of related parties

For the purposes of these financial statements, parties are considered to be related to the Group if the Group or the Company has the ability, directly or indirectly, to control or jointly control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group or the Company and the party are subject to common control. Related parties may be individuals or other entities.

Related parties also include key management personnel defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly and entity that provides key management personnel services to the Group. The key management personnel include all the Directors of the Group.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

25. Related parties (Cont'd)**Significant related party transactions**

Related party transactions have been entered in the normal course of business under negotiated terms. The significant related party transactions of the Group and of the Company, other than key management personnel compensation as disclosed in Note 18 to the financial statements, are shown below. The balances related to the transactions shown below are disclosed in Note 9 to the financial statements.

	Group	
	2024 RM	2023 RM

A company controlled by a Director

Sales	<u>1,836,982</u>	<u>1,375,511</u>
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	Company	
	2024 RM	2023 RM

Subsidiaries

Dividend income	<u>15,580,000</u>	<u>14,895,000</u>
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26. Financial instruments**26.1 Categories of financial instruments**

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

	Carrying amount RM	AC RM
2024		
Financial assets		
Group		
Trade and other receivables (excluding prepayments)	23,379,705	23,379,705
Cash and cash equivalents	86,656,164	86,656,164
	<u>110,035,869</u>	<u>110,035,869</u>
Company		
Trade and other receivables (excluding prepayment)	4,153,312	4,153,312
Cash and cash equivalents	32,276,141	32,276,141
	<u>36,429,453</u>	<u>36,429,453</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

26. Financial instruments (Cont'd)

26.1 Categories of financial instruments (Cont'd)

	Carrying amount RM	AC RM
Financial liabilities		
Group		
Trade and other payables	15,923,737	15,923,737
Company		
Trade and other payables	90,578	90,578
2023		
Financial assets		
Group		
Trade and other receivables (excluding prepayments)	25,130,182	25,130,182
Cash and cash equivalents	84,345,153	84,345,153
	109,475,335	109,475,335
Company		
Trade and other receivables	3,545,500	3,545,500
Cash and cash equivalents	35,894,491	35,894,491
	39,439,991	39,439,991
Financial liabilities		
Group		
Trade and other payables	18,584,691	18,584,691
Company		
Trade and other payables	4,052,296	4,052,296

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

26. Financial instruments (Cont'd)

26.2 Net gains and losses arising from financial instruments

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Net gains/(losses) on :				
Financial assets at fair value through profit or loss - held for trading	-	225,469	-	-
Financial assets at amortised cost	2,048,139	1,690,711	1,056,076	1,114,133
Financial liabilities at amortised cost	(128,807)	249,232	-	-
	1,919,332	2,165,412	1,056,076	1,114,133

26.3 Financial risk management

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

- Credit risk
- Liquidity risk
- Market risk

26.4 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 the individual characteristics of each customer. The Company's exposure to credit risk arises principally from financial guarantees given to banks and suppliers for banking and credit facilities granted to the subsidiaries. There are no significant changes as compared to prior year.

Trade receivables

Risk management objectives, policies and processes for managing the risk

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

At each reporting date, the Group or the Company assesses whether any of the trade receivables are credit impaired.

The gross carrying amounts of credit impaired trade receivables 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 that are written off could still be subject to enforcement activities.

There are no significant changes as compared to previous year.

Exposure to credit risk, credit quality and collateral

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

26. Financial instruments (Cont'd)

26.4 Credit risk(Cont'd)

Trade receivables (Cont'd)

Concentration of credit risk

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

	Group	
	2024 RM	2023 RM
Domestic	16,321,550	16,737,113
Japan	5,743,702	6,531,309
Australia	352,104	716,196
Others	442,378	295,408
	<u>22,859,734</u>	<u>24,280,026</u>

Recognition and measurement of impairment losses

In managing credit risk of trade receivables, the Group manages its debtors and takes appropriate actions (including but not limited to legal actions) to recover long overdue balances. Generally, trade receivables will pay within 90 days. The Group's debt recovery process is as follows :

- Above 30 days past due, the Group will start to initiate a structured debt recovery process which is monitored by the sales management team; and
- Above 90 days past due, the Group will commence a legal proceeding against the customer.

The Group uses the higher of 90 days past due trade receivables, or the expected credit loss rate calculated by respective companies using an average of past 5 years' impairment losses over the outstanding balances, to measure the expected credit loss ("ECLs") of trade receivables. Consistent with the debt recovery process, invoices which are past due 90 days will be considered as credit impaired.

The Group also considers differences between :

- economic conditions during the period over which the historic data has been collected;
- current conditions; and
- 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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

26. Financial instruments (Cont'd)**26.4 Credit risk (Cont'd)****Trade receivables (Cont'd)***Recognition and measurement of impairment losses (Cont'd)*

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

	Gross carrying amount RM	Loss allowances RM	Net balance RM
Group			
2024			
Not past due	15,427,603	(19,958)	15,407,645
Past due 1 - 30 days	5,768,580	(6,173)	5,762,407
Past due 31 - 90 days	1,640,066	(1,851)	1,638,215
Past due 91 - 120 days	50,723	-	50,723
Past due 121-180 days	744	-	744
	22,887,716	(27,982)	22,859,734
Credit impaired			
Individually impaired	129,581	(129,581)	-
	23,017,297	(157,563)	22,859,734
2023			
Not past due	18,143,709	(15,487)	18,128,222
Past due 1 - 30 days	4,334,948	(2,931)	4,332,017
Past due 31 - 90 days	1,533,286	(400)	1,532,886
Past due 91 - 120 days	72,789	(22)	72,767
Past due 121-180 days	214,355	(221)	214,134
	24,299,087	(19,061)	24,280,026
Credit impaired			
Individually impaired	168,056	(168,056)	-
	24,467,143	(187,117)	24,280,026

There are past due trade receivables where the Group has not recognised any loss allowance as the trade receivables are supported by collection subsequent to the reporting period and historical payment trend of these customers.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

26. Financial instruments (Cont'd)

26.4 Credit risk (Cont'd)

Trade receivables (Cont'd)

Recognition and measurement of impairment losses (Cont'd)

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

	Trade receivables		Total RM
	Lifetime ECL RM	Credit impaired RM	
Group			
Balance at 1 January 2023	18,418	66,429	84,847
Net remeasurement of loss allowance	328	101,627	101,955
Effect of movements in exchange rates	315	-	315
Balance at 31 December 2023/1 January 2024	19,061	168,056	187,117
Net remeasurement of loss allowance	9,176	(38,475)	(29,299)
Effect of movements in exchange rates	(255)	-	(255)
Balance at 31 December 2024	27,982	129,581	157,563

Cash and cash equivalents

The cash and cash equivalents are held with banks and financial institutions. As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statements 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 is not material and hence, it is not provided for.

Other receivables

The Group does not monitor the other receivables which are mainly in relation to import duties claimable as the credit risk is deemed to be low.

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

As at the end of the reporting period, the Group and the Company did 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 and suppliers in respect of banking and credit facilities granted to the subsidiaries.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

26. Financial instruments (Cont'd)

26.4 Credit risk (Cont'd)

Financial guarantees (Cont'd)

Exposure to credit risk, credit quality and collateral

The maximum exposure to credit risk amounts to RM5,793,791 (2023: RM6,378,731) representing the outstanding banking and credit facilities of the subsidiaries as at the end of the reporting period. The Company monitors the ability of the subsidiaries to meet the banking and credit facilities requirements on an individual basis.

Recognition and measurement of impairment loss

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

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

The Company determines the probability of default of the guaranteed facilities individually using internal information available.

As at the end of the reporting period the Company did not recognise any loss allowance as it was not material.

26.5 Liquidity risk

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

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

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

Maturity analysis

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

	Carrying amount RM	Contractual interest rate per annum %	Contractual cash flows RM	Under 1 year RM
Group				
2024				
<i>Non-derivative financial liabilities</i>				
Trade and other payables	<u>15,923,737</u>	-	<u>15,923,737</u>	<u>15,923,737</u>
2023				
<i>Non-derivative financial liabilities</i>				
Trade and other payables	<u>18,584,691</u>	-	<u>18,584,691</u>	<u>18,584,691</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

26. Financial instruments (Cont'd)

26.5 Liquidity risk (Cont'd)

Maturity analysis (Cont'd)

	Carrying amount RM	Contractual interest rate per annum %	Contractual cash flows RM	Under 1 year RM
Company				
2024				
<i>Non-derivative financial liabilities</i>				
Other payables	90,578	-	90,578	90,578
Financial guarantees	-	-	5,793,791	5,793,791
	<u>90,578</u>		<u>5,884,369</u>	<u>5,884,369</u>
2023				
<i>Non-derivative financial liabilities</i>				
Other payables	4,052,296	-	4,052,296	4,052,296
Financial guarantees	-	-	6,378,731	6,378,731
	<u>4,052,296</u>		<u>10,431,027</u>	<u>10,431,027</u>

26.6 Market risk

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

26.6.1 Currency risk

The Group is exposed to foreign currency risk on sales and purchases that are denominated in a currency other than the respective functional currencies of Group entities. The currencies giving rise to this risk are primarily Ringgit Malaysia (RM), U.S. Dollar (USD) and Japanese Yen (JPY).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

26. Financial instruments (Cont'd)**26.6 Market risk (Cont'd)****26.6.1 Currency risk (Cont'd)***Exposure to foreign currency risk*

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

	Denominated in		
	RM RM	USD RM	JPY RM
Group			
2024			
Trade and other receivables	1,696,769	2,090,764	-
Cash and cash equivalents	8,269,814	6,708,752	143,288
Trade and other payables	(1,371,522)	(3,769,053)	-
Net exposure	8,595,061	5,030,463	143,288
2023			
Trade and other receivables	1,112,854	1,840,103	-
Cash and cash equivalents	3,903,896	9,780,722	184,404
Trade and other payables	(1,528,537)	(1,920,915)	-
Net exposure	3,488,213	9,699,910	184,404

Currency risk sensitivity analysis

A 10% (2023 : 10%) strengthening of the RM against the following currencies at the end of the reporting period would have decreased post-tax profit or loss by the amounts shown below. This analysis is based on foreign currency exchange rate variances that the Group considered to be reasonably possible at the end of the reporting period. This analysis assumes that all other variables, in particular interest rates, remained constant and ignores any impact of forecasted sales and purchases.

	Profit or loss	
	2024 RM	2023 RM
Group		
RM	(653,225)	(265,104)
USD	(382,315)	(737,193)
JPY	(10,890)	(14,015)

A 10% (2023 : 10%) weakening of the RM against the above currencies at the end of the reporting period would have had equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remained constant.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

26 Financial instruments (Cont'd)

26.6 Market risk (Cont'd)

26.6.2 Interest rate risk

The Group's and the Company's investments in fixed rate deposits with licensed banks are exposed to risk of change in their fair values due to changes in interest rates. The Group's and the Company's variable rate short term funds are exposed to a risk of change in cash flows due to changes in interest rates. The Group's and the Company's 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 is presently enjoying competitive interest rates which are reviewed on a yearly basis.

Exposure to interest rate risk

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

	2024 RM	2023 RM
Group		
Fixed rate instruments		
Financial assets	<u>18,690,000</u>	<u>23,196,000</u>
Floating rate instruments		
Financial assets	<u>39,735,110</u>	<u>39,024,078</u>
Company		
Fixed rate instruments		
Financial assets	<u>270,000</u>	<u>4,394,000</u>
Floating rate instruments		
Financial assets	<u>31,995,450</u>	<u>31,490,190</u>

Interest rate risk sensitivity analysis

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

The Group does not account for any fixed rate financial assets and financial liabilities at fair value through profit or loss, and the Group does not designate derivatives as hedging instruments under a fair value hedged 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 at the end of the reporting period would have increased/(decreased) post-tax profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates remain constant.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

26 Financial instruments (Cont'd)

26.6 Market risk (Cont'd)

26.6.2 Interest rate risk (Cont'd)

(b) Cash flow sensitivity analysis for variable rate instruments (Cont'd)

	2024 RM	2023 RM
Group		
Floating rate instruments	<u>301,987</u>	<u>296,583</u>
Company		
Floating rate instruments	<u>243,165</u>	<u>239,325</u>

26.7 Fair value information

The carrying amounts of cash and cash equivalents, short term receivables and payables reasonably approximate their fair values due to the relatively short term nature of these financial instruments.

27. Capital management

The Group and the Company consider its equity as capital as presented in the statements of financial position. The Group's and the Company's capital management objectives are to sustain business's operation and growth, and to safeguard the Group's and the Company's ability to continue as a going concern in order to provide returns to the shareholders and to repay or settle the amounts owed to other stakeholders, as well as maintaining an optimal capital structure to reduce the cost of capital.

The Group and the Company manage their capital structure and make adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group and the Company may adjust the amount of dividends paid to shareholders, issue new shares, return capital to shareholders or secure additional debts.

The Group and the Company did not have any borrowing for the financial years ended 31 December 2024 and 31 December 2023, hence debt to equity ratio is not relevant to the Group and the Company. Management monitors capital based on the ability of the Group to generate sustainable profits and availability of retained earnings for dividend payments to shareholders.

There were no changes in the Group's and the Company's approach to capital management during the financial year.

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 115 are drawn up in accordance MFRS Accounting Standards as issued by the Malaysian Accounting Standards 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 December 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 :

.....

Khaw Khoon Tee

Director

.....

Khaw Seang Chuan

Director

Penang,

Date : 18 April 2025

STATUTORY DECLARATION

PURSUANT TO SECTION 251(1)(b) OF THE COMPANIES ACT 2016

I, **Khaw Khoon Tee**, the Director primarily responsible for the financial management of SLP Resources Berhad, do solemnly and sincerely declare that the financial statements set out on pages 75 to 115 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 **Khaw Khoon Tee**, NRIC : 500322-07-5445, at George Town in the State of Penang on 18 April 2025.

.....

Khaw Khoon Tee

Before me :

Goh Suan Bee
(No. P125)
Commissioner For Oaths
Penang

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF SLP RESOURCES BERHAD

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of SLP Resources Berhad, which comprise the statements of financial position as at 31 December 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 115.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 December 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 Standards"), 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.

Valuation of inventories

Refer to Note 1(d) Use of estimates and judgements and Note 7 Inventories.

The key audit matter

Plastic resin is one of the major materials used in the Group's business operations. Consequently, the Group is exposed to fluctuation of commodity prices. The Group's finished products are also not generic since the Group is involved in plastic packaging solutions. Raw materials were ordered to cater for current as well as expected future demand for similar goods which may not materialise. The Group produces finished products in batches which may go beyond the required quantities to fulfill an order. Discontinued orders of similar products may render the raw materials and finished products obsolete unless the Group is able to find alternative use for those goods.

Identifying and determining the slow moving and obsolete inventories will require the use of judgment. This is one of the areas that our audit focuses on because it requires us to design appropriate procedures to identify such inventories and use judgment to evaluate the assessments made by the Group.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF SLP RESOURCES BERHAD

How the matter was addressed in our audit

In this area, the audit procedures included, amongst others:

- Evaluated the design and implementation of key controls over the Group's process in identifying and writing down slow moving and obsolete inventories;
- Attended inventory count at year end and observed whether there were any slow moving or obsolete inventories;
- Determined that inventories were carried at the lower of cost and net realisable value by comparing the inventory cost against the selling prices around year end less estimated selling expenses, or the market price of resin, as appropriate; and
- Assessed, on a sample basis, whether items in the inventory ageing report were classified within the appropriate ageing brackets and identified slow moving and obsolete inventories based on the age of the inventories with consideration of consumption as well as latest sales.

We have determined that there is no key audit matter in the audit of the separate financial statements of the Company to communicate in our auditors' report.

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.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF SLP RESOURCES BERHAD

Auditors' Responsibilities for the Audit of the Financial Statements (Cont'd)

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.
- 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 treats 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.

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

Lee Phaik Im
Approval Number : 03177/05/2025 J
Chartered Accountant

Penang

Date : 18 April 2025

SHAREHOLDING STATISTIC

AS AT 3 APRIL 2025

Total Number of Issued Shares	:	316,959,999
Class of Shares	:	Ordinary shares
Voting Right	:	One vote per share

LIST OF SUBSTANTIAL SHAREHOLDERS OF THE COMPANY

Name	Direct				Indirect	
	Own	%	Others	%		%
Khoon Tee & Family Sdn Bhd	133,652,059	42.17	-	-	-	-
Khaw Khoon Tee	31,404,478	9.91	2,757,998 ⁽ⁱ⁾	0.87	133,652,059 ⁽ⁱⁱ⁾	42.17
Khaw Seang Chuan	47,489,085	14.98	2,724,998 ⁽ⁱ⁾	0.86	133,652,059 ⁽ⁱⁱ⁾	42.17
Khaw Choon Hoong	3,929,499	1.24	-	-	133,652,059 ⁽ⁱⁱ⁾	42.17

Note: -

- (i) Shares held in the name of the spouse and children (who themselves are not Directors of the Company) and are regarded as interest of the Director in accordance with Section 197(1)(a) of the Companies Act 2016 ("Act")
- (ii) Deemed interested by virtue of his/her shareholding in Khoon Tee & Family Sdn Bhd pursuant to Section 8(4) of the Act

DIRECTORS' SHAREHOLDINGS IN THE COMPANY

Name	Direct				Indirect	
	Own	%	Others	%		%
Khaw Khoon Tee	31,404,478	9.91	2,757,998 ⁽ⁱ⁾	0.87	133,652,059 ⁽ⁱⁱ⁾	42.17
Khaw Seang Chuan	47,489,085	14.98	2,724,998 ⁽ⁱ⁾	0.86	133,652,059 ⁽ⁱⁱ⁾	42.17
Khaw Choon Hoong	3,929,499	1.24	-	-	133,652,059 ⁽ⁱⁱ⁾	42.17
Khaw Choon Choon	1,853,199	0.58	100,000 ⁽ⁱ⁾	0.03	-	-
Law Cheng Lock	-	-	-	-	-	-
Oh Phaik Choo	-	-	-	-	-	-
Lee Kean Cheong	-	-	-	-	-	-

Note: -

- (i) Shares held in the name of the spouse and/or children (who themselves are not Directors of the Company) and are regarded as interest of the Director in accordance with Section 197(1)(a) of the Act
- (ii) Deemed interested by virtue of his/her shareholding in Khoon Tee & Family Sdn Bhd pursuant to Section 8(4) of the Act

DISTRIBUTION SCHEDULE OF SHAREHOLDINGS

No. of Holders	Size of Holdings	Total Holdings	%
113	less than 100 shares	4,208	0.00
585	100 - 1,000 shares	222,351	0.07
755	1,001 - 10,000 shares	3,653,778	1.15
419	10,001 - 100,000 shares	13,520,732	4.27
78	100,001 to less than 5% of issued shares	87,013,308	27.45
3	5% and above of issued shares	212,545,622	67.06
1,953	TOTAL	316,959,999	100.00

SHAREHOLDING STATISTIC

AS AT 3 APRIL 2025

LIST OF THIRTY (30) LARGEST SHAREHOLDERS

NO.	NAMES	NO. OF SHARES	%
1.	KHOON TEE & FAMILY SDN. BHD.	133,652,059	42.17
2.	KHAW SEANG CHUAN	47,489,085	14.98
3.	KHAW KHOON TEE	21,164,145	6.68
4.	CHEW SHEAU CHING	12,486,240	3.94
5.	KHAW KHOON TEE	10,240,333	3.23
6.	DB (MALAYSIA) NOMINEE (TEMPATAN) SENDIRIAN BERHAD DEUTSCHE TRUSTEES MALAYSIA BERHAD FOR EASTSPRING INVESTMENTSSMALL-CAP FUND	9,708,300	3.06
7.	CITIGROUP NOMINEES (ASING) SDN. BHD. EXEMPT AN FOR CITIBANK NEW YORK (NORGES BANK 22)	7,832,000	2.47
8.	LIM KUAN GIN	6,806,000	2.15
9.	CITIGROUP NOMINEES (TEMPATAN) SDN. BHD. KUMPULAN WANG PERSARAAN (DIPERBADANKAN) (AHAM AM EQ)	4,158,680	1.31
10.	KHAW CHOON HOONG	3,929,499	1.24
11.	CITIGROUP NOMINEES (TEMPATAN) SDN. BHD. EMPLOYEES PROVIDENT FUND BOARD	3,436,876	1.08
12.	LAU SU LIN	3,372,319	1.06
13.	CHUAH TEE LIN	2,528,198	0.80
14.	CITIGROUP NOMINEES (TEMPATAN) SDN. BHD. EMPLOYEES PROVIDENT FUND BOARD (ISLAMIC)	2,311,424	0.73
15.	CHUAH CHIN KOK	2,273,399	0.72
16.	KHAW CHOON CHOON	1,853,199	0.58
17.	YEOH SEW JIN	1,409,740	0.44
18.	KHAW SEANG GHEE	1,378,999	0.44
19.	KHAW SEANG SENG	1,378,999	0.44
20.	ONG SAW KEOK	1,312,519	0.41
21.	HSBC NOMINEES (TEMPATAN) SDN. BHD. HSBC (M) TRUSTEE BHD. FOR RHB PRIVATE FUND – SERIES 3	1,204,440	0.38
22.	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN. BHD. PLEDGED SE- CURITIES ACCOUNT FOR TAN SIEW ENG @ TAN AING (MY0225)	1,012,100	0.32
23.	KENANGA NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR LIM KUAN GIN	1,000,000	0.32
24.	LAU SU LIN	975,140	0.31
25.	TAN KIM LENG @ TAN KHENG LEANG	943,040	0.30
26.	CHUAH HOO JIN	892,220	0.28
27.	JAPACK'S, INC.	840,000	0.27
28.	MASUDA TOSHIO	840,000	0.27
29.	CHUAH HOO JIN	727,840	0.23
30.	CHUAH HOO JIN	677,300	0.21
TOTAL :		<u>287,834,093</u>	<u>90.82</u>

LIST OF PROPERTIES HELD BY THE GROUP

Location	Description/Existing use	Tenure	Age of building	Land area/ Built up area (Sq. ft.)	Carrying value RM'000 As at 31-Dec-24	Year Acquired/ Revaluation
P.T. 1, Lot 57A, Lorong Perusahaan 5, Kawasan Perusahaan Kulim, 09000 Kulim, Kedah / Lot Nos. 1339 & 1340 held under GRN Nos. 51494 & 51495 respectively, Section 38, both of Bandar Kulim, Daerah Kulim, Kedah Darul Aman.	A three-storey office block annexed with a single-storey detached factory (Plant 1), two single-storey detached factories (Plant 2 & Plant 3), a canteen, a guard house and other buildings and ancillary structures/office, production and warehouse for industrial use	98 years lease expiring on 30 June 2090	8 - 30 years	471,082 / 387,320	31,312	1992 & 1994 / 2006 & 2016
H.S.(M) No. 11813, P.T. 81, Kawasan Perusahaan Kulim, Bandar Kulim, Daerah Kulim, Kedah Darul Aman	Vacant Industrial Land	98 years lease commencing from 13 December 1989 and expiring on 12 December 2087	Not Applicable	165,528 / Not applicable	1,903	2007 / -
PM 788 Lot No. 4820 Section 38 (previously HSM 14113, Lot No. PT 341) Kawasan Perusahaan Kulim, Bandar Kulim, Daerah Kulim, Kedah Darul Aman	Vacant Industrial Land	98 years lease commencing from 15 May 1989 and expiring on 14 May 2087	Not applicable	77,156 / Not applicable	899	2008 / -
Lot No. 7372, Seksyen 38 HS(M) 15987, Tempat Paya Besar, Bandar Kulim, Daerah Kulim, Kedah Darul Aman	Vacant Industrial Land	Freehold land	Not applicable	4,973 / Not applicable	181**	2018 / -

** Freehold land is classified as asset held for sales

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 20th Annual General Meeting (“AGM”) of the Company will be held at Iconic 1 & 2, Level 7, Iconic Hotel, 71, Jalan Icon City, Icon City, 14000 Bukit Mertajam, Penang on Wednesday, 11 June 2025 at 11.00 a.m. for the following purposes:

ORDINARY BUSINESS: -

1. To receive the Audited Financial Statements for the year ended 31 December 2024 and Reports of the Directors and Auditors thereon.
2. To re-elect the following Directors who retire pursuant to Article 88 of the Company’s Constitution:

(a) Madam Khaw Choon Hoong	(Resolution 1)
(b) Mr. Law Cheng Lock	(Resolution 2)
3. To approve the Directors’ Fees of up to RM200,000 for the financial year ending 31 December 2025. (Resolution 3)
4. To approve the payment of benefits payable to the Non-Executive Directors up to an amount of RM25,000, from 12 June 2025 until the next AGM of the Company. (Resolution 4)
5. To re-appoint Messrs KPMG PLT as Auditors of the Company for the financial year ending 31 December 2025 and to authorise the Board of Directors to determine their remuneration. (Resolution 5)

SPECIAL BUSINESS: -

To consider and if thought fit, to pass the following resolution, with or without any modifications, as Ordinary Resolutions of the Company: -

6. **AUTHORITY TO ISSUE SHARES** (Resolution 6)
 “THAT, subject always to the Companies Act 2016 (“Act”), the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”), the provisions of the Constitution of the Company and approval of any relevant governmental and/or regulatory authorities, where such approval is required, the Board of Directors of the Company (“Board”) be and is hereby empowered pursuant to Section 75 and 76 of the Act, to issue and allot shares in the capital of the Company, at any time upon such terms and conditions and for such purposes as the Board may, in its absolute discretion deem fit, provided that the aggregate number of the shares issued pursuant to this resolution does not exceed ten (10) per centum of the issued share capital of the Company for the time being and the Board be and is also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad (“Mandate”) and that such authority shall continue in force until the conclusion of the next AGM of the Company;

THAT pursuant to Section 85 of the Act read together with Article 10 of the Company’s Constitution, approval be and is hereby given to waive the statutory pre-emptive rights conferred upon the shareholders of the Company in respect of the allotment and issuance of new Shares pursuant to the Mandate AND THAT such new Shares when allotted shall rank pari passu in all respects with the existing class of ordinary shares;

AND FURTHER THAT the Board is exempted from the obligation to offer such new Shares first to the existing shareholders of the Company in respect of the allotment and issuance of new Shares pursuant to the Mandate.”

NOTICE OF ANNUAL GENERAL MEETING

SPECIAL BUSINESS (CONT'D): -

7. **PROPOSED SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE** (Resolution 7)

"THAT subject always to the provisions of the Act, the Constitution of the Company and Main Market Listing Requirements of Bursa Securities or other regulatory authorities, approval be and is hereby given to the Company and/or its subsidiaries to enter into the category of recurrent related party transactions of a revenue or trading nature as set out in Paragraph 2.3 of the Circular to Shareholders dated 30 April 2025 with the specific related parties mentioned therein ("the Mandate"), which are necessary for SLP Group's day-to-day operations on an arm's length basis and on normal commercial terms and on terms which are not more favourable to the related parties than those generally available to the public and are not detrimental to the minority shareholders of the Company.

AND THAT such approval conferred by the shareholders' mandate shall continue to be in force until: -

- (a) the conclusion of the next AGM of the Company following this AGM, at which the Mandate was passed, at which time it will lapse, unless by a resolution passed at that meeting whereby the authority is renewed;
- (b) 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
- (c) revoked or varied by resolution passed by the shareholders in general meeting,

whichever is the earlier.

AND FURTHER THAT the Board be and is hereby authorised to complete and do all such acts and things including executing such documents as may be considered necessary or expedient to give effect to the RRPT contemplated and/or authorized by this resolution."

8. **CONTINUING IN OFFICE AS INDEPENDENT NON-EXECUTIVE DIRECTOR** (Resolution 8)

"Subject to the passing of Ordinary Resolution 2, to retain the Mr. Law Cheng Lock, who has served for more than nine (9) years as Independent Non-Executive Director of the Company, pursuant to Practice 5.3 of the Malaysian Code on Corporate Governance ("Code")."

9. To transact any other ordinary business for which due notice has been given in accordance with the Constitution of the Company and the Act.

NOTICE IS HEREBY GIVEN that for purpose of determining a member who shall be entitled to attend this 20th AGM, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd, to issue a General Meeting Record of Depositors as at 4 June 2025. Only a depositor whose name appears on the Record of Depositors as at 4 June 2025 shall be entitled to the said meeting or appoint proxies to attend and/or vote on his/her behalf.

By Order of the Board

Ch'ng Lay Hoon
(SSM PC No.: 201908000494)
(MAICSA 0818580)
Company Secretary

Penang
30 April 2025

NOTICE OF ANNUAL GENERAL MEETING

NOTES:

Appointment of Proxy

A member entitled to attend, speak and vote at this Meeting may appoint more than one (1) Proxy, who need not be a member, to attend, speak and vote in his stead. Where a member appoints more than one (1) Proxy the appointment shall be invalid unless he specifies the proportion of his holdings to be represented by each proxy.

If the appointer is a corporation, the Proxy Form must be executed under its Common Seal or under the hand of its officer or attorney duly authorised.

Where a member of the Company is an exempt authorized nominee as defined under the Securities Industry (Central Depositories) Act 1991 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 authorized nominee may appoint in respect of each omnibus account it holds.

To be valid, the duly completed Proxy Form must be deposited at the Company's registered office at Suite 12A, Level 12, Menara Northam, No. 55, Jalan Sultan Ahmad Shah, 10050 George Town Penang, not less than forty-eight (48) hours before the time stipulated for holding the meeting or adjournment thereof.

Should you desire your Proxy to vote on the Resolutions set out in the Notice of Meeting, please indicate with an "X" in the appropriate space. If no specific direction as to voting is given, the Proxy will vote or abstain at his discretion.

Explanatory Notes On Special Business

Resolution 6

The proposed resolution is in relation to authority to allot shares pursuant to Section 75 and 76 of the Act, and if passed, will give a renewed mandate to the Directors of the Company, from the date of above AGM, authority to issue and allot shares in the Company up to and not exceeding in total ten per centum (10%) of the issued share capital of the Company for the time being, for such purposes as the Directors consider would be in the interest of the Company ("General Mandate"). This General Mandate, unless revoked or varied at a general meeting of the Company, will expire at the conclusion of the next AGM of the Company or the period within which the next AGM of the Company is required by law to be held whichever is the earlier.

Should the need arise to issue new shares the General Mandate would avoid any delay and costs in convening a general meeting of the Company to specifically approve such issue of share. If there should be a decision to issue new shares after the General Mandate is obtained, the Company would make an announcement in respect of the purpose and utilization of the proceeds arising from such issue.

Resolution 7

The proposed resolution, if passed, will enable SLP's Group to enter into recurrent related party transactions of a revenue or trading nature with related parties in accordance with paragraph 10.09 of Bursa Securities' Main Market Listing Requirements. The mandate, unless revoked or varied by the Company in general meeting, will expire at the next AGM of the Company.

Detailed information of the Proposed Shareholders' Mandate is set out in the Circular to Shareholders dated 30 April 2025.

Resolution 8

The Board of Directors via the Nominating Committee assessed the independence of Mr. Law Cheng Lock, who has served on the Board as Independent Non-Executive Director of the Company for a cumulative of more than nine (9) years and the Board has recommended that the approval of the shareholders be sought to re-appoint Mr. Law Cheng Lock, based on the following justifications: -

- (a) He has met the criteria on the independence guidelines set out in Chapter 1 of the Main Market Listing Requirements of Bursa Securities and therefore able to give independent opinion to the Board;

NOTICE OF ANNUAL GENERAL MEETING

Explanatory Notes On Special Business (Cont'd)

Resolution 8 (Cont'd)

- (b) Being director for more than nine (9) years has enabled him to contribute positively during deliberations/discussions at meetings as he is familiar with the operations of the Company and possess tremendous knowledge of the Company's operations
- (c) He has the caliber, qualifications, experiences and personal qualities to challenge management in an effective and constructive manner; and
- (d) He has contributed sufficient time and exercised due care during his tenure as Independent Non-Executive Director and carried out his fiduciary duties in the interest of the Company and minority shareholders.

STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

[Pursuant to Paragraph 8.27(2) of the Main Market Listing Requirements of Bursa Securities Malaysia Berhad]

- 1) Save for re-election of the retiring Directors, there were no directors standing for election at the 20th AGM.

The retiring Directors have confirmed that they do not have any conflict of interest or potential conflict of interest that arise, or might arise, where they have interest, whether direct or indirect financial interest as well as non-financial interest or competing loyalties or interests which are in conflict with the Company or its subsidiaries.

- 2) The proposed Ordinary Resolution 6 for the general mandate for issue of securities is a renewal mandate. As at the date of this Notice, no new shares in the Company were issued pursuant to the mandate granted to the Directors of the Company at last AGM held on 7 June 2024.



PROXY FORM

SLP RESOURCES BERHAD
(Registration No. 200401025355 (663862 - H))

CDS ACCOUNT NO.	NO. OF SHARES HELD

I/We, _____
(Full name of a member in BLOCK LETTERS as per Identity Card("MYKAD")/Passport/Certificate of Incorporation)

MYKAD/PassportNo./Company No. _____ of _____

(Address in full, telephone no. & email address)

telephone no. _____, being a member of SLP RESOURCES BERHAD ("the Company")

hereby appoint _____

(Full name of proxy in BLOCK LETTERS as per MYKAD/Passport)

MYKAD/Passport No. _____ of _____

(Address in full, telephone no. & email address)

And/or failing him _____

(Full name of proxy in BLOCK LETTERS as per MYKAD/Passport)

MYKAD/Passport No. _____ of _____

(Address in full, telephone no. & email address)

or failing the abovenamed proxies, the Chairman of the Meeting, as my/our proxy to vote for me/us on my/our behalf at the 20th Annual General Meeting of the Company, to be held Iconic 1 & 2, Level 7, Iconic Hotel, 71, Jalan Icon City, Icon City, 14000 Bukit Mertajam, Penang on **Wednesday, 11 June 2025 at 11.00 a.m.** and at any adjournment thereof. My/our proxy/proxies is to be vote as indicated below:

	Resolution	For	Against
1.	To re-elect Madam Khaw Choon Hoong as Director		
2.	To re-elect Mr. Law Cheng Lock as Director		
3.	To approve payment of Directors' fees for year ending 31 December 2025		
4.	To approve payment of benefits payable to Non-Executive Directors		
5.	To re-appoint Auditors		
6.	To empower Directors to issue and allot shares pursuant to Section 75 & 76 of the Companies Act 2016		
7.	Shareholders' Mandate on Recurrent Related Party Transactions		
8.	Continuing in Office as Independent Non-Executive Director for Mr. Law Cheng Lock		

(Please indicate with "X" in the spaces on how you wish your votes to be cast for or against the resolutions. In the absence of specific directions, your proxy will vote or abstain from voting at his discretion.)

Dated this _____ day of _____ 2025

The proportions of my/our holding to be represented by my/our proxies are as follows: -		
	No. of Shares	Percentage
First Proxy		
Second Proxy		
Total		100%

Signature(s)/Common Seal of Member(s)

NOTES:

- A member entitled to attend and vote at this meeting may appoint more than one (1) proxy, who need not be a member, to attend and vote in his stead. Where a member appoints more than one (1) proxy the appointment shall be invalid unless he specifies the proportion of his holdings to be represented by each proxy.
- If the appointer is a corporation, the form of proxy must be executed under its Common Seal or under the hand of its officer or attorney duly authorised.
- Where a member of the Company is an exempt authorized nominee as defined under the Securities Industry (Central Depositories) Act 1991 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 authorized nominee may appoint in respect of each Omnibus Account it holds.
- To be valid, the duly completed form of proxy must be deposited at the Company's registered office at Suite 12A, Level 12, Menara Northam, No. 55, Jalan Sultan Ahmad Shah, 10050 George Town Penang, not less than forty-eight (48) hours before the time stipulated for holding the meeting or adjournment thereof.
- For the purpose of determining a member who shall be entitled to attend this 20th AGM, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd, to issue a General Meeting Record of Depositors as at 4 June 2025. Only a depositor whose name appears on the Record of Depositors as at 4 June 2025 shall be entitled to attend the said meeting or appoint proxies to attend and/or vote on his/her behalf.

Personal Data Privacy:

By submitting the duly executed proxy form, the member and his/her proxy consent to the Company and/or its agents/service providers to collect, use and disclose the personal data therein in accordance with the Personal Data Protection Act 2010, for the purpose of the Annual General Meeting of the Company and any adjournment thereof.

Stamp here

THE COMPANY SECRETARY
SLP RESOURCES BERHAD

Registration No. 200401025355 (663862-H)

Suite 12-A, Level 12, Menara Northam
No. 55, Jalan Sultan Ahmad Shah
10050 George Town, Penang, Malaysia



SLP RESOURCES BERHAD

(Registration No. 200401025355 (663862-H))

P.T.1, Lot 57A, Lorong Perusahaan 5,
Kulim Industrial Estate, 09000 Kulim, Kedah, Malaysia.
Tel: +604 489 1858 Fax: +604 489 1857
Email: info@sinliplas.com.my

www.sinliplas.com.my

CORPORATE GOVERNANCE REPORT

STOCK CODE : 7248
COMPANY NAME : SLP Resources Berhad
FINANCIAL YEAR : December 31, 2024

OUTLINE:

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

Disclosures in this section are pursuant to Paragraph 15.25 of Bursa Malaysia Listing Requirements.

SECTION B – DISCLOSURES ON CORPORATE GOVERNANCE PRACTICES PERSUANT CORPORATE GOVERNANCE GUIDELINES ISSUED BY BANK NEGARA MALAYSIA

Disclosures in this section are pursuant to Appendix 4 (Corporate Governance Disclosures) of the Corporate Governance Guidelines issued by Bank Negara Malaysia. This section is only applicable for financial institutions or any other institutions that are listed on the Exchange that are required to comply with the above Guidelines.

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

Disclosures in this section are pursuant to Paragraph 15.25 of Bursa Malaysia Listing Requirements.

Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

Practice 1.1

The board should set the company's strategic aims, ensure that the necessary resources are in place for the company to meet its objectives and review management performance. The board should set the company's values and standards, and ensure that its obligations to its shareholders and other stakeholders are understood and met.

Application	:	Applied
Explanation on application of the practice	:	<p>The Board of Directors ("Board") recognises that Corporate Governance is critical to the performance of the Company and its subsidiaries (the "Group"). The Board is unwavering in its commitment to implementing the appropriate policies to guarantee that the principles of good governance are followed in all of the company's corporate and business activities.</p> <p>The Board is ultimately accountable and responsible for the Group's performance and affairs, as well as for overseeing the Group's corporate governance framework. All Board members are required to conduct themselves professionally, following the basic values of integrity while keeping their fiduciary responsibilities in mind.</p> <p>The Board delegated certain of its obligations to the Board Committees to assist in the fulfilment of its stewardship responsibility. This Board Committee will follow the Terms of Reference ("TOR") set forth in their separate Committee Charters, which can be found on the Company's website at www.sinliplas.com.my. The Chairman of the respective Board Committees reports to the Board on major issues discussed at the respective Board Committee meetings and, where appropriate, makes recommendations to the Board for final approval.</p> <p>The Board Committees include:</p> <ul style="list-style-type: none">(a) Audit and Risk Management Committee ("ARMC");(b) Nomination Committee ("NC"); and(c) Remuneration Committee ("RC"). <p>The ARMC assists in providing oversight on the Company's financial reporting, disclosure, regulatory compliance and monitoring of internal control processes and risk management within the Company. The ARMC reviews the quarterly financial results, unaudited and audited</p>

	<p>financial statements, internal and external audit reports, risk profile, conflict of interest as well as related party transactions.</p> <p>The NC oversees matters relating to the nomination of new Directors, annually reviews the required mix of skills, experience and other requisite qualities of Directors as well as the assessment of the effectiveness of the Board as a whole, its Committees and the contribution of each individual Director.</p> <p>The RC is primarily responsible for examining and making recommendation to the Board as to the remuneration packages for Directors and Senior Management, which reflects the performances of these personnel.</p>
<p>Explanation for departure</p>	<p>:</p>
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>	
<p>Measure</p>	<p>:</p>
<p>Timeframe</p>	<p>:</p>

Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

Practice 1.2

A Chairman of the board who is responsible for instilling good corporate governance practices, leadership and effectiveness of the board is appointed.

Application	:	Applied
Explanation on application of the practice	:	<p>We recognise that appointing a capable chairman to lead the Board of Directors ("Board") is critical for establishing a good governance culture and developing trust which complements the board structure and formal governance legislation in terms of embedding high governance standards.</p> <p>Our Board is chaired by Khaw Khoon Tee, an Executive Chairman. Mr. Khaw is the Company's founder, with over 50 years of experience in the polymer industry. As the Board Chairman, Mr. Khaw is responsible for:</p> <ul style="list-style-type: none"> • providing leadership for the Board so that the Board can perform its responsibilities effectively; • setting the board agenda and ensuring that Board members receive complete and accurate information in a timely manner; • leading Board meetings and discussions; • encouraging active participation and allowing dissenting views to be freely expressed; • managing the interface between Board and Management; • ensuring appropriate steps are taken to provide effective communication with stakeholders and that their views are communicated to the Board as a whole; and • leading the Board in establishing and monitoring good corporate governance practices in the company.
Explanation for departure	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
Measure	:	
Timeframe	:	

Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

Practice 1.3

The positions of Chairman and CEO are held by different individuals.

Application	:	Applied
Explanation on application of the practice	:	<p>We acknowledge the need for separation between Chairman and Chief Executive Officer ("CEO") (in our case, the Group Managing Director) to alleviate conflicts, as CEO is primarily responsible for spearheading the business and day-to-day management of the company, whereas the Chairman is primarily responsible for oversight over management.</p> <p>The positions of Chairman and CEO are held by separate individuals, i.e. Khaw Khoon Tee (Executive Chairman) and Khaw Seang Chuan (Group Managing Director) respectively.</p> <p>The Executive Chairman ("EC") and the Group Managing Director ("GMD")'s roles and responsibilities are defined and separated (Item 6 of the Board Charter), where the EC is primarily responsible for the orderly conduct and effective function of the Board, including ensuring that all Directors receive sufficient information on financial and non-financial matters to enable them to participate actively in Board deliberations and decisions, and the GMD is responsible for the day-to-day management of the business as well as implementation of the Board's policies and decisions.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

Practice 1.4

The Chairman of the board should not be a member of the Audit Committee, Nomination Committee or Remuneration Committee

<i>Note: If the board Chairman is not a member of any of these specified committees, but the board allows the Chairman to participate in any or all of these committees' meetings, by way of invitation, then the status of this practice should be a 'Departure'.</i>	
Application	: Applied
Explanation on application of the practice	: Khaw Khoon Tee, the Executive Chairman ("EC") of the Board of Directors ("Board") is not a member in any Board Committees, i.e. Audit and Risk Management Committee, Nomination Committee and Remuneration Committee, as the EC and Board understands and advocate check and balance as well as objective review by the Board on deliberations emanating from the Board Committees. Further to the above, to promote effectiveness of the Board Committees in carrying out its respective duties and responsibilities with highest level of objectivity, all Board Committees are chaired by Independent Non-Executive Directors.
Explanation for departure	:
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure	:
Timeframe	:

Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

Practice 1.5

The board is supported by a suitably qualified and competent Company Secretary to provide sound governance advice, ensure adherence to rules and procedures, and advocate adoption of corporate governance best practices.

Application	:	Applied
Explanation on application of the practice	:	<p>We recognise that the responsibility of Company Secretaries has evolved from advising on administrative matters to advising Board of Directors ("Boards") on governance matters, Board policies and procedures as well as pertinent regulatory requirements. As a result, it is pivotal that the Board is supported by suitably qualified and competent Company Secretary. The Board as a whole, is responsible and has the authority to appoint and remove the Company Secretary. Criteria considered include amongst others, performance, competency, and capability of the Company Secretary.</p> <p>Ch'ng Lay Hoon (MAICSA 0818580) has been appointed as the Company Secretary since 25 August 2004, prior to our listing on the Second Board of Bursa Malaysia Securities Berhad ("Bursa") in year 2008. She has the requisite credentials and is qualified to act as Company Secretary under Section 235(1) and (2) of the Companies Act 2016, and periodically undertakes continuous professional development to upskill and keep abreast of new developments.</p> <p>The key responsibilities of the Company Secretary include:</p> <ul style="list-style-type: none">• Manages all Board and committee meeting logistics, attends and records minutes of all Board and committee meetings and facilitates Board communications;• Advises the Board on its roles and responsibilities;• Facilitates the orientation of new directors and assists in director training and development;• Advises the Board on corporate disclosures and compliance with Group and securities regulations and listing requirements;• Manages processes pertaining to the shareholders' meetings;• Monitors corporate governance developments and assists the Board in applying governance practices to meet the Board's needs and stakeholders' expectations; and• Serves as a focal point for stakeholders' communication and engagement on corporate governance issues.
Explanation for departure	:	

<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure :		
Timeframe :		

Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

Practice 1.6

Directors receive meeting materials, which are complete and accurate within a reasonable period prior to the meeting. Upon conclusion of the meeting, the minutes are circulated in a timely manner.

Application	:	Applied
Explanation on application of the practice	:	<p>We recognise that Directors rely on Management for the information necessary to carry out their oversight duties, and owing to the oversight nature of their roles, in particular Non-Executive Directors, will inherently lack in-depth knowledge on the operations in comparison to the Management team. Hence, it is important that sound and sufficient information flow are provided timely in order to facilitate robust and effective deliberations.</p> <p>Similarly, information flow from Board of Directors ("Board") to Management (including proceedings and decisions of the Board) is critical for Management's actions, including execution of the Company's strategic plan and many other critical processes. Hence, upon conclusion of Board and Board Committee meetings, all Directors should ensure that the minutes of meetings accurately reflect the deliberations and decisions of the Board or Board Committees and shall be circulated timely.</p> <p>To facilitate adequate preparation for meetings, our Management provides the Board and Board Committees members with Board Papers and agenda items at least seven (7) days prior to the meetings, barring any unforeseen circumstances. The Board papers are prepared in a form, timeframe and quality that enables the Board and Board Committees to effectively discharge their duties. Furthermore, Directors are also provided with the authority to request for additional information they consider necessary to support informed decision making.</p> <p>During Board and Board Committees' meetings, the Company Secretary will minute discussions, comments, deliberations (including dissenting views) and decisions made, including whether any Director abstained from voting or deliberating on a particular matter. Upon conclusion of the meetings, the draft minutes are circulated to the respective Directors within 14 days from the meeting date, for confirmation on the accuracy of the meeting minutes documentation.</p> <p>The minutes of the Board and Board Committees' meetings are retained at the registered office and are available for inspection by any Director during office hours.</p>

Explanation for departure :		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure :		
Timeframe :		

Intended Outcome

There is demarcation of responsibilities between the board, board committees and management.

There is clarity in the authority of the board, its committees and individual directors.

Practice 2.1

The board has a board charter which is periodically reviewed and published on the company's website. The board charter clearly identifies–

- the respective roles and responsibilities of the board, board committees, individual directors and management; and
- issues and decisions reserved for the board.

Application	:	Applied
Explanation on application of the practice	:	<p>The Board of Directors (“Board”) recognises the importance of clarifying its responsibilities as well as that of the Board Committees, individual Directors and Management by establishing and defining clear boundaries, to minimise blurring of lines between the roles of the Board and Management which also clearly delineates points of accountability. The boundaries set shall be formally documented into a Board Charter document, which acts as a policy statement that outlines the Board's governance structure, power, and terms of reference, as well as those of its committees and Management. This document serves as the primary reference and literature that guides the governance and conduct of the Board.</p> <p>The Board has established a Board Charter which among others, outline the following:</p> <ul style="list-style-type: none">• composition and board balance;• duties and responsibilities of the Board, Board Committees, Chairman and Managing Director, Executive Directors, and Independent Directors;• access to information and independent advice;• duty to disclose interests;• Company Secretary;• dealings in securities;• orientation and continuing education;• Board assessment; and• Schedule of matters reserved for the Board. <p>The Board Charter is reviewed on a periodic basis and may be amended by the Board from time to time to ensure it reflects and adapt to changing circumstances.</p> <p>The Board understands that the Board Charter can serve as an avenue to communicate the company's approach to governance, allowing</p>

	stakeholders to understand the practices put in place by the Directors in discharging their responsibilities towards the company and its stakeholders, hence it is published on our corporate website at www.sinliplas.com.my and is accessible at all times to all our stakeholders.	
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

The board is committed to promoting good business conduct and maintaining a healthy corporate culture that engenders integrity, transparency and fairness.

The board, management, employees and other stakeholders are clear on what is considered acceptable behaviour and practice in the company.

Practice 3.1

The board establishes a Code of Conduct and Ethics for the company, and together with management implements its policies and procedures, which include managing conflicts of interest, preventing the abuse of power, corruption, insider trading and money laundering.

The Code of Conduct and Ethics is published on the company's website.

Application	:	Applied
Explanation on application of the practice	:	<p>Ethical business practice is considered a key cornerstone of our business. The Board of Directors ("Board") recognises that a company's culture is largely shaped by the company's leadership, and hence it is pivotal that ethical principles and values are formalised and communicated through the Code of Conduct and Ethic for all Directors and employees, to provide a strong "tone from the top" in shaping the attitudes and behaviours within the company.</p> <p>Our Group Code of Conduct and Ethic was first established on 28 April 2014, based on principles of integrity, responsibility, trust, discipline, and diligence. The Code of Conduct and Ethic covers the following topics:</p> <ul style="list-style-type: none">• corporate governance;• relationship with shareholders, employees, creditors and customers;• social responsibilities and the environment;• core areas of conduct;• Conflict of Interest;• insider trading;• money laundering; and• violation of the code. <p>The Code of Conduct and Ethic is reviewed periodically to ensure relevancy and is accessible via our corporate website at www.sinliplas.com.my.</p>
Explanation for departure	:	

Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.

Measure :		
Timeframe :		

Intended Outcome

The board is committed to promoting good business conduct and maintaining a healthy corporate culture that engenders integrity, transparency and fairness.

The board, management, employees and other stakeholders are clear on what is considered acceptable behaviour and practice in the company.

Practice 3.2

The board establishes, reviews and together with management implements policies and procedures on whistleblowing.

Application	:	Applied
Explanation on application of the practice	:	<p>We recognise the importance of having a channel for stakeholders (including internal and external parties) to report genuine concerns about wrongdoings, including a legal obligation being breached (including negligence, criminal activity, breach of contract, and breach of law), a miscarriage of justice, a threat to health and safety or the environment, or a cover-up of any of these in the workplace, to enable allegations to be thoroughly investigated and to carry out necessary actions, where appropriate. This is to reduce the risk of falling into a vicious cycle where Management and the Board of Directors (“Board”) are unaware of problems and misconduct remains pervasive or unaddressed in the absence of a well-designed whistleblowing framework for stakeholders to raise concerns about illegal or unethical activity that they are aware of through their dealings.</p> <p>We have formalised a Group Whistleblowing Policy on 24 April 2014, with the following objectives:</p> <ul style="list-style-type: none">• encourage whistle blower to feel confident in raising serious genuine concerns and to question and act on those concerns;• provide ways to raise those concerns and get feedback on action taken; and• re-assure whistle blower that if they raise concerns in good faith, believing them to be true, they will be protected from possible reprisals or victimisation. <p>The principles underpinning our Whistleblowing Policy include:</p> <ul style="list-style-type: none">• all concerns raised will be treated fairly and properly;• the Group will not tolerate harassment or victimisation of anyone raising a genuine concern;• the Group will ensure no whistle blower will be at risk of suffering some form of reprisal as a result of raising a concern even if he is mistaken. The Group, however, does not extend this assurance to someone who maliciously raises a matter he knows is untrue or is acting for personal gain; and

	<ul style="list-style-type: none"> the submission of a false or frivolous report may have consequences for whistle blower and he may be liable for damages towards anyone who suffered from such false report. <p>This Whistleblowing Policy provides amongst others, the policies and procedures for whistleblowing, including personnel whom these whistleblowings are addressed to (i.e. immediate superior, Management and Independent Non-Executive Director) and the reporting form.</p> <p>No whistleblowing report received by the Group in year 2024.</p> <p>This Whistleblowing Policy is published on our corporate website at www.sinliplas.com.my.</p>	
Explanation for departure :		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure :		
Timeframe :		

Intended Outcome

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

Practice 4.1

The board together with management takes responsibility for the governance of sustainability in the company including setting the company's sustainability strategies, priorities and targets.

The board takes into account sustainability considerations when exercising its duties including among others the development and implementation of company strategies, business plans, major plans of action and risk management.

Strategic management of material sustainability matters should be driven by senior management.

Application	:	Applied
Explanation on application of the practice	:	<p>Sustainability is commonly defined as "Development that meets the needs of the present without compromising the ability of future generations to meet their own needs". To be able to sustain our business in the long run, we understand that our business needs to be carried out in a sustainable and responsible manner, i.e. limiting damage of our business in relation to the economic, environment and social front. To achieve this objective, both the Board of Directors ("Board") and Management plays a quintessential leading role in setting the company's sustainability strategies, priorities and targets. Specifically, the Board shall provide robust oversight whilst the Senior Management is responsible to drive the strategic management of a company's material sustainability matters.</p> <p>We have established and assigned sustainability related responsibilities across the company (i.e. governance structure), where the Board is supported by the Audit and Risk Management Committee, which in turns is supported by the Risk Management and Sustainability Working Committee and also by the Head of Departments/ Business Unit.</p> <p>Sustainability considerations is integrated into the strategic direction of the Group, where the Management is tasked to implement these sustainability strategies and initiatives set.</p> <p>Further details on the sustainability governance structure and the roles and responsibilities of each governing functions are available in the Sustainability Statement of the Annual Report.</p>
Explanation for departure	:	

Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.

Measure :		
Timeframe :		

Intended Outcome

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

Practice 4.2

The board ensures that the company's sustainability strategies, priorities and targets as well as performance against these targets are communicated to its internal and external stakeholders.

Application	:	Applied
Explanation on application of the practice	:	<p>We understand that in order to obtain a more holistic view on sustainability risks and opportunities of the Company, it is critical to consider these sustainability matters (i.e. economic, environment and social - "EES") from both internal and external perspectives. Hence, in identifying EES matters that are material to us, we have performed stakeholder engagement, to identify key stakeholders to the company, and through engagement with these key stakeholders and assessment performed by the Company, identify EES matters that are material (i.e. materiality assessment process).</p> <p>Upon identifying the Material Sustainability Matters ("MSM"), we identify strategies and targets relevant to these MSM. These strategies and targets form the benchmark where our business operations and management of the MSM are based on.</p> <p>The Board of Directors ("Board") recognise the importance of not only practicing sustainable practices in its day-to-day operations, but also the need to communicate these strategies, priorities, targets as well as performance against these targets internally and to external stakeholders. Internally, we have various reports to track the performance of the MSM. The above is disclosed to the public through our Sustainability Report which forms part of our Annual Report.</p> <p>In preparing the Sustainability Report, we have observed Paragraph 29, Part A of Appendix 9C and Practice Note 9 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa") and considered the Sustainability Reporting Guide 3rd Edition and its accompanying Toolkits published by Bursa.</p> <p>Further details on the strategies, priorities and targets as well as performance against these targets are available in the Sustainability Statement of the Annual Report.</p>
Explanation for departure	:	

Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.

Measure :		
Timeframe :		

Intended Outcome

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

Practice 4.3

The board takes appropriate action to ensure they stay abreast with and understand the sustainability issues relevant to the company and its business, including climate-related risks and opportunities.

Application	:	Applied	
Explanation on application of the practice	:	<p>The Board of Directors (“Board”) is ultimately responsible for sustainability practices and performances. The Board oversees sustainability matters by ensuring sustainability is integrated into the strategic direction of the Group and driving the Group’s sustainability practices.</p> <p>In order to discharge its oversight role effectively, we acknowledge the importance for Board members possessing sufficient understanding and knowledge of sustainability issues that are relevant to the company and its business, including climate-related risks and opportunities.</p> <p>The Board has during the year, attended several Environmental, Social and Governance (“ESG”) related training to stay abreast with development in the fields of sustainability and how it will potentially impact the Group.</p> <p>Further to the above, the Board has included an evaluation on ESG aspect for the financial year 2024.</p> <p>Refer to the CG Overview Statement in the Annual Report 2024 for the details of training attended by the Directors during the year.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 4.4

Performance evaluations of the board and senior management include a review of the performance of the board and senior management in addressing the company’s material sustainability risks and opportunities.

Application	:	Applied	
Explanation on application of the practice	:	<p>NC has revised the content of directors’ annual assessment by incorporating the review of the directors’ performance in addressing sustainability risks and opportunities. The revised assessment has been distributed to directors for evaluation.</p> <p>Senior Management are assessed by a set of KPI by their respective superior.</p>	
Explanation for departure	:	Please provide an explanation for the departure.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.	
Timeframe	:	Choose an item.	

Intended Outcome

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

Practice 4.5- Step Up

The board identifies a designated person within management, to provide dedicated focus to manage sustainability strategically, including the integration of sustainability considerations in the operations of the company.

Note: The explanation on adoption of this practice should include a brief description of the responsibilities of the designated person and actions or measures undertaken pursuant to the role in the financial year.

Application	:	Not Adopted
Explanation on adoption of the practice	:	

Intended Outcome

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

Practice 5.1

The Nomination Committee should ensure that the composition of the board is refreshed periodically. The tenure of each director should be reviewed by the Nomination Committee and annual re-election of a director should be contingent on satisfactory evaluation of the director's performance and contribution to the board.

Application	:	Applied
Explanation on application of the practice	:	<p>To ensure the company's leadership is equipped with the right skills and experience to steer it through contemporary challenges and opportunities, towards its long-term strategy and goals, the Board of Directors ("Board") understands that periodic refreshment of the Board is critical, considering amongst others, new skills and fresh perspectives, capable of questioning the status quo, etc.</p> <p>One of the key functions of the Nomination Committee is to ensure effective functioning of the Board and Board Committees, hence in the appointment of new Directors and during annual assessment of the Board, Board Committee and individual Directors, the Nomination Committee will consider various key criteria, including skills, knowledge, experience, diversity, time commitment, character, and integrity. The evaluation criteria in the annual assessment as well as during appointment of new directors are in compliance with the criteria in the Group Directors' Fit and Proper Policy.</p> <p>Based on the assessment carried out on the Board, Board Committees and individual Directors for the financial year ended 31 December 2024, the Nomination Committee is satisfied with the performances of the Board, all the Board Committees and all the Directors.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 5.2

At least half of the board comprises independent directors. For Large Companies, the board comprises a majority independent directors.

Application	:	Departure																		
Explanation on application of the practice	:																			
Explanation for departure	:	<p>The Board of Directors (“Board”) consists of seven (7) Directors, four (4) of which are Executive Directors and the remaining three (3) being Independent Non-Executive Directors (“INED”) as follows:</p> <table border="1"><thead><tr><th>No.</th><th>Directorship</th><th>Name</th></tr></thead><tbody><tr><td>1</td><td>Executive Chairman</td><td>• Khaw Khoon Tee</td></tr><tr><td>2</td><td>Group Managing Director</td><td>• Khaw Seang Chuan</td></tr><tr><td>3</td><td>Executive Director</td><td>• Khaw Choon Hoong • Khaw Choon Choon</td></tr><tr><td>4</td><td>Senior Independent Non-Executive Director</td><td>• Law Cheng Lock</td></tr><tr><td>5</td><td>Independent Non-Executive Director</td><td>• Oh Phaik Choo • Lee Kean Cheong</td></tr></tbody></table> <p>Despite departing from this Practice, our Board composition complies with Paragraph 15.02(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad that requires at least two (2) Directors or one-third (1/3) of the Board, whichever is higher, to be INED.</p> <p>The Board understands the benefits of INED bringing objectivity to the oversight function of the Board, where these Directors are able to debate with and challenge the Senior Management team in a relatively more unbiased manner compared to Executive Directors who play a key role in running the business.</p> <p>Nevertheless, the Board believes that having regard to the current INEDs’ knowledge, experiences, and competencies, they are able to bring objectivity and independent judgement to the Board.</p>	No.	Directorship	Name	1	Executive Chairman	• Khaw Khoon Tee	2	Group Managing Director	• Khaw Seang Chuan	3	Executive Director	• Khaw Choon Hoong • Khaw Choon Choon	4	Senior Independent Non-Executive Director	• Law Cheng Lock	5	Independent Non-Executive Director	• Oh Phaik Choo • Lee Kean Cheong
No.	Directorship	Name																		
1	Executive Chairman	• Khaw Khoon Tee																		
2	Group Managing Director	• Khaw Seang Chuan																		
3	Executive Director	• Khaw Choon Hoong • Khaw Choon Choon																		
4	Senior Independent Non-Executive Director	• Law Cheng Lock																		
5	Independent Non-Executive Director	• Oh Phaik Choo • Lee Kean Cheong																		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>																				

Measure	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.	
Timeframe	:	Choose an item.	

Intended Outcome

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

Practice 5.3

The tenure of an independent director does not exceed a cumulative term limit of nine years. Upon completion of the nine years, an independent director may continue to serve on the board as a non-independent director.

If the board intends to retain an independent director beyond nine years, it should provide justification and seek annual shareholders' approval through a two-tier voting process.

Application	:	Applied
Explanation on application of the practice	:	<p>The Board of Directors ("Board") acknowledges the importance of Independent Non-Executive Directors ("INED") to the Board, where they bring objectivity to the oversight function of the Board. To ensure effectiveness of the INED, it is vital that INED are both independence in mind and independence in appearance, hence, we have limited the tenure of an INED to not exceeding a cumulative term of nine (9) years.</p> <p>In spite of the above, the Board also recognises the value its INED brings, despite serving for a period of more than nine (9) years. In order to provide a balance between values of the INED against perceived non-independence due to the tenure served, we have implemented the practice where the Company would like to retain an INED beyond nine (9) years, it should be subjected to the following:</p> <ul style="list-style-type: none">• annual assessment by the Nomination Committee, regarding the independence and contributions; and• annual shareholders' approval in a general meeting through a two-tier voting process, where the Board provides strong justification on the recommendation. <p>In the upcoming AGM (20th AGM), we are seeking approval through a two-tier voting process to retain an INED, Mr Law Cheng Lock who has served as INED more than nine (9) years.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	

Timeframe	:		
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Intended Outcome

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

Practice 5.4 - Step Up

The board has a policy which limits the tenure of its independent directors to nine years without further extension.

Note: To qualify for adoption of this Step Up practice, a listed issuer must have a formal policy which limits the tenure of an independent director to nine years without further extension i.e. shareholders' approval to retain the director as an independent director beyond nine years.

Application :	Not Adopted
Explanation on adoption of the practice :	

Intended Outcome

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

Practice 5.5

Appointment of board and senior management are based on objective criteria, merit and with due regard for diversity in skills, experience, age, cultural background and gender.

Directors appointed should be able to devote the required time to serve the board effectively. The board should consider the existing board positions held by a director, including on boards of non-listed companies. Any appointment that may cast doubt on the integrity and governance of the company should be avoided.

Application	:	Applied
Explanation on application of the practice	:	<p>The Board of Directors (“Board”) recognises that appointing the right person to the leadership team with the right skills, experience, and credibility is critical. Furthermore, to avoid “groupthink”, it is important that the Board and Senior Management has diversity in the form of skills, experience, age, cultural background and gender. Apart from competency and capability, personal qualities (such as honesty, integrity, diligence, independence of mind and fairness) and time-commitment of a Director and Senior Management are equally important.</p> <p>The appointment of new Directors and Senior Management, the re-election of Directors, and re-appointment of Non-Executive Directors falls within the ambit of the Nomination Committee. The Board recognises a diverse Board in the Company and/ or the Group could offer greater depth and breadth compared to non-diverse Board whilst the diversity at Senior Management will lead to better decision making. Hence, the Nomination Committee will consider in its evaluation, amongst others, the balance of skills, knowledge, experience and diversity.</p> <p>Appointment and re-election of directors are assessed according to the criteria stated in Directors’ Fit and Proper Policy adopted by the Group to ensure the directors can serve the Board effectively.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		

Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.6

In identifying candidates for appointment of directors, the board does not solely rely on recommendations from existing board members, management or major shareholders. The board utilises independent sources to identify suitably qualified candidates.

If the selection of candidates was based on recommendations made by existing directors, management or major shareholders, the Nominating Committee should explain why these source(s) suffice and other sources were not used.

Application	:	Applied
Explanation on application of the practice	:	<p>We recognise the need of avoiding the effect of "informal networks" on Board of Directors ("Board") appointments, where the Directors elected are likely to have a sense of loyalty to the controlling shareholders or the Directors who have nominated them. Hence to recruit the most suitable candidates to form a high-functioning and effective Board, it is imperative that a formal and transparent procedure should be established for sourcing and appointing new Directors to the Board.</p> <p>The Nomination Committee is tasked to assist the Board in the process of evaluating new candidates for the appointment to the Board. The Nomination Committee will consider candidates proposed by internal parties, including the Group Managing Director, Senior Executives, Directors and Major Shareholder.</p> <p>In spite of the above, the Nomination Committee has the authority to utilise independent sources such as the directors' register, industry and professional associations, open advertisements, and independent search firms to source for potential candidates.</p> <p>During the financial year ended 31 December 2024, there were no new Directors being appointed to the Board.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	

Timeframe	:		
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Intended Outcome

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

Practice 5.7

The board should ensure shareholders have the information they require to make an informed decision on the appointment and reappointment of a director. This includes details of any interest, position or relationship that might influence, or reasonably be perceived to influence, in a material respect their capacity to bring an independent judgement to bear on issues before the board and to act in the best interests of the listed company as a whole. The board should also provide a statement as to whether it supports the appointment or reappointment of the candidate and the reasons why.

Application	:	Applied
Explanation on application of the practice	:	<p>In order to enable shareholders to make an informed decision on the appointment and reappointment of a Director, we understand that sufficiency in information and whether the Board supports the appointment or reappointment of a candidate and the reason thereof is vital and shall be disclosed.</p> <p>The Company has not appointed any new Director in the financial year ended 31 December 2024.</p> <p>Based on the evaluation carried out by the NC, NC has recommended to the Board to seek shareholders' approval for re-appointment of the retiring Directors, namely Madam. Khaw Choon Hoong and Mr. Law Cheng Lock. The Board unanimously resolved that the retiring Directors are fit and proper and thus in support for the re-appointment of the retiring Directors.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 5.8

The Nominating Committee is chaired by an Independent Director or the Senior Independent Director.

Application	:	Applied															
Explanation on application of the practice	:	<p>The Nomination Committee (“NC”) is a key gatekeeper in the process of recruiting Directors, evaluating their performance and driving the continuous performance of the Board of Directors (“Board”). The Board acknowledges the benefits of having an Independent Non-Executive Director (“INED”) as the Chairman of the NC to ensure objectivity and independent judgement during deliberations.</p> <p>The NC is chaired by Law Cheng Lock, a Senior INED, and comprised exclusively of INED.</p> <p>The composition of the NC are as follows:</p> <table border="1"><thead><tr><th>No.</th><th>Name of Directors</th><th>Position</th><th>Directorship</th></tr></thead><tbody><tr><td>1</td><td>Law Cheng Lock</td><td>Chairman</td><td>Senior Independent Non-Executive Director</td></tr><tr><td>2</td><td>Oh Phaik Choo</td><td rowspan="2">Committee Member</td><td>Independent Non-Executive Director</td></tr><tr><td>3</td><td>Lee Kean Cheong</td><td>Independent Non-Executive Director</td></tr></tbody></table> <p>The NC as a whole, is responsible for:</p> <ul style="list-style-type: none">• new appointments of Directors and Senior Management;• re-election, re-appointment, re-designation and resignation/termination of Directors;• succession planning for the Board and Senior Management;• annual performance assessment of the Board, Board Committees and Individual Directors;• induction training and training needs analysis for Directors; and• size of Board and Independent Directors. <p>The Chairman of the NC shall specifically:</p> <ul style="list-style-type: none">• lead the succession planning and appointment of Board members, including the future Chairman and Chief Executive Officer; and• lead the annual review of board effectiveness, ensuring that the performance of each individual director is independently assessed.	No.	Name of Directors	Position	Directorship	1	Law Cheng Lock	Chairman	Senior Independent Non-Executive Director	2	Oh Phaik Choo	Committee Member	Independent Non-Executive Director	3	Lee Kean Cheong	Independent Non-Executive Director
No.	Name of Directors	Position	Directorship														
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2	Oh Phaik Choo	Committee Member	Independent Non-Executive Director														
3	Lee Kean Cheong		Independent Non-Executive Director														

Explanation for departure :		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure :		
Timeframe :		

Intended Outcome

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

Practice 5.9

The board comprises at least 30% women directors.

Application	:	Applied																			
Explanation on application of the practice	:	<p>The Board of Directors (“Board”) understands and appreciates the value of gender diversity and contributions by women in the roles as Directors and Senior Management of the Company.</p> <p>This is evident by gender diversity of the Board and Senior Management as follows:</p> <table border="1" data-bbox="560 804 1219 956"> <thead> <tr> <th>Board of Directors</th> <th>Number</th> <th>Percentage (%)</th> </tr> </thead> <tbody> <tr> <td>Male</td> <td>4</td> <td>57</td> </tr> <tr> <td>Female</td> <td>3</td> <td>43</td> </tr> </tbody> </table> <table border="1" data-bbox="560 992 1219 1144"> <thead> <tr> <th>Senior Management⁽¹⁾</th> <th>Number</th> <th>Percentage (%)</th> </tr> </thead> <tbody> <tr> <td>Male</td> <td>3</td> <td>50</td> </tr> <tr> <td>Female</td> <td>3</td> <td>50</td> </tr> </tbody> </table> <p><i>Note⁽¹⁾: Senior Management includes Executive Directors and a senior management who retired on 31 December 2024</i></p>		Board of Directors	Number	Percentage (%)	Male	4	57	Female	3	43	Senior Management ⁽¹⁾	Number	Percentage (%)	Male	3	50	Female	3	50
Board of Directors	Number	Percentage (%)																			
Male	4	57																			
Female	3	43																			
Senior Management ⁽¹⁾	Number	Percentage (%)																			
Male	3	50																			
Female	3	50																			
Explanation for departure	:																				
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>																					
Measure	:																				
Timeframe	:																				

Intended Outcome

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

Practice 5.10

The board discloses in its annual report the company's policy on gender diversity for the board and senior management.

Application	:	Applied	
Explanation on application of the practice	:	<p>The Board acknowledges that the expectations on gender diversity have escalated due to emerging trends in governance and diversity, changing business and social landscape as well as the push from various stakeholders, including the government.</p> <p>Our Company is focused in providing fair and equitable opportunities, inclusivity and developing diversity without discrimination. The Board has established a Diversity Policy for the Group, which covers diversity in the following:</p> <ul style="list-style-type: none"> • gender; • age; • skill and experience; and • ethnicity. <p>Apart from the diversity principles above, the Board and Senior Management (including eligibility of candidates) are also assessed based on their competence, character, time commitment, and integrity.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 6.1

The board should undertake a formal and objective annual evaluation to determine the effectiveness of the board, its committees and each individual director. The board should disclose how the assessment was carried out its outcome, actions taken and how it has or will influence board composition.

For Large Companies, the board engages an independent expert at least every three years, to facilitate objective and candid board evaluation.

<i>Note: For a Large Company to qualify for adoption of this practice, it must undertake annual board evaluation and engage an independent expert at least every three years to facilitate the evaluation.</i>	
Application	: Applied
Explanation on application of the practice	: The Board of Directors (“Board”) understands the need for annual evaluation to evaluate and self-examine the Board, its Committees and individual Directors on leadership, culture, delegation of duties, teamwork, decision making, etc., to measure and improve performances, where required, to enable the Board to operate efficiently and effectively. The duties and responsibilities for annual performance assessment of the Board, Board Committees, and Individual Directors falls to the Nomination Committee (“NC”). This assessment covers the following: <ul style="list-style-type: none">• the required mix of skills and experience of the Board, including the core competencies which Non-Executive Directors should bring to the Board;• the effectiveness of the Board as a whole, the Committees of the Board and the contribution of each individual Director including his time commitment, character, experience and integrity vide a formal and objective assessment. All assessments and evaluations carried out by the Committee in the discharge of all its functions shall be properly documented;• the character, experience, integrity and competence of Directors, chief executive and chief financial officer and to ensure they have time to discharge their respective roles;• the term of office and performance of the Audit and Risk Management Committee and each of its members to determine whether they have carried out their duties in accordance with their Terms of Reference; and• the independence of Independent Directors.

	<p>Assessment of the Board, Board Committees and Individual Directors through self and peer evaluation method were performed in February 2025, where the overall result of the assessment is “satisfactory”.</p> <p>Although independent expert was not engaged to facilitate objective and candid board evaluation as the Company does not fall under the definition of a “large company”, the NC is authorised under its Terms of Reference to engage a professional, experienced and independent party (when necessary) to facilitate the Board evaluation.</p>	
<p>Explanation for departure</p>		
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<p>Measure</p>		
<p>Timeframe</p>		

Intended Outcome

The level and composition of remuneration of directors and senior management take into account the company's desire to attract and retain the right talent in the board and senior management to drive the company's long-term objectives.

Remuneration policies and decisions are made through a transparent and independent process.

Practice 7.1

The board has remuneration policies and procedures to determine the remuneration of directors and senior management, which takes into account the demands, complexities and performance of the company as well as skills and experience required. The remuneration policies and practices should appropriately reflect the different roles and responsibilities of non-executive directors, executive directors and senior management. The policies and procedures are periodically reviewed and made available on the company's website.

Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	<p>The Group have a remuneration policies and procedures to determine the remuneration of its Directors. However, it was not made available on the corporate website as the Board of Directors ("Board") is of the opinion that such policies and procedures are not necessarily for public consumption.</p> <p>The Company recognises that the need for fair and transparent remuneration policy and procedures is now more important than ever, recognising that the current business environment is becoming more complex as a result of rising stakeholder expectations, globalisation, technological advancements, and business model innovation, all of which necessitate remuneration packages to be aligned with the company's long-term business sustainability.</p> <p>The Board is assisted by the Remuneration Committee, tasked to perform the following:</p> <ul style="list-style-type: none">• determine and recommend to the Board the remuneration policy and procedures for Directors, including the fee structure and level of remuneration for Executive Directors of the Board;• review the remuneration policy and procedures for Directors on annual basis;• assist the Board in developing and administrating a fair and transparent procedure for setting policy on remuneration of Directors;• review and recommend to the Board on the remuneration of the Non-Executive Directors;

	<ul style="list-style-type: none"> • review and recommend to the Board on the total individual remuneration package for Executive Directors; and • review and recommend to the Board and subsequently to the shareholder’s approval at a general Meeting, the fees of the Directors and any benefits payable to the Directors. <p>The remuneration packages for the Executive Chairman, Group Managing Director, and other Executive Directors are linked to the company’s and individual’s performances. Individual achievement against targets set at the start of each year is measured against the Company’s key performance indicators ("KPI"). The Executive Directors review the Senior Management who reports directly to them on an annual basis based on annual measurements and targets.</p>
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>	
<p>Measure :</p>	<p>Please explain the measure(s) the company has taken or intend to take to adopt the practice.</p>
<p>Timeframe :</p>	<p>Choose an item.</p>

Intended Outcome

The level and composition of remuneration of directors and senior management take into account the company's desire to attract and retain the right talent in the board and senior management to drive the company's long-term objectives.

Remuneration policies and decisions are made through a transparent and independent process.

Practice 7.2

The board has a Remuneration Committee to implement its policies and procedures on remuneration including reviewing and recommending matters relating to the remuneration of board and senior management.

The Committee has written Terms of Reference which deals with its authority and duties and these Terms are disclosed on the company's website.

Application	:	Applied															
Explanation on application of the practice	:	<p>The Board of Directors ("Board") recognises the importance and benefits of having a Remuneration Committee ("RC"), to set a clear and objective remuneration policies and procedures, and to exercise objectivity in determining remuneration for the Board and the Senior Management.</p> <p>To supervise remuneration-related matters, the Board has established a RC, comprises solely of Independent Non-Executive Directors. The composition of the RC are as follows:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 5%;">No.</th> <th style="width: 35%;">Name of Directors</th> <th style="width: 20%;">Position</th> <th style="width: 40%;">Directorship</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">1</td> <td>Lee Kean Cheong</td> <td style="text-align: center;">Chairman</td> <td style="text-align: center;">Independent Non-Executive Director</td> </tr> <tr> <td style="text-align: center;">2</td> <td>Law Cheng Lock</td> <td rowspan="2" style="text-align: center;">Committee Member</td> <td style="text-align: center;">Senior Independent Non-Executive Director</td> </tr> <tr> <td style="text-align: center;">3</td> <td>Oh Phaik Choo</td> <td style="text-align: center;">Independent Non-Executive Director</td> </tr> </tbody> </table> <p>The RC is guided by a formalised Terms of Reference, which is made available on our corporate website at www.sinliplas.com.my.</p>	No.	Name of Directors	Position	Directorship	1	Lee Kean Cheong	Chairman	Independent Non-Executive Director	2	Law Cheng Lock	Committee Member	Senior Independent Non-Executive Director	3	Oh Phaik Choo	Independent Non-Executive Director
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Explanation for departure	:	 															
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>																	

Measure	:		
Timeframe	:		

Intended Outcome

Stakeholders are able to assess whether the remuneration of directors and senior management is commensurate with their individual performance, taking into consideration the company's performance.

Practice 8.1

There is detailed disclosure on named basis for the remuneration of individual directors. The remuneration breakdown of individual directors includes fees, salary, bonus, benefits in-kind and other emoluments.

Application	:	Applied
Explanation on application of the practice	:	<p>We understand that Directors' remuneration has often attracted public attention. Shareholders of the company would like to understand the reasonableness of the Directors' remuneration as to safeguard their investments.</p> <p>The remuneration paid to Directors of the Group and the Company for the financial year ended 31 December 2024 are as follows:</p>

No	Name	Directorate	Company ('000)							Group ('000)						
			Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total	Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total
1	Khaw Khoon Tee	Executive Director	-	5	-	-	-	-	5	43	5	360	32	-	18	458
2	Khaw Seang Chuan	Executive Director	-	-	-	-	-	-	-	-	-	360	30	-	50	440
3	Khaw Choon Hoong	Executive Director	-	-	-	-	-	-	-	-	-	300	25	-	44	369
4	Khaw Choon Choon	Executive Director	-	-	-	-	-	-	-	-	-	276	23	-	40	339
5	Law Cheng Lock	Independent Director	38	5	-	-	-	-	43	38	5	-	-	-	-	43
6	Oh Phaik Choo	Independent Director	34	5	-	-	-	-	39	34	5	-	-	-	-	39
7	Lee Kean Cheong	Independent Director	32	5	-	-	-	-	37	32	5	-	-	-	-	37
10	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
11	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
12	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
13	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
14	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
15	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here

Intended Outcome

Stakeholders are able to assess whether the remuneration of directors and senior management is commensurate with their individual performance, taking into consideration the company's performance.

Practice 8.2

The board discloses on a named basis the top five senior management's remuneration component including salary, bonus, benefits in-kind and other emoluments in bands of RM50,000.

Application	:	Departure														
Explanation on application of the practice	:															
Explanation for departure	:	<p>The detailed remuneration on a named basis of the Company's top four (4) Senior Management who are also Executive Directors have been disclosed in Practice 8.1 above.</p> <p>In view of the competitive nature of the human resource market and sensitivity of such information, the Board considers the disclosure of such information to be detrimental to the Company and the individual.</p> <p>However, the Board of Directors ("Board") understands that shareholders should also be allowed to determine if the Senior Management team is being appropriately compensated, hence, have disclosed the aggregated remuneration paid to the Senior Management team in the range of RM50,000 as follows on an unnamed basis:</p> <table border="1" data-bbox="555 1370 1407 1756"> <thead> <tr> <th>Range of remuneration (RM)</th> <th>Number of Senior Management Executive</th> </tr> </thead> <tbody> <tr> <td>200,001 to 250,000</td> <td>1</td> </tr> <tr> <td>250,001 to 300,000</td> <td>1</td> </tr> <tr> <td>300,001 to 350,000</td> <td>1</td> </tr> <tr> <td>350,001 to 400,000</td> <td>1</td> </tr> <tr> <td>400,001 to 450,000</td> <td>1</td> </tr> <tr> <td>450,001 to 500,000</td> <td>1</td> </tr> </tbody> </table>	Range of remuneration (RM)	Number of Senior Management Executive	200,001 to 250,000	1	250,001 to 300,000	1	300,001 to 350,000	1	350,001 to 400,000	1	400,001 to 450,000	1	450,001 to 500,000	1
Range of remuneration (RM)	Number of Senior Management Executive															
200,001 to 250,000	1															
250,001 to 300,000	1															
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350,001 to 400,000	1															
400,001 to 450,000	1															
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<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>																
Measure	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.														

Timeframe	:	Choose an item.	
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No	Name	Position	Company					
			Salary	Allowance	Bonus	Benefits	Other emoluments	Total
1	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
2	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
3	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
4	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
5	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.

Intended Outcome

Stakeholders are able to assess whether the remuneration of directors and senior management is commensurate with their individual performance, taking into consideration the company's performance.

Practice 8.3 - Step Up

Companies are encouraged to fully disclose the detailed remuneration of each member of senior management on a named basis.

Application	:	Not Adopted
Explanation on adoption of the practice	:	

No	Name	Position	Company ('000)					
			Salary	Allowance	Bonus	Benefits	Other emoluments	Total
1	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
2	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
3	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
4	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
5	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here

Intended Outcome

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations.
The company's financial statement is a reliable source of information.

Practice 9.1

The Chairman of the Audit Committee is not the Chairman of the board.

Application	:	Applied															
Explanation on application of the practice	:	<p>The Company recognises the need for objectivity is particularly imperative for the Chairman of the Audit Committee, as the committee has a specific role in providing objective oversight in the areas of financial reporting, related party transactions and conflicts of interest, internal control environment, internal audit and external audit processes. The Chairman is expected to demonstrate courage to deal with tough issues and support other members to do the same, especially in probing management on areas where subjectivity is inherent.</p> <p>In addition to being independent, it is important for the Chairman of the Audit Committee to be distinct from the Chairman of the Board of Directors ("Board"). Having these positions assumed by the same person may impair objectivity of the Board's review of the Audit Committee's findings and recommendations.</p> <p>The Company has an Audit and Risk Management Committee ("ARMC") consists entirely of Independent Non-Executive Directors ("INED") by end of the year and chaired by an INED, with details as follows:</p> <table border="1"><thead><tr><th>No.</th><th>Name of Directors</th><th>Position</th><th>Directorship</th></tr></thead><tbody><tr><td>1</td><td>Oh Phaik Choo</td><td>Chairman</td><td>Independent Non-Executive Director</td></tr><tr><td>2</td><td>Law Cheng Lock</td><td rowspan="2">Committee Member</td><td>Senior Independent Non-Executive Director</td></tr><tr><td>3</td><td>Lee Kean Cheong</td><td>Independent Non-Executive Director</td></tr></tbody></table> <p>The Chairman of the ARMC, Oh Phaik Choo, is not the Chairman of the Board (i.e. Khaw Khoon Tee).</p> <p>The ARMC is guided by the Terms of Reference ("TOR") which clearly defines amongst others, the composition, functions, rights, etc. The ARMC's TOR is made available on our corporate website at www.sinliplas.com.my.</p>	No.	Name of Directors	Position	Directorship	1	Oh Phaik Choo	Chairman	Independent Non-Executive Director	2	Law Cheng Lock	Committee Member	Senior Independent Non-Executive Director	3	Lee Kean Cheong	Independent Non-Executive Director
No.	Name of Directors	Position	Directorship														
1	Oh Phaik Choo	Chairman	Independent Non-Executive Director														
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3	Lee Kean Cheong		Independent Non-Executive Director														

Explanation for departure :		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure :		
Timeframe :		

Intended Outcome

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations.
The company's financial statement is a reliable source of information.

Practice 9.2

The Audit Committee has a policy that requires a former partner of the external audit firm of the listed company to observe a cooling-off period of at least three years before being appointed as a member of the Audit Committee.

Application	:	Applied
Explanation on application of the practice	:	<p>The Company recognises that the audit's independence may be jeopardised if a former partner of the external audit firm (including those providing advisory services, tax consulting, and other similar services) is in a position to exert significant influence over the audit and preparation of the Company's financial statements. Hence, requiring a three-year cooling-off period.</p> <p>SLP's Audit and Risk Management Committee ("ARMC")'s Terms of Reference requires a former partner of the external audit firm of the listed company to observe a cooling-off period of at least three (3) years before being appointed as a member of the ARMC.</p> <p>None of SLP's ARMC are former partner of the external audit firm being appointed to the ARMC within the past three (3) years.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations. The company's financial statement is a reliable source of information.

Practice 9.3

The Audit Committee has policies and procedures to assess the suitability, objectivity and independence of the external auditor to safeguard the quality and reliability of audited financial statements.

Application	:	Applied
Explanation on application of the practice	:	<p>Financial statements are integral to investors and other stakeholders to make informed decision-making, hence safeguarding the integrity and credibility of the financial statements is important. The performance of audit on the financial statements shall be performed by a competent third party, and it is the role of the Audit Committee to ensure the suitability, objectivity and independence of this external party (i.e. external auditor) in order to safeguard the quality and reliability of the company's financial statements.</p> <p>The policies and procedures to assess the suitability, objectivity and independence of the external auditor forms part of the Audit and Risk Management Committee ("ARMC")'s Terms of Reference ("TOR"), which is made available on our corporate website at www.sinliplas.com.my.</p> <p>The ARMC has assess the suitability, objectivity and independence of the existing external auditor (i.e. KPMG PLT) (including considering information disclosed in the Annual Transparency Report) and will recommend to the shareholders in the upcoming 20th AGM for re-appointment.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations. The company's financial statement is a reliable source of information.

Practice 9.4 - Step Up

The Audit Committee should comprise solely of Independent Directors.

Application	:	Adopted															
Explanation on adoption of the practice	:	<p>The Board of Directors ("Board") recognises that a wholly independent Audit Committee would strengthen the Company's corporate governance practices and processes, and are more likely to lead to objective support and protect its external auditors' independence, especially during a dispute with Management.</p> <p>As at 31 December 2024, ARMC comprise solely INED under the chairmanship of Ms Oh Phaik Choo with details as follows:</p> <table border="1"><thead><tr><th>No.</th><th>Name of Directors</th><th>Position</th><th>Directorship</th></tr></thead><tbody><tr><td>1</td><td>Oh Phaik Choo</td><td>Chairman</td><td>Independent Non-Executive Director</td></tr><tr><td>2</td><td>Law Cheng Lock</td><td rowspan="2">Committee Member</td><td>Senior Independent Non-Executive Director</td></tr><tr><td>3</td><td>Lee Kean Cheong</td><td>Independent Non-Executive Director</td></tr></tbody></table>	No.	Name of Directors	Position	Directorship	1	Oh Phaik Choo	Chairman	Independent Non-Executive Director	2	Law Cheng Lock	Committee Member	Senior Independent Non-Executive Director	3	Lee Kean Cheong	Independent Non-Executive Director
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Intended Outcome

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations. The company's financial statement is a reliable source of information.

Practice 9.5

Collectively, the Audit Committee should possess a wide range of necessary skills to discharge its duties. All members should be financially literate, competent and are able to understand matters under the purview of the Audit Committee including the financial reporting process.

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.

Application	:	Applied
Explanation on application of the practice	:	<p>The Board of Directors ("Board") acknowledge that the core functions of the Audit Committees are mainly global authoritative governance documents, expressed in terms of "evaluation", "assessment" or "review". The undertaking of such responsibilities would necessitate Audit Committee members to be financially literate in order to critically and objectively apply a probing view on pertinent matters, particularly in areas which involve a high degree of judgment.</p> <p>The qualification and experience, training and seminar attended by the individual Audit and Risk Management Committee ("ARMC") members are disclosed in 2024 Annual Report.</p> <p>Two (2) of the three (3) members of the ARMC, namely Oh Phaik Choo and Lee Kean Cheong are members of professional accountancy bodies, which is in accordance with Paragraph 15.09(1)(c) of Bursa Malaysia Securities Berhad's Main Market Listing Requirements.</p> <p>Although not all members of the ARMC are trained in accountancy or finance, they are financially literate, able to understand matters under the purview of the ARMC and possess the necessary skills to discharge their duties effectively.</p> <p>The Board through the Nomination Committee ("NC") has reviewed the performance of the term of office, competency and performance of the ARMC and its members. Based on the outcome of the assessment, the Board and the NC is satisfied with the ARMC's.</p>
Explanation for departure	:	

<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

Companies make informed decisions about the level of risk they want to take and implement necessary controls to pursue their objectives.

The board is provided with reasonable assurance that adverse impact arising from a foreseeable future event or situation on the company’s objectives is mitigated and managed.

Practice 10.1

The board should establish an effective risk management and internal control framework.

Application	:	Applied
Explanation on application of the practice	:	<p>The Company recognises that every path taken by the Board of Directors (“Board”) and Management in pursuit of a business goal or plan has its risks. Dealing with risk in these choices is an aspect of decision-making, from day-to-day operational decisions to fundamental trade-offs in the boardroom.</p> <p>Risk management and internal controls are the foundation methods and frameworks for managing, monitoring, and mitigating risks in order to maximise the possibility of achieving set objectives and goals. Controls, according to that definition, are the actions performed by Management to plan, organise, and direct the execution of sufficient measures to provide reasonable assurance that objectives and goals will be met.</p> <p>The Company has adopted Enterprise Risk Management ("ERM") systems to identify, assess, monitor, report, and mitigate risks affecting the Company's business and supporting activities, with the help of an independent professional accounting and consulting firm.</p> <p>The Group’s internal audit function has been outsourced to an independent professional service firm to provide an independent assurance to the Board on the adequacy and effectiveness of the Group’s system of internal control.</p> <p>Further details on risk management and internal control are available on the Statement on Risk Management and Internal Control of the Annual Report.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	

Timeframe	:		
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Intended Outcome

Companies make informed decisions about the level of risk they want to take and implement necessary controls to pursue their objectives.

The board is provided with reasonable assurance that adverse impact arising from a foreseeable future event or situation on the company’s objectives is mitigated and managed.

Practice 10.2

The board should disclose the features of its risk management and internal control framework, and the adequacy and effectiveness of this framework.

Application	:	Applied	
Explanation on application of the practice	:	<p>The Board of Directors (“Board”) understand that an adequate and effective internal control and risk management framework provides companies with a structured approach to implement, monitor, review and improve internal control and risk management in tandem with the changing business circumstances.</p> <p>The main components of the Company’s risk management and internal control framework are detailed in the Statement on Risk Management and Internal Control of the Annual Report.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

Companies make informed decisions about the level of risk they want to take and implement necessary controls to pursue their objectives.

The board is provided with reasonable assurance that adverse impact arising from a foreseeable future event or situation on the company’s objectives is mitigated and managed.

Practice 10.3 - Step Up

The board establishes a Risk Management Committee, which comprises a majority of independent directors, to oversee the company’s risk management framework and policies.

Application	:	Adopted
Explanation on adoption of the practice	:	<p>The Company acknowledge that a key driver for the establishment of a dedicated Board Risk Management Committee is the need for comprehensive views as opposed to silo perspectives. Without a dedicated Board Risk Management Committee, it may give rise to omission of critical risks that are unattended due to absence of committee overseeing.</p> <p>We have established a Risk Management Committee, which is combined with the Audit Committee to form the Audit and Risk Management Committee (“ARMC”). This committee is chaired by an Independent Non-Executive Director (“INED”) and comprise solely of INED by end of year 2024.</p>

Intended Outcome

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

Practice 11.1

The Audit Committee should ensure that the internal audit function is effective and able to function independently.

Application	:	Applied
Explanation on application of the practice	:	<p>The Board of Directors recognise the importance of the internal audit function, serving as a sounding board on deficiencies in risk management, internal control and governance processes, and provides advice on the remedial measures to be meted out by the company.</p> <p>In order for the internal audit function to provide objective assurance on the quality of a company's risk management, internal control and governance processes, it is imperative to ensure that this function is well-equipped to deliver the depth and quality of the work that is expected of it.</p> <p>The Company's internal audit function is outsourced to Messrs. JWC Consulting Sdn Bhd, an independent professional accounting and consulting firm. The firm provides reasonable assurance regarding the effectiveness, adequacy, and integrity of the Company's internal control systems.</p> <p>The internal auditors have full and direct access to the Audit and Risk Management Committee ("ARMC"), and the ARMC receives reports on all internal audits conducted, including significant results and recommendations for improvement. The ARMC, through its internal auditors, monitors action plans and the status thereof on a regular basis.</p> <p>ARMC is tasked to evaluation the internal auditors, as outlined in its Terms of Reference as follows:</p> <ul style="list-style-type: none">• review the adequacy of the scope, competency, functions, resources and budget of the internal audit function, and that it has the necessary authority to carry out its work including direct and unrestricted access to information, records, physical properties and personnel;• review the internal audit programme and results of the internal audit process and where necessary, ensure that appropriate action is taken on the recommendations of the internal audit function;• review the effectiveness of the Company's internal audit function and make recommendations necessary for the improvement of the internal audit function;• review any appraisal or assessment of the performance of the internal audit function;

	<ul style="list-style-type: none"> • approve any appointments or removal of the internal auditor; • approve the remuneration of the internal auditor; • ensure the internal audit function is independent of the activities it audits and the head of internal audit reports functionally to the ARMC directly and review their performance on an annual basis. The head of internal audit should have relevant qualifications and be responsible for providing assurance to the ARMC that the internal controls are operating effectively. The head of internal audit will be responsible for the regular review and/or appraisal of the effectiveness of the risk management, internal control, and governance processes within the Company; and • take cognisance of resignations of internal audit staff members (for in-house internal audit function) or the internal audit service provider and provide the resigning staff member or the internal audit service provider an opportunity to submit his reasons for resigning. <p>The ARMC has during the financial year, reviewed and assessed the performance of its outsourced internal auditors and is satisfied with its performance.</p> <p>The activities that the ARMC performed for the financial year 2024 in relation to Internal Audit function is included in the ARMC Report of the Annual Report.</p>
Explanation for departure :	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure :	
Timeframe :	

Intended Outcome

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

Practice 11.2

The board should disclose–

- whether internal audit personnel are free from any relationships or conflicts of interest, which could impair their objectivity and independence;
- the number of resources in the internal audit department;
- name and qualification of the person responsible for internal audit; and
- whether the internal audit function is carried out in accordance with a recognised framework.

Application	:	Applied
Explanation on application of the practice	:	<p>The Company has outsourced its internal audit function to a professional service firm, namely Messrs JWC Consulting Sdn Bhd (“JWC”), who is a member of the Institute of Internal Auditors Malaysia. JWC is primarily responsible to independently assess and report to the Board of Directors, through the ARMC, the adequacy and integrity of the Group’s risk management and internal control system.</p> <p>Joyce Wong, the Director-In-Charge of our Company’s internal audit, is a member of the Malaysian Institute of Accountants, a corporate member of the Institute of Internal Auditors Malaysia and a Fellow member of the Certified Practising Accountant, Australia. She is supported by three (3) internal audit staff for the internal audit for the financial year 2024.</p> <p>JWC adopts a risk-based approach in developing the internal audit plan, which addresses the core business processes of the Group based on their risk profile. Scheduled internal audits are carried out by the internal auditors based on the internal audit plan presented to and approved by the ARMC. The internal audit work is guided by the International Professional Practices Framework promulgated by the Institute of Internal Auditors Inc., a globally recognised professional body for internal auditors.</p> <p>JWC has declared that it has maintained professional independence throughout its work. JWC also declared none of them have any relationship or conflict of interest with the Company. For this reason, the internal audit function, including all of its staff, is not involved in performing routine non-auditing works or have direct responsibility over any activities, functions or tasks they are reviewing.</p> <p>Further details on the Internal Audit function are available in the ARMC Report and Statement on Risk Management and Internal Control of the Annual Report.</p>

Explanation for departure :		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure :		
Timeframe :		

Intended Outcome

There is continuous communication between the company and stakeholders to facilitate mutual understanding of each other's objectives and expectations.

Stakeholders are able to make informed decisions with respect to the business of the company, its policies on governance, the environment and social responsibility.

Practice 12.1

The board ensures there is effective, transparent and regular communication with its stakeholders.

Application	:	Applied
Explanation on application of the practice	:	<p>The Board of Directors ("Board") understands the need of maintaining an open line of communication between the Board, shareholders, and the general public.</p> <p>The primary methods of communicating information on the Company's commercial activities and financial performance are annual reports, press releases, quarterly results, and any announcements on material corporate exercises, which can be accessed at any time.</p> <p>Our Group Managing Director is the designated spokesperson for all matters relating to the Company and dedicated personnel are tasked to prepare and verify material information guided by the Company's Corporate Disclosure Policy for timely disclosure upon approval by the Board.</p> <p>The Company maintains a website at www.sinliplas.com.my for shareholders and the public to access information on, amongst others, the Group's background and products, financial performance and corporate information.</p> <p>Shareholders can at any time seek clarification or raise queries via emails or telecommunication of the Company.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

There is continuous communication between the company and stakeholders to facilitate mutual understanding of each other’s objectives and expectations.

Stakeholders are able to make informed decisions with respect to the business of the company, its policies on governance, the environment and social responsibility.

Practice 12.2

Large companies are encouraged to adopt integrated reporting based on a globally recognised framework.

Application	:	Not applicable – Not a Large Company	
Explanation on application of the practice	:		
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 13.1

Notice for an Annual General Meeting should be given to the shareholders at least 28 days prior to the meeting.

Application	:	Applied
Explanation on application of the practice	:	<p>The Company acknowledges that notices of Annual General Meeting (“AGM”) shall be despatched to shareholders at least 28 days before the AGM to provide shareholders sufficient time to read and understand the Annual Report, resolutions to be tabled and make the required attendance and voting arrangements.</p> <p>The notice of our latest AGM (19th) which was held on 7 June 2024 was circulated on 30 April 2024, 38 days before the event.</p> <p>The same is also in accordance with Paragraph 7.15 of Bursa Malaysia Securities Berhad’s Main Market Listing Requirements, which requires notices of AGM to be served at least 21 days before the meeting.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 13.2

All directors attend General Meetings. The Chair of the Audit, Nominating, Risk Management and other committees provide meaningful response to questions addressed to them.

Application	:	Applied
Explanation on application of the practice	:	<p>We acknowledge that the participation of all Board of Directors (“Board”) members in general meetings will serve to distribute the responsibility of engaging with shareholders, to all Directors of the Company and not just the Chairman of the meeting. This would enable the Board to communicate with shareholders in a more holistic manner. In a similar vein, it also provides Shareholders with an opportunity to seek pertinent clarifications from Directors who are acting as custodians of their investments. Shareholders could perceive that a Director is not committed in performing his or her responsibilities to the company if the said Directors is not in attendance during general meetings.</p> <p>The 19th Annual General Meeting (“AGM”) which was held on a fully virtual basis on 7 June 2024 and was attended virtually by all the Directors and the Company Secretary.</p> <p>Shareholders were provided with the opportunity to submit questions prior to and during the AGM. All the questions asked by the Shareholders were attended to accordingly.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 13.3

Listed companies should leverage technology to facilitate–

- voting including voting in absentia; and
- remote shareholders’ participation at general meetings.

Listed companies should also take the necessary steps to ensure good cyber hygiene practices are in place including data privacy and security to prevent cyber threats.

Application	:	Applied
Explanation on application of the practice	:	<p>Traditionally, voting during general meetings has been carried out either by a show of hands, which represents “one person, one vote” or by poll, which is reflective of an individual or entity’s shareholding of the company (“one share, one vote”). In order to cast a vote, Shareholders have to be present at the meeting venue, but may often faced with challenges such as the location of the meeting.</p> <p>To encourage participation of Shareholders and to reduce the emissions associated with the travelling, we have leverage on technology to facilitate voting and remote Shareholder’s participation.</p> <p>Our latest AGM (19th) was carried out remotely, where Shareholders participated, spoke (in the form of real time submission of typed texts) and voted remotely using the Remote Participation and Voting (“RPV”) facility provided by SS E Solutions Sdn. Bhd. (“SS”).</p> <p>Prior to engaging SS for the RPV facility, we have considered cyber hygiene practices including data privacy and security to prevent cyber threats of the RPV facility.</p>
Explanation for departure	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 13.4

The Chairman of the board should ensure that general meetings support meaningful engagement between the board, senior management and shareholders. The engagement should be interactive and include robust discussion on among others the company's financial and non-financial performance as well as the company's long-term strategies. Shareholders should also be provided with sufficient opportunity to pose questions during the general meeting and all the questions should receive a meaningful response.

<i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to.</i>	
Application	: Applied
Explanation on application of the practice	: The Board of Directors ("Board") acknowledges that the Annual General Meeting ("AGM") is the principal forum for communication and interaction with Shareholders. At each meeting, the Board reports on the Company's development and performance since the previous AGM. For the latest AGM (19th) which was held on 7 June 2024, Shareholders were provided with the opportunity to submit questions prior to and during the AGM. The questions raised were answered by the Group Managing Director supported by the Senior Management (apart from questions raised directly to individual Director) and questions which were unable to address during the AGM due to time constraint were subsequently answered through email subsequent to the meeting.
Explanation for departure	:
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure	:
Timeframe	:

Intended Outcome

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

Practice 13.5

The board must ensure that the conduct of a virtual general meeting (fully virtual or hybrid) support meaningful engagement between the board, senior management and shareholders. This includes having in place the required infrastructure and tools to support among others, a smooth broadcast of the general meeting and interactive participation by shareholders. Questions posed by shareholders should be made visible to all meeting participants during the meeting itself.

<i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to. Further, a listed issuer should also provide brief reasons on the choice of the meeting platform.</i>	
Application :	Applied
Explanation on application of the practice :	<p>The Board of Directors (“Board”) recognises the importance of providing the opportunity for shareholders to have real-time interactions with the Board and Senior Management in real time, including responses to any questions or comments that they may have. When a company conducts the general meeting virtually, the experience of meeting will depend on smooth broadcast of the meeting.</p> <p>Prior to appointing SS E Solutions Sdn. Bhd. (“SS”) for the Remote Participation and Voting (“RPV”) facility, we have considered and tested the infrastructure in place and experience of the meeting.</p> <p>For the latest AGM (19th) which was held on 7 June 2024, Shareholders were provided with the opportunity to submit questions prior to and during the AGM. The questions raised were answered by the Group Managing Director supported by the Senior Management (apart from questions raised directly to individual Director), and questions which were unable to address during the AGM due to time constraint, were subsequently answered through email subsequent to the meeting.</p>
Explanation for departure :	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure :	

Timeframe	:		
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Intended Outcome

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

Practice 13.6

Minutes of the general meeting should be circulated to shareholders no later than 30 business days after the general meeting.

<i>Note: The publication of Key Matters Discussed is not a substitute for the circulation of minutes of general meeting.</i>	
Application	: Applied
Explanation on application of the practice	: The minutes of the 19th Annual General Meeting (“AGM”) of the Company was published on our corporate website at www.sinliplas.com.my , within 30 business days after the AGM.
Explanation for departure	: Please provide an explanation for the departure.
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure	: Please explain the measure(s) the company has taken or intend to take to adopt the practice.
Timeframe	: Choose an item.

**SECTION B – DISCLOSURES ON CORPORATE GOVERNANCE PRACTICES PURSUANT
CORPORATE GOVERNANCE GUIDELINES ISSUED BY BANK NEGARA MALAYSIA**

Disclosures in this section are pursuant to Appendix 4 (Corporate Governance Disclosures) of the Corporate Governance Guidelines issued by Bank Negara Malaysia. This section is only applicable for financial institutions or any other institutions that are listed on the Exchange that are required to comply with the above Guidelines.

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