



**GREATER BAY**  
HOLDINGS

# ANNUAL REPORT 2023

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## THE COMPANY AND ITS BUSINESS

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Greater Bay Holdings Berhad (“**GBAY**”) is an investment holding company which was incorporated in Malaysia under the Companies Act 2016 on 17 March 2022 as a public company limited by shares. On 14 November 2023, the Transfer of Listing Status with Advanced Packaging Technology (M) Bhd (“**APT**”) was completed whereby 1 new GBAY share was exchanged for every 1 existing APT share. Accordingly, GBAY was admitted to the official list of Bursa Malaysia Securities in place of APT. Consequently, APT is now a wholly owned subsidiary of GBAY.

As an ISO 9001, GMP and FSSC 22000 certified company, APT is principally engaged in the manufacturing and distribution of flexible packaging materials. APT commenced operations in April 1985 at its present location at the Bangi Industrial Estate, Selangor Darul Ehsan. Its office, factory and warehouse are sited on a 8,903 square meter, 99-year leasehold land.

APT produces high-quality flexible packaging materials catering to a wide cross-section of industries in both the local and overseas markets such as snack foods, instant noodles, sweets and confectionery, liquid condiments, frozen foods, spices, beverages, medical/surgical products and pharmaceuticals, among others. Our range of flexible packaging materials comprise of both single and multi-layers that carry appealing designs. Through close consultation with clients, we tailor-make our products according to their precise specification and design in both roll and pouch forms.

We currently also produce linear low-density polyethylene (LLDPE) film for our internal consumption and external sales.

Flexible packaging materials are generally made of a composite of various base films, papers or foil which are laminated so that the resultant laminates have more enhanced properties than its original substrates. This allows optimal protection of the content that goes into our packaging materials. Some of the materials we use include oriented polypropylene (OPP) film, cellulosic film, polyester film, nylon film, aluminium foil, metalised films, specialty films, linear low-density polyethylene (LLDPE) film, poster paper, polyethylene and polypropylene resin.

Beautiful, functional and efficient packaging is a must for any product in this modern era. Without it, the brand image and integrity, as well as the quality built into the product during manufacturing and marketing, will be lost when it reaches the consumer. Shifts from rigid / bulky packaging options also provide additional benefits with regards to transportation and costs. Ultimately, flexible packaging using optimal materials for their unique applications paves the way of ensuring safe delivery of the product to the end-user in good condition and at the most suitable economic cost.

With close to 40 years of industry experience, we work to capitalize on our specialized knowledge and skills supported by advanced machinery and facilities to deliver excellence in quality, product safety and loyal service to each client.

Our continuous pursuit and commitment for improvement remains the top priority across all sections of our operations. From the first assessment and certification of our Quality Management System (“**QMS**”) in the year 2000, we have worked to continuously upgrade our operations and ensure we meet the full needs of our customers, regulatory authorities and accreditation bodies. As of March 2024, our Company meets the updated standards of ISO 9001:2015, Good Manufacturing Practice (GMP) MS 1514:2022, and FSSC 22000 Packaging Version 5.1. In respect of our achievements, we plan to continuously ensure the validation of these certifications as we spearhead our Company into the growing market of producing flexible packaging of the highest quality and product safety.

In addition to APT’s main business stream, the Company also has a subsidiary – Sino Peak Sdn Bhd (“**SPSB**”) which was incorporated in 2021 to diversify and expand the Group’s operations and activities. SPSB is principally engaged in the investment and management of properties.

## CORPORATE INFORMATION

### BOARD OF DIRECTORS

**Dato' Haji Ghazali B. Mat Ariff**  
Chairman and  
Non-Independent Non-Executive Director

**Peter Ling Ee Kong**  
Managing Director

**Andrew Ling Yew Chung**  
Executive Director

**Law Mong Yong**  
Non-Independent Non-Executive Director

**Pang Chong Yong**  
Non-Independent Non-Executive Director

**Mah Siew Seng**  
Non-Independent Non-Executive Director

**Datin Rafidah Binti Abdul Jalil**  
Independent Non-Executive Director

**Jonathan Ross Choo Jiunjye**  
Independent Non-Executive Director

**Lim Tiong Heng**  
Independent Non-Executive Director

### AUDIT COMMITTEE

Jonathan Ross Choo Jiunjye  
Chairman

Mah Siew Seng  
Member

Datin Rafidah Binti Abdul Jalil  
Member

### NOMINATION COMMITTEE

Datin Rafidah Binti Abdul Jalil  
Chairman

Jonathan Ross Choo Jiunjye  
Member

Dato' Haji Ghazali B. Mat Ariff  
Member

### REMUNERATION COMMITTEE

Jonathan Ross Choo Jiunjye  
Chairman

Andrew Ling Yew Chung  
Member

Datin Rafidah Binti Abdul Jalil  
Member

### COMPANY SECRETARY

Leong Shiak Wan  
Practicing Certificate No. 202008002757  
(MAICSA 7012855)

Zuriati Binti Yaacob  
Practicing Certificate No. 202008003191  
(LS0009971)

### STOCK EXCHANGE LISTING

Main Market of  
Bursa Malaysia Securities Berhad  
Stock Name: GBAY  
Stock Code: 9148  
Sector: Industrial Products &  
Services  
Sub-sector: Packaging Materials

### WEBSITE

<https://greaterbayholdings.com/>

### AUDITORS

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### SHARE REGISTRAR

Boardroom Share Registrars Sdn Bhd  
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Seksyen 13, 46200 Petaling Jaya  
Selangor Darul Ehsan  
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### REGISTERED OFFICE

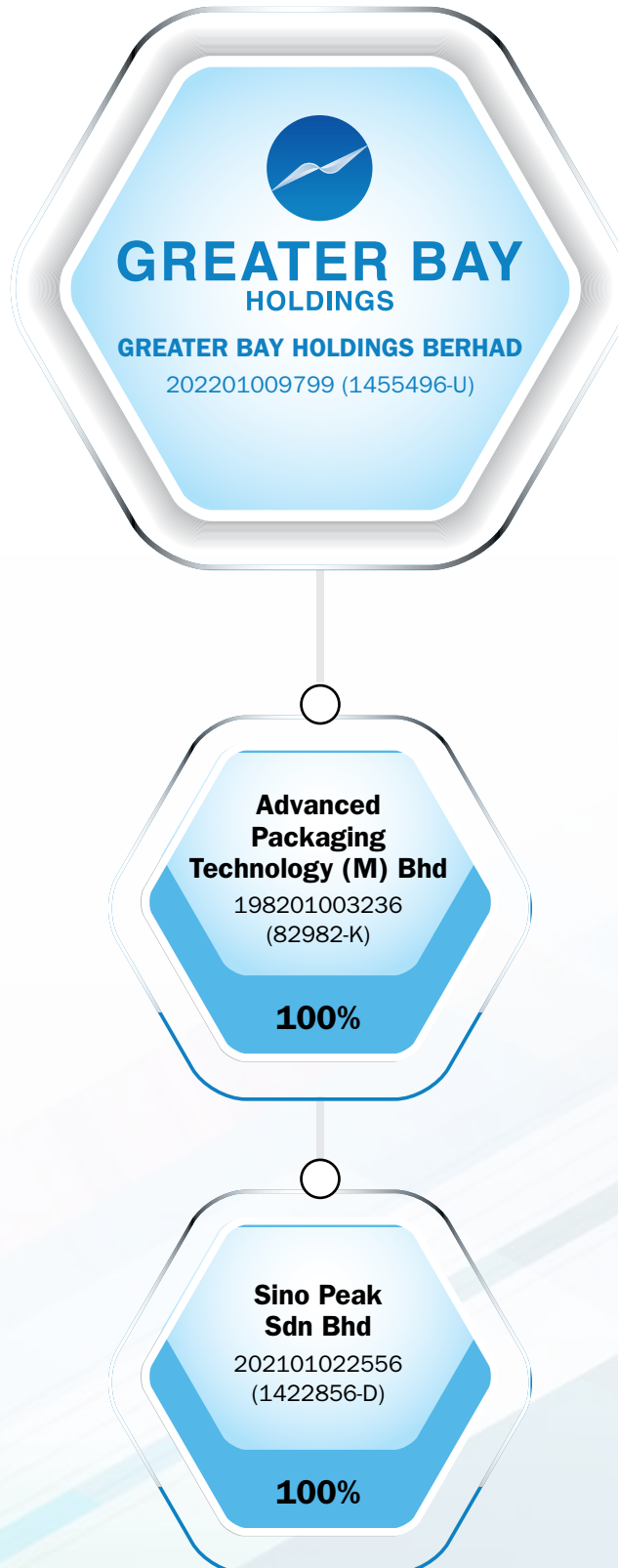
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### HEAD OFFICE

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## CORPORATE STRUCTURE

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## DIRECTORS' PROFILE

### DATO' HAJI GHAZALI B. MAT ARIFF

Chairman  
(Non-Independent  
Non-Executive Director)

**Age : 82 Gender : Male**

Malaysian

**Dato' Haji Ghazali B. Mat Ariff** was appointed as the Chairman of the Company on 8 November 2023. He was first appointed to the Board of APT (now a subsidiary) on 23 March, 1994. He is a Non-Independent Non-Executive Director of the Company and is a member of the Nomination Committee.

He is a member of the Honourable Society of Lincoln's Inn. He attended the Council of Legal Education (London) and qualified as a Barrister-at-Law and was called to the English Bar on 21 November, 1978. He was admitted as an Advocate & Solicitor at the High Court Malaya on 27 September, 1979. He is married to Datin Shamsiah Binti Bakar.

He started his career as a college trained teacher at Sekolah Menengah Chung Hwa Confucian, Jalan Maxwell, Penang from 1962 to 1968 before taking up the appointment as a lecturer at Sultan Hassanah Bolkiah Teachers' College, Bandar Seri Begawan, Brunei Darussalam from 1968 to 1974. He then left for London to read law in 1974. Upon his return to Malaysia, he joined Messrs. Nik Hussain Ibrahim & Abdullah as a Legal Assistant in 1979. In March 1980, he set up his own practice under the name and style of Messrs. Ghazali Ariff & Partners of which he is the Senior Partner of the Firm.

Dato' Ghazali previously sat on the Board of Parkwood Holdings Berhad listed on Bursa Malaysia Securities Berhad. In Parkwood Holdings Berhad, Dato' Ghazali assumed his position as Chairman since 26 September, 2007, and he also served as Chairman to the Remuneration Committee and was a member of the Audit and Risk Management Committee and Nomination Committee.

Dato' Ghazali was also the Chairman of UniMap Holdings Sdn Bhd. Perlis-born Dato' Ghazali is also a member of the Jemaah Pengampunan Negeri Perlis (Perlis Pardons Board) since 28 October, 2021 and is the Life President of The Malay College Old Boys Association (MCOBA) and was a member of Jawatankuasa Pembangunan dan Pelaburan Majlis Agama Islam Perlis.

He was the former Vice President I of Jemaah Dato'-Dato' Perlis. He was appointed as a Commissioner for Oaths from 1995 till 2005.

From September, 1995 to December, 1999, he was the Honorary Vice Consul of the Republic of Finland in Kuala Lumpur. Dato' Ghazali was also the Honorary Legal Advisor of Malaysia Thai Association from 1999 to 2002.

He has no conflict of interest with the Company and has not been convicted of any offence within the past ten (10) years. He does not have any family relationship with any director and/or major shareholder of the Company. He does not hold any shares in the Company.

## Directors' Profile (cont'd)

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### PETER LING EE KONG

Managing Director

**Age:** 69 **Gender:** Male

Malaysian

**Mr Peter Ling Ee Kong** was appointed to the Board on 8 November, 2023 and has been the Managing Director of APT (now a subsidiary) since 14 January, 2022. He is responsible for the overall management of the Company's business and operations.

He is a Chartered Accountant with approximately forty (40) years of combined experience in audit and accounting, corporate finance, and business management in service with international audit firms, local merchant/investment banks and was on the board of various public listed companies in Malaysia.

He is the father of Mr Andrew Ling Yew Chung, an Executive Director of the Company, and does not have any family relationship with other directors and/or major shareholders. There is no conflict of interest between him and the Company. He does not hold directorships in any other public companies. He has not been convicted of any offences within the past ten (10) years.

He holds 9,847,500 ordinary shares in the Company as at 15 March 2024.

### PANG CHONG YONG

Non-Independent  
Non-Executive Director

**Age:** 64 **Gender:** Male

Malaysian

**Mr Pang Chong Yong** was appointed to the Board on 8 November, 2023. He previously held the same position under APT (now a subsidiary), where he was appointed on 16 June, 2020. He holds an IME, a Mini MBA and an Executive Certificate in Business Management from International Management Education, Singapore.

He has over thirty (30) years of experience in the installation of vehicles and bus manufacturing.

He has been the Managing Director of Gemilang Coachwork Sdn Bhd since its incorporation in 1989. He is currently also the Chairman and Chief Executive Officer of Gemilang International Limited, which is listed on the Main Board of the Stock Exchange of Hong Kong (and of which Gemilang Coachwork Sdn Bhd is a wholly-owned subsidiary), and is primarily responsible for formulating corporate strategies and policies, as well as carrying out general management and day-to-day operations for the group of companies within Gemilang International Limited.

Prior to the founding of Gemilang Coachwork Sdn Bhd, Mr Pang had over ten (10) years of experience in the installation of car accessories and provision of after-sales services.

He is the father of Mr Pang Jun Jie, who serves as an Alternate Director (Non-Independent Non-Executive) of the Company. There is no conflict of interest between him and the Company. He has not been convicted of any offences within the past ten (10) years.

He holds 6,373,972 ordinary shares in the Company as at 15 March 2024.

## Directors' Profile (cont'd)

### MAH SIEW SENG

Non-Independent  
Non-Executive Director

**Age:** 70 **Gender:** Male

Malaysian

**Mr Mah Siew Seng** is a Chartered Certified Accountant by profession. He was appointed to the Board on 8 November, 2023. He previously held the same position under APT (now a subsidiary), where he was appointed on 23 March, 1994. He is currently a member of the Audit Committee.

He is a member of the Malaysian Institute of Accountants, a fellow member of the Association of Chartered Certified Accountants, a fellow member of the Chartered Tax Institute of Malaysia (formerly known as Malaysian Institute of Taxation). He practices as a Chartered Accountant in Teluk Intan under the name of Messrs. Mah Siew Seng & Co since 1982.

Mr Mah does not have any family relationship with any director and/or major shareholder of the Company and has no conflict of interest with the Company. He is not a director of any other public companies but sits on the Board of several private limited companies. He has not been convicted of any offence within the past ten (10) years.

He holds 3,343,588 ordinary shares in the Company as at 15 March 2024.

### ANDREW LING YEW CHUNG

Executive Director

**Age:** 32 **Gender:** Male

Malaysian

**Mr Andrew Ling Yew Chung** was appointed to the Board on 8 November, 2023. He previously held the same position under APT (now a subsidiary), where he was appointed on 18 June, 2020. He obtained a Bachelor of Commerce in Accounting and Finance from the University of Melbourne, Australia in December, 2012 and was admitted as a certified full member of CPA Australia in November, 2016. He is currently a member of the Remuneration Committee.

He has more than nine (9) years of experience in audit and corporate finance.

He served in the audit and assurance practice of Ernst & Young PLT Malaysia from 2013 to 2016. He was a licensed representative of Alliance Capital Partners Limited to carry out advisory on corporate finance and securities (under the regulation of the Securities and Futures Ordinance of Hong Kong) from 2017 to 2020.

Apart from the Company, he serves as an Independent Director on the Board of Gemilang International Limited which is listed on the Main Board of the Stock Exchange of Hong Kong.

He is the son of Mr Peter Ling Ee Kong who is a substantial shareholder and Managing Director of the Company. There is no conflict of interest between him and the Company. He has not been convicted of any offences within the past ten (10) years.

He holds 300,000 ordinary shares in the Company as at 15 March 2024.

## Directors' Profile (cont'd)

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### LAW MONG YONG

Non-Independent  
Non-Executive Director

**Age:** 65 **Gender:** Male

Malaysian

**Mr Law Mong Yong** was appointed to the Board on 8 November, 2023. He previously held the same position under APT (now a subsidiary), where he was appointed on 17 November, 2017. He holds a Bachelor of Applied Science (Elec & Mgm) Degree from University of Melbourne, Victoria, Australia.

He has over thirty five (35) years of experience in various business fields such as retailing of electrical products, sales and finance of motor vehicles, credit and leasing, general insurance, food manufacturing which includes confectionery (hard boiled candies) and canned tropical fruits, timber logging, fruit farming, plantations and swiftlet farming as well as bird nest processing. He is the treasurer of Kelantan Bird's Nest Merchants Association.

He is also currently the President of Persatuan Chang Sen Xue Longevity Kelantan, a charitable organization that provides free treatment to the needy by channeling universal energy and improving the body's ability to heal itself.

He does not have any family relationship with other directors and/or major shareholders. There is no conflict of interest between him and the Company. He does not hold directorships in any other public companies. He has not been convicted of any offences within the past ten (10) years.

He holds 1,836 ordinary shares in the Company as at 15 March 2024.

### LIM TIONG HENG

Independent  
Non-Executive Director

**Age:** 36 **Gender:** Male

Malaysian

**Mr Lim Tiong Heng** was appointed to the Board on 8 November, 2023. He previously held the same position under APT (now a subsidiary), where he was appointed on 4 February, 2022. He obtained a Bachelor of Science in Business Economics.

He has more than ten (10) years of experience in real estate and property development, renovation, marketing, and management with respect to the real estate and construction industry. He has also been an active member with more than ten (10) years of experience with non-government organisations, notably the Junior Chamber International (JCI) of Johor Bahru and Austin Perdana.

Mr Lim does not have any family relationship with any director and/or major shareholder of the Company and has no conflict of interest with the Company. He is not a director of any other public companies but sits on the board of several private limited companies. He has not been convicted of any offence within the past ten (10) years.

He holds 78,400 ordinary shares in the Company as at 15 March 2024.

## Directors' Profile (cont'd)

### JONATHAN ROSS CHOO JIUNJYE

Independent  
Non-Executive Director

**Age:** 37 **Gender:** Male

Malaysian

**Mr Jonathan Ross Choo Jiunjye** was appointed to the Board on 8 November, 2023. He previously held the same position under APT (now a subsidiary), where he was appointed on 1 June, 2023. He graduated from Monash University, Australia, with an honours degree in Bachelor of Business and Commerce (specialising in Accounting and Banking and Finance) in 2010. He has been a member of the Certified Practising Accountants (CPA) Australia since late 2016. He was also admitted as a chartered accountant of the Malaysian Institute of Accountants in mid-2017.

He began his career as an audit assistant with Moore Stephens AC in 2008. In late 2011, he joined an FMCG Company as a Corporate Planning Manager, where he was responsible for their internal audit, internal control, and assisted in ensuring accounting and finance functions are carried out in accordance with approved operating procedures.

In late 2013, he joined K.H. Choo & Co., a law firm in Johor Bahru, as a corporate advisor and planner, where his role was to provide non-legal advisory services in relation to accounting, transactions structuring and other corporate related matters. In early 2020, he was appointed as the Director of Faire Holdings Sdn Bhd, where he oversaw the company's and its group's finance-related matters.

In early 2022, he joined an FMCG Company as a Chief Financial Officer. In early 2024, he joined Faire Holdings Sdn Bhd as a Chief Financial Officer to oversee their overall accounting, finance and compliance matters.

Mr Choo does not have any family relationship with any director and/or major shareholder of the Company and has no conflict of interest with the Company. He is not a director of any other public companies but sits on the board of a private limited company. He has not been convicted of any offence within the past ten (10) years.

He does not hold any ordinary shares in the Company.

### DATIN RAFIDAH BINTI ABDUL JALIL

Independent  
Non-Executive Director

**Age:** 70 **Gender:** Female

Malaysian

**Datin Rafidah Binti Abdul Jalil** was appointed to the Board on 8 November, 2023. She previously held the same position under APT (now a subsidiary), where she was appointed on 1 June, 2023. She is currently the Chairman of the Nomination Committee, and a member of the Audit Committee and Remuneration Committee.

She has a rich background of more than four (4) decades of experience in business, brand building and strategy across various companies including those in the fast-moving consumer goods and property management industries. She has also served as a trainer (including conducting training programs for managers) and was previously involved in not-for-profit activities, including community projects.

Datin Rafidah does not have any family relationship with any director and/or major shareholder of the Company and has no conflict of interest with the Company. She is not a director of any other public companies and has not been convicted of any offence within the past ten (10) years.

She does not hold any ordinary shares in the Company.

## Directors' Profile (cont'd)

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### PANG JUN JIE

Alternate Director  
(Non-Independent Non-Executive)

**Age:** 30 **Gender:** Male

Malaysian

**Mr Pang Jun Jie** was appointed as an Alternate Director (Non-Independent Non-Executive) of the Company to his father, Mr Pang Chong Yong on 24 November, 2023. Prior to the appointment, he held the same position as an Alternate Director in the Company's subsidiary, APT. He used to work as an Assistant Manager of APT for Business Development and as an Assistant to the Managing Director.

In 2021, he was appointed as an Executive Director of Gemilang International Limited, which is listed on the Main Board of the Stock Exchange of Hong Kong and also as a Director of Gemilang Coachwork Sdn Bhd and GML Coach Technology Pte. Limited, both are wholly-owned subsidiaries of Gemilang International Limited.

He has been active in the field of business management and development for more than six (6) years. He obtained a bachelor's degree in Business and Management Studies from the University of Sussex, United Kingdom in September, 2015.

He is the son of Mr Pang Chong Yong who is a substantial shareholder of the Company. There is no conflict of interest between him and the Company. He has not been convicted of any offences within the past ten (10) years.

He does not hold any ordinary shares in the Company.

## PROFILE OF KEY SENIOR MANAGEMENT

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### PETER LING EE KONG

Managing Director

**Age:** 69 **Gender:** Male **Nationality:** Malaysian

**Mr Peter Ling Ee Kong** is the Managing Director of the Company and is responsible for the overall management of the Company's business and operations.

His personal profile is listed in the Directors' profile in this annual report.

### ANDREW LING YEW CHUNG

Executive Director

**Age:** 32 **Gender:** Male **Nationality:** Malaysian

**Mr Andrew Ling Yew Chung** is an Executive Director of the Company and is responsible for the management of the Company's business and operations.

His personal profile is listed in the Directors' profile in this annual report.

### TEOH EE YEONG

General Manager (Operations of APT)

**Age:** 54 **Gender:** Male **Nationality:** Malaysian

**Mr Teoh Ee Yeong** has more than thirty (30) years of service with APT, where he began his service as a Sales Representative and subsequently, assumed the roles of a Senior Sales Representative, Sales Executive and Sales Manager (as Head of Department) of APT. He is responsible for the overall operations of APT, including Production, Quality Assurance and Control, Sales and Business Development.

He obtained a Bachelor of Arts in Business and Marketing from Oxford Brookes University in 2000.

He is not a director of any public listed companies and he has not been convicted of any offence within the past five (5) years.

## Profile of Key Senior Management (cont'd)

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### YIP ZHI HOE

General Manager (Group Finance and Administration)

**Age:** 31 **Gender:** Male **Nationality:** Malaysian

**Mr Yip Zhi Hoe** joined APT since November 2021 and is responsible for overall financial matters of the Group and of the Company, including accounting, financial reporting, costing, taxation, other financial and administrative matters.

He had previously served in the Assurance (audit) practice of Ernst & Young PLT Malaysia for more than eight (8) years and has accumulated extensive knowledge and experience in diversified industries.

He obtained a Bachelor of Business and Commerce in Accounting, Banking and Finance from Monash University, Malaysia in March 2013 and was admitted to full membership of CPA Australia in September 2016. He is a member of the Malaysian Institute of Accountants (MIA) and ASEAN CPA (ACPA).

He is not a director of any public listed companies, and he has not been convicted of any offence within the past five (5) years.

### BRIAN LING YEW HAN

General Manager (Group Corporate Strategy & Investments)

**Age:** 29 **Gender:** Male **Nationality:** Malaysian

**Mr Brian Ling Yew Han** joined APT since February 2020 and is responsible for investment matters of the Group and of the Company, including business and operational planning, strategy and corporate investments.

He had previously served in the Deals (Mergers & Acquisitions) team in PwC and obtained a Bachelor of Science in Economics and Statistics from University College London, United Kingdom. He is a regular member of the CFA Institute, having been awarded his charter in March 2021.

He is the son of Mr Peter Ling Ee Kong who is a substantial shareholder and Managing Director of the Company. There is no conflict of interest between him and the Company.

He is not a director of any public listed companies and he has not been convicted of any offence within the past five (5) years.

## SUSTAINABILITY STATEMENT

As sustainability is an integral part of the business operations of Greater Bay Holdings Berhad and its subsidiaries (“the Group”), the Group has always adhered to the three pillars of sustainable development, namely, economic, environmental, and social considerations to ensure that our operations support sustained growth and business performance to best meet and balance the interests of our various stakeholders.

### Scope

The Group’s sustainability framework is premised upon the evaluation of the Economic, Environmental, and Social (“EES”) risks and opportunities in line with Bursa Malaysia Securities Berhad’s Sustainability Reporting Guide. This sustainability statement covers material issues arising from its principal business activities in Malaysia, operated under the Group’s active subsidiary – Advanced Packaging Technology (M) Bhd. The other subsidiary, Sino Peak Sdn Bhd being an investment holding company which focuses on managing investment properties is excluded from the scope of this report.

While external assurance has not been sought for this report, we have made efforts to provide accurate and reliable data, utilising both quantitative and qualitative information to present a comprehensive view of our sustainability performance. The Group has engaged its internal auditors to complete an internal review of the Group’s sustainability reporting process for FY2024.

### Sustainability Governance

The Board of Directors (“Board”) is overall responsible to promote and ensure sustainability is embedded in the business operations of the Group. The implementation is headed by the Managing Director and all departmental heads are involved in the day-to-day supervision of sustainable practices and operations.

### Material Sustainability Matters

The Group has considered and identified material sustainability matters when they have a significant impact on EES risk and opportunities, as below.

#### 1. Economic

##### Sustainable Business Growth

As sustainability is an integral part of business, our strategy is to ensure that there is sustainable business growth, profitability, and dividend payment to shareholders over a longer term rather than a short-term view on operations and profitability. In line with this practice, the Group continues to invest in new machineries, equipment, and other resources to be able to remain cost competitiveness and efficiency in its business operations as well as producing quality products to meet customers’ stringent requirements.

##### Good Corporate Governance and Business Practices

The Group operates its business with sound practices and good corporate governance to ensure that it is a responsible and reliable company to all stakeholders. It also views the compliance of laws, rules and regulations are equally important. The Group believes these are part of the principal elements of a sustainable business operation in the long term.

## Sustainability Statement (cont'd)

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### Material Sustainability Matters (cont'd)

#### 1. Economic (cont'd)

##### Product Quality

The Group collaborates closely with major customers and suppliers for better partnership in order to achieve better value which is beneficial to both organisations in the long run. Product quality is critical to our Group's performance and reputation. As such, the Group's Quality Management System is certified to ISO 9001:2015, GMP MS 1514:2009 and FSSC 22000 standards. It helps to manage our products in meeting customers' quality specifications. Various measures were implemented in checking the product quality during processing. Data and results were recorded for future reference and analysis for problems solving and improvement.

##### Customer satisfaction

As customers are important to the success of the Group, regular evaluation of customer satisfaction through a half yearly survey was conducted, and the results have shown an overall customer satisfaction rating exceeding an average of 4 out of 5 across product quality, reliability, delivery, service, pricing and responsiveness. The Group is always on a constant look out for continuous improvement to further satisfy customers' requirements.

The Group does not disclose or use personal customer information for any purpose other than those agreed upon and will communicate any changes in data protection policies or measures to customers directly. There have not been any substantiated complaints received concerning breaches of customer privacy and loss of customer data throughout the past years.

##### Supply Chain Management

We practise and promote a fair and transparent supply chain management through supplier evaluation and selection, price competitiveness comparison and supplier performance review. This has enabled us to procure quality products and services at competitive prices. As such, raw materials used in manufacturing will only be sourced from approved suppliers to ensure consistency of quality of supplies and prompt delivery. Supplier performance review was conducted regularly based on performance data collected for a period of time with certain criteria. The results shown over 80% of the suppliers have performed satisfactorily over the years. The Group also heavily supports local suppliers to help ensure supply, to support a stable local economy and also maintain community relations. 66% of the Group's purchases are sourced from local suppliers.

#### 2. Environment

The Group has included environmental matters as part of its good business practices towards sustainability in preserving the environment in which it operates.

##### Compliance

The Group has always committed to comply with legal and regulatory requirements of the relevant authorities such as Malaysian Department of Environment ("DOE") which governs plant and factory operations and maintenance in areas relating to environment and emission standards, fuel usage, noise level and treatment of plant discharge, effluents, and wastewater.

## Sustainability Statement (cont'd)

### 2. Environment (cont'd)

#### Management of Manufacturing Waste

Waste is a normal norm and inevitable in any manufacturing process. However, the Group has always strived to minimise the waste level by setting targets and close monitoring of its achievement. Sectional wastage levels of each manufacturing process were set on a yearly basis, data was recorded and compiled and compared monthly for close monitoring. Some sections performed within the target while certain sections were not able to achieve the set target. Hence, more efforts for continuous improvement are ongoing with periodical review.

Solid wastes are segregated into various categories for disposal to recycling companies or collected by waste disposal companies as approved by the relevant authority. Scheduled wastes of chemical nature are collected by DOE approved companies for safe disposal.

#### Conservation of Energy

Energy consumption for the past 3 years have been tabulated below.

Year	2023	2022	2021
Kilowatt hour (kWh) used	2,012,146	2,281,142	2,145,513

The Group continuously targets to reduce overall electricity consumption. Better and more efficient machineries/equipment were used with proper scheduling as a way to better use of energy resources. Energy efficient air conditioners, air compressors and lighting bulbs were installed to replace the old units which consumed higher energy. Lighting and air conditioning are switched off during rest time or whenever not in use for a period of time.

Solar panels have been installed to harvest solar energy as a renewable energy source and to reduce carbon emissions. This also reduces reliance on the electricity grid and can potentially save up to 30% of the electricity costs.

### 3. Social

The Board believes that the Group is socially responsible to strike a balance between profitability and its social obligations. As such, the Group will continue to operate with due care and as a responsible corporate citizen in discharging its social obligations.

#### Human Resources

As the employees are the key assets of the Group and its success is the result of the employees' collective efforts and hard work at the workplace, the Group strives to balance between responsibility, performance and reward to its employees.

The Group has complied with local labour laws and regulations and implemented the minimum wage policy of the government. The terms and conditions of employment are the same for all employees in the same category without any form of discrimination as the Group believes in human rights and equal opportunities for all employees. Workplace diversity in terms of age, gender and ethnicity is being embraced by the Group for inclusiveness. The tables below show the diversity of the Group's employees by locality, gender and age group.

## Sustainability Statement (cont'd)

### 3. Social (cont'd)

#### Human Resources (cont'd)

Diversity information as at 31 December 2023

Nationality	% of workforce
Malaysians	80
Foreigners	20

Age Group	% of workforce
Under 30	41
Between 30-50	37
Above 50	22

Gender	% of workforce
Male	71
Female	29

The Group recognises the importance of its employees as one of the most valuable and important assets with proactive action being taken in the development of its human capital. The Group also acknowledges that continuous training and human capital development will better equip its employees in the workplace and produce better performance results for the Group in the long run.

As such, both external and in-house training programmes are provided and conducted on a regular basis to enhance the skill and knowledge as well as job performance of its employees. Targets are set for training for new employees and all employees on a yearly basis. Data is then recorded once the trainings have taken place, compiled, and compared against the set target and results shown that the 2023 target has been achieved.

The Group also ensures that its employees are adequately provided for with medical benefits and insurance coverage together with competitive remuneration. Corporate meals and trips were organized from time to time for the employees as part of the benefits over the years.

## Sustainability Statement (cont'd)

### 3. Social (cont'd)

#### Occupational Health and Safety Management

The Group is committed to comply with the relevant laws and regulations as laid down by the Department of Occupational Health and Safety ("DOSH"). It has in place, a Safety and Health Committee to oversee the safety and occupational health issues in the workplace. Trainings spanning a total of 1,506 hours have been held during the year for employees, which include:

- Allergen Management, Food Defence and Food Fraud Awareness
- Hazard Identification, Risk Assessment and Risk Control (HIRARC) & accident prevention
- Forklift handling and safety
- First Aid Course
- Fire Extinguisher training

Protective gears are supplied to its factory and production employees for better safety protection. Preventive measures such as safety briefings and fire drills are conducted on site to enable the employees to better understand certain safety issues and to react quickly in times of emergency. No major industrial accident nor fatalities have been recorded except for a few incidents of minor injuries.

#### Anti-Bribery and Anti-Corruption Policies ("ABC")

The Group is fully committed to comply with all applicable laws, regulations, and policies in the countries where it conducts business and will ensure that the Group's businesses are conducted in a fair and ethical manner. These laws include but is not limited to the Malaysian Anti-Corruption Commission Act 2009 (Act 694). The ABC policy in place aims to ensure compliance with the anti-corruption laws in Malaysia, as well as other countries where the Group carries out its business.

The ABC Policy applies to all Directors, Managers, and Employees of the Group. The policy's general principles and restrictions are also applicable to suppliers, vendors, agents, distributors, consultants, and any other third parties acting on behalf of the Group, regardless of citizenship or where they conduct business.

All employees and counterparties are required to provide their acknowledgement with regards to the Group's ABC policy. The Group has not recorded any confirmed incidents of corruption throughout the past years.

This Statement was approved by the Board on 25 April 2024.

*In compliance with Bursa Malaysia's Mandatory ESG Reporting Guidelines, we have appended the Mandatory ESG report in the prescribed format to this sustainability statement.*

## Sustainability Statement (cont'd)

Indicator	Measurement Unit	2023
<b>Bursa (Anti-corruption)</b>		
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category		
Management	Percentage	100.00
Executive	Percentage	100.00
Non-executive/Technical Staff	Percentage	100.00
General Workers	Percentage	100.00
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	100.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0
<b>Bursa (Community/Society)</b>		
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	0.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	0
<b>Bursa (Diversity)</b>		
Bursa C3(a) Percentage of employees by gender and age group, for each employee category		
Age Group by Employee Category		
Management Under 30	Percentage	20.00
Management Between 30-50	Percentage	40.00
Management Above 50	Percentage	40.00
Executive Under 30	Percentage	12.00
Executive Between 30-50	Percentage	44.00
Executive Above 50	Percentage	44.00
Non-executive/Technical Staff Under 30	Percentage	55.00
Non-executive/Technical Staff Between 30-50	Percentage	35.00
Non-executive/Technical Staff Above 50	Percentage	10.00
General Workers Under 30	Percentage	0.00
General Workers Between 30-50	Percentage	33.00
General Workers Above 50	Percentage	67.00
Gender Group by Employee Category		
Management Male	Percentage	100.00
Management Female	Percentage	0.00
Executive Male	Percentage	56.00
Executive Female	Percentage	44.00
Non-executive/Technical Staff Male	Percentage	75.00
Non-executive/Technical Staff Female	Percentage	25.00
General Workers Male	Percentage	33.00
General Workers Female	Percentage	67.00

## Sustainability Statement (cont'd)

Indicator	Measurement Unit	2023
<b>Bursa (Diversity)</b>		
Bursa C3(b) Percentage of directors by gender and age group		
Male	Percentage	89.00
Female	Percentage	11.00
Under 30	Percentage	0.00
Between 30-50	Percentage	33.00
Above 50	Percentage	67.00
<b>Bursa (Energy management)</b>		
Bursa C4(a) Total energy consumption	Megawatt	2,012.00
<b>Bursa (Health and safety)</b>		
Bursa C5(a) Number of work-related fatalities	Number	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	12.50
Bursa C5(c) Number of employees trained on health and safety standards	Number	102
<b>Bursa (Labour practices and standards)</b>		
Bursa C6(a) Total hours of training by employee category		
Management	Hours	118
Executive	Hours	741
Non-executive/Technical Staff	Hours	647
General Workers	Hours	0
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	0.00
Bursa C6(c) Total number of employee turnover by employee category		
Management	Number	0
Executive	Number	2
Non-executive/Technical Staff	Number	17
General Workers	Number	0
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0
<b>Bursa (Supply chain management)</b>		
Bursa C7(a) Proportion of spending on local suppliers	Percentage	66.00
<b>Bursa (Data privacy and security)</b>		
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0
<b>Bursa (Water)</b>		
Bursa C9(a) Total volume of water used	Megalitres	0.020000

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

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As corporate governance is key to success in any company, the Board of Directors (“the Board”) of Greater Bay Holdings Berhad (“the Company”) acknowledges the importance of having a good corporate governance framework in conducting the business and affairs of the Company in order to enhance shareholders’ value and the financial performance of the Company while taking into account the interest of other stakeholders. A proper and practical framework for governance and controls has been established and implemented by the Company that are in line with the principles of and best practices in corporate governance as recommended in the Malaysian Code on Corporate Governance issued by the Securities Commission on 28 April 2021 (“the Code” or “MCCG”).

Pursuant to Paragraph 15.25 of the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”), the statement below outlines the manner in which the Company has applied the principles and the extent of its compliance of the Code for the financial year ended 31 December 2023.

Notwithstanding the Company’s departures from Practices such as the requirement to have at least 30% women directors (Practice 5.9) and policy on gender diversity for the Board and senior management (Practice 5.10), the Board will continue to evaluate and assess the Practices and at the appropriate time, take the appropriate steps to narrow the gap. The composition of the Board Committees will be addressed as part of the broader review of the Board composition. On Practice 5.6 where the Board is recommended to utilise independent sources to identify suitable qualified candidates, the Board is open to use such facilities where necessary. The Board is cognisant of Practice 6.1 of MCCG but has decided not to engage independent experts to facilitate the annual assessment at least every three years as the Board has put in place a formal evaluation process that should achieve the intended objective.

### PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

#### I. BOARD RESPONSIBILITIES

##### 1.1 Role and Responsibilities of the Board

The Board’s principal roles and responsibilities are establishing goals, setting strategic direction and overseeing investments and conduct of the Company’s business, business and financial performance as well as risk management and integrity of internal control. It provides leadership, strategic direction and advice to the Company and guides the Company in achieving its objectives and addressing succession planning, sustainability, stakeholder interests and corporate communications. The Board of Directors has established clear roles and responsibilities in discharging its fiduciary duties and leadership functions.

The Directors are fully aware of the dual role of leadership and control for it to be effective. They are also conscious of the need to practise good corporate governance in the discharge of their stewardship responsibilities to protect the various stakeholders’ interests and the Company’s assets and to enhance the Company’s performance.

The Board is supported by various Board Committees such as the Audit Committee, Nomination Committee and Remuneration Committee to carry out its oversight of management to ensure appropriate checks and balances are in place and carrying out performance review. The Chairman of the Board and Board Committees are assisted by Management and the Company Secretary in undertaking their responsibility of organising and ensuring that notices of meetings, agenda papers and other relevant information are supplied on a timely basis and tabled for the Board and Board Committees to function effectively.

## Corporate Governance Overview Statement (cont'd)

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

#### I. BOARD RESPONSIBILITIES (CONT'D)

##### 1.2 Chairman

The Chairman of the Company, Dato' Ghazali B. Mat Ariff, a Non-Independent Non-Executive Director leads and manages the Board by focusing on strategy, governance and compliance. He holds a Non-Independent Non-Executive position and is primarily responsible for providing leadership to the Board and ensuring its effectiveness in discharging its duties and responsibilities. He is also responsible for instilling good corporate governance practices.

##### 1.3 Chairman and CEO

The positions of Chairman and CEO are held by two separate individuals and their roles and responsibilities as the Non-Executive Chairman and the Managing Director are clearly divided to ensure a balance of power and authority.

The Chairman provides leadership to the Board and monitors its effectiveness while the Managing Director manages the overall business operation of the Company.

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

Dato' Haji Ghazali B. Mat Ariff, a Non-Independent Non-Executive Director was appointed as the Chairman of the Board of APT on 25 November 2021 and at this juncture, he holds the position as Chairman of the Board of GBAY and is a member of the Nomination Committee. The Board opined that the Chairman holds positions which will not impair his ability to objectively when deliberating on the observations and recommendations put forth by the Board Committees.

##### 1.5 Company Secretary

The Board is supported by two qualified and competent Company Secretaries to provide sound governance advice. They are qualified to act as Company Secretaries under Section 235(2) of the Companies Act 2016. They have the required experience and are competent to discharge their duties and responsibilities.

The Company Secretaries attended all Board and Board Committee meetings, as well as the discussion of the Non-Executive Directors, ensuring that all meetings were properly convened and all deliberations and decisions were accurately minuted and recorded.

They are responsible for all the secretarial functions of the Company and provide the Board with the relevant governance advice from time to time and ensure adherence to rules and procedures.

## Corporate Governance Overview Statement (cont'd)

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

#### I. BOARD RESPONSIBILITIES (CONT'D)

##### 1.6 Information and Meeting Papers

Board meeting serves as an avenue for governance discussions and decision-making by the Board. The Board's commitment to carrying out their duties and responsibilities is affirmed by their attendance at the meetings held during financial year 2023. The Board meets at least four (4) times annually with additional Board Meetings to be convened as and when necessary.

To facilitate robust Board discussions - meeting papers, all relevant agenda, board papers and reports for each meeting are circulated to Board and Board Committees in advance of the meeting. When requested by the Board or Board Committees, additional information is promptly supplied to enable them to effectively discharge their responsibilities. The minutes of the meeting accurately reflect the deliberations and decisions of the Board and any interested Directors will abstain from voting. The minutes are circulated subsequently before the next meeting.

##### 1.7 Directors' Training

The Board acknowledges that appropriate training programmes for the Directors will keep them abreast of developments in the marketplace as well as increase their knowledge and understanding of recent developments in laws, regulations and business practices.

All Directors have attended and completed the Mandatory Accreditation Programme (MAP) as required by the Bursa Malaysia Securities Berhad. The Directors have also attended various accredited programmes under the Continuous Education Programme (CEP) conducted by various course/training providers and met the prescribed CEP requirements.

The Company Secretary has from time to time updated the Directors on the Company Laws, the Code, and the amendments to Bursa Securities MMLR in relation to disclosure and other obligations.

During the financial year, conferences, webinars, seminars and training programmes attended by the Directors are as follows:-

- Allergen Management, Food Defense & Food Fraud Awareness Training
- ISQM Implementation - Risk & Assessment: Determining Quality Risk for SOQM
- Formulating the Firm's ISQM manual - Policies and Procedures
- ISQM Implementation - Forms and other Documentation
- 2023 Budget Seminar
- Effective Problem-Solving Tools & Techniques

Whilst the Group is always supportive of Directors' trainings and knowledge enhancing programmes, every Director is encouraged to evaluate their own training needs and undergo continuous trainings to equip them with enhanced knowledge to effectively contribute their duties to the Board.

## Corporate Governance Overview Statement (cont'd)

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

#### I. BOARD RESPONSIBILITIES (CONT'D)

##### 2.1 Board Charter

The Board Charter which outlines the roles, responsibilities and functions of the Board was published on the Company's website at [www.greaterbayholdings.com](http://www.greaterbayholdings.com). The Board Charter is a source reference to ensure that all Board members are aware of their duties and responsibilities as Director. The Board charter is reviewed as and when necessary to do so.

##### 3.1 Code of Conduct and Ethics

The Corporate Code of Conduct and Ethics ("the Code") sets out the standards which the Directors, officers and employees of the Company and its subsidiaries are expected to comply in relation to the affairs of the Company's business when dealing with each other, shareholders and boarder community.

The Board is committed to maintaining a corporate culture with good ethical conduct. The Directors have always been mindful of conducting themselves in an ethical manner when discharging their duties and responsibilities and complied with the Code of Ethics for Company Directors issued by the Companies Commission of Malaysia and Code of Ethics issued by the Company for Company Directors and employees and published at its website at [www.greaterbayholdings.com](http://www.greaterbayholdings.com).

##### 3.2 Whistle-blowing and Anti-Corruption

The Group recognised the significance of all the values and the highest standard of work ethics for all Directors, managers and employees in line with good corporate governance and business integrity practices.

In upholding the above, the Company had adopted a Whistleblowing Policy to provide an avenue for all employees of the Group and members of the public to raise concerns or disclose any improper conduct involving the Group and its Directors or employees.

The Whistle-blowing and Anti-Corruption policies are published at the Company's website at [www.greaterbayholdings.com](http://www.greaterbayholdings.com).

##### 4.1 Sustainability-related matters

The Board is overall responsible for promoting and ensuring sustainability is embedded in the business operations of the Group. The implementation is headed by the Managing Director and all departmental heads are involved in the supervision of sustainable practices and operations.

The Group's sustainability framework is premised upon the evaluation of the EES risk and opportunities in line with Bursa Securities' Sustainability Reporting Guide.

The Sustainability Statement can be viewed in the Annual Report of the Company.

## Corporate Governance Overview Statement (cont'd)

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

#### II. BOARD COMPOSITION

##### 5.1 Nomination Committee

The Nomination Committee was established on 8 November 2023 by the Board, and it currently comprises of three non-executive directors as below:-

- (i) Datin Rafidah Binti Abdul Jalil (*Chairman, Independent Non-Executive Director*);
- (ii) Mr Jonathan Ross Choo Jiunjye (*Independent Non-Executive Director*); and
- (iii) Dato' Haji Ghazali B. Mat Ariff (*Non-Independent Non-Executive Director*).

The terms of reference of the Nomination Committee are:-

##### 1. Constitution

The Nomination Committee shall be appointed by the Board of Directors from amongst its members and composed exclusively of non-executive directors, a majority of whom are independent. The Chairman of the Nomination Committee should be an Independent Director identified by the Board.

##### 2. Frequency of meeting

The Nomination Committee shall meet at least once a year to carry out the duties and responsibilities in item (3) as stated below. The Nomination Committee shall meet at least once a year to assess the effectiveness of the Board as a whole, the committees of the Board and to assess the contribution of each individual director. The quorum for a meeting shall be two members.

In the absence of the Chairman of the Nomination Committee, members present shall elect a Chairman for the meeting.

##### 3. Duties and Responsibilities

The Nomination Committee shall be responsible for the following:-

- (a) Propose new nominees for the Board;
- (b) Make appropriate recommendations to the Board on matters of renewal or extension of directors' appointment and reappointment of retiring directors;
- (c) Consider, in making its recommendations, candidates for directorships proposed by the Chief Executive Officer and, within bounds of practicability, by any other senior executive or any director or shareholder;
- (d) Recommend to the Board, directors to fill the seats on Board committees;
- (e) Assess directors on an ongoing basis;
- (f) Review annually and assess performance of non-executive directors on annual basis; based on skills, experience and core competencies which non-executive directors should bring to the board and submit its recommendations to the board;
- (g) Carry out a process implemented by the board on an annual basis for assessing the effectiveness of the board as a whole, the committees of the board and for assessing the contribution of each individual director; and
- (h) Review annually the term of office and performance of audit committee members to determine whether such audit committee has carried out their duties in accordance with their terms of reference.

## Corporate Governance Overview Statement (cont'd)

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

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

##### 5.1 Nomination Committee (cont'd)

The Nomination Committee met once with full attendance during the year.

The Nomination Committee carried out its duties in accordance with its Terms of Reference and the Directors' Fit and Proper Policy adopted by the Company on 23 November 2023 to ensure a formal, rigorous and transparent process for the appointment/election of candidates as Directors of the Company and for the re-election of Directors. The Fit and Proper Policy can be obtained from the Company's website at [www.greaterbayholdings.com](http://www.greaterbayholdings.com).

##### 5.2 Independent Directors

The Company has nine Directors as of 15 March 2024 with two Executive Directors and seven Non-Executive Directors, of whom three are Independent namely Mr Lim Tiong Heng, Mr Jonathan Ross Choo Jiunje and Datin Rafidah Binti Abdul Jalil.

An annual assessment on the independence of the Independent Directors is conducted by the Nomination Committee and none of the above three (3) Independent Directors are related to, and do not have any relationship with, the Company, its related corporations, its substantial shareholders, or its officers or are in any circumstances that could interfere, or be reasonably perceived to be interfered, with the exercise of their independent business judgement with a view to the best interests of the Company and that they are independent pursuant to Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

##### 5.3 Tenure of Independent Directors

The Independent Directors are independent of management and can provide greater check and balance during boardroom deliberations and decision making. The Board recognises the importance of independence and objectivity in the decision-making process by the independent directors. They expressed their views and opinions freely on subject matter without constraint.

The Board noted that the tenure of an independent director should not exceed a cumulative term of nine years. The Board is of the view that the ability of long-serving independent directors to remain independent and to discharge their duties with integrity and competency should not be measured solely by tenure of service.

The Board through the Nomination Committee has assessed the independent directors annually and is of the opinion that all the three Independent Directors continue to demonstrate conduct and behavior that are essential indicators of independence.

##### 5.4 Policy on Tenure of Independent Directors

There is no policy currently to limit the tenure of Independent Directors by the Board in view of the fact that the current Independent Directors have demonstrated their independence in discharging their duties and responsibilities.

## Corporate Governance Overview Statement (cont'd)

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

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

##### 5.5 Retirement and Rotation

In accordance with the Company's Constitution, one-third of the Board members shall retire from office at each Annual General Meeting, and they can offer themselves for re-election. Newly appointed Directors by the Board are subject to election by the shareholders at the next Annual General Meeting held following their appointments. The election of each Director is voted on separately.

##### 5.6 Appointment of Board Members and Senior Management

The Board is mindful of the need to be objective in the proper selection of new Directors and that qualifications, experiences and skills, age and gender are key factors to be considered.

Board members possess a diverse mix of skills and experience in either business or professional practices and this is crucial to the proper running of the Company. The executive directors' knowledge of the business operation is complemented by the independent non-executive directors' objective and unbiased judgment at board deliberations.

##### 5.7 Candidates for Appointment of Director

The Board has taken a serious view of the diverse channels that could be used to identify suitably qualified candidates for appointment as future Director when the need arises. A case-by-case basis approach is used among all potential candidates and sources.

##### 5.8 Information on the appointment and reappointment of a director

The Company is committed to maintaining high standards of corporate disclosure and transparency. The profiles of the Company's Directors are made available on the Company's website and Annual Report. In line with this aspiration, the Board endeavours to provide timely and transparent disclosures, releasing all required/material announcements as soon as practicable.

The Board recognises the importance of leveraging on effective communication platforms such as the Company's website and Annual Report to provide clear, accurate and valuable insights into the Group's performance and position to its shareholders. This allows shareholders to make informed decisions with respect to the business of the Group, including on appointments and reappointments of Directors.

During the year, the assessment relating to reappointment of directors was reviewed by the Nomination Committee and recommended to the Board for approval. The Board approved the proposal, based on the merit and calibre of the directors, and recommended the resolution to shareholders at the AGM. In line with the MCCG, the Board had disclosed a statement that they were supportive of the reappointment of directors in the Notice.

##### 5.9 Chairman of Nomination Committee

The Nomination Committee is currently chaired by an Independent Non-Executive Director, Datin Rafidah Binti Abdul Jalil. She leads the discussion on the appointment of new Directors and evaluation of Board Committees and Directors.

## Corporate Governance Overview Statement (cont'd)

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

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

##### 5.10 Composition of the board of at least 30% women directors

Datin Rafidah Binti Abdul Jalil was the most recent woman Director appointed as an Independent Non-Executive Director. The Nomination Committee and the Board continue to seek women candidates to hold Directorships of the Company. The selection of candidates is prioritised based on their capabilities and experience, as well as their ability to add value to the Company.

There is currently no official policy regarding gender diversity for the appointment of Directors. The Nomination Committee and the Board had deliberated before and concluded that the selection of candidates for directorship of the Company should be prioritised based on capability and experience, and ability to add-value to the Company, instead of just gender.

##### 6.1 Annual Assessment

The Nomination Committee reviews annually the effectiveness of the Board and Board Committee as well as the performance of individual Directors. The process of evaluation involves individual Directors and Board Committee members completing a set of separate questionnaires regarding the processes of the Board and its Committees and their effectiveness base on the criteria guided by the Corporate Governance Guide – Towards Boardroom Excellence. A peer and self-review assessment will also be carried out where Directors will assess their own performance and that of their fellow Directors.

The results will then be summarised and presented to the Nomination Committee for discussion, review and decision taken will be recorded and the Chairman will report the same to the Board at the next Board Meeting.

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

#### III. REMUNERATION

##### 7.1 Policy on Remuneration

There is no written policy on remuneration currently. However, factors or guidelines that have been considered by the Remuneration Committee in its meeting to determine remuneration of Directors and senior management are qualification, skill and experience, performance of the individual and the Company as well as the responsibility of each individual.

The remuneration package of the executive directors was reviewed by the Remuneration Committee annually in their meeting taking into account the responsibilities and performance of each Executive Director and recommends to the Board of Directors for approval. It is then decided by the Board without the executive directors' participation in determining their own remuneration. The Board links the remuneration of executive directors to corporate and individual performance and that of the non-executive directors be reflective of their expertise and level of responsibilities. Directors' Fees were only paid upon approval by shareholders at the Company's annual general meeting based on the recommendation of the Board. Any changes in Directors' Fees are highlighted in the notice calling for the annual general meeting.

## Corporate Governance Overview Statement (cont'd)

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

#### III. REMUNERATION (CONT'D)

##### 7.2 Remuneration Committee

The Remuneration Committee was set up on 8 November 2023 and currently has two independent non-executive directors and an Executive director.

The committee is responsible for recommending to the Board the remuneration of the non-executive directors and executive directors in all its forms, and where necessary, draws advice from outside.

Members of the Remuneration Committee are:-

- (i) Mr Jonathan Ross Choo Jiunye (*Chairman, Independent Non-Executive Director*);
- (ii) Datin Rafidah Binti Abdul Jalil (*Independent Non-Executive Director*); and
- (iii) Mr Andrew Ling Yew Chung (*Executive Director*).

The Remuneration Committee met once with full attendance during the year to discuss and review the remuneration of the Directors and recommended to the Board for further action and decision.

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

##### 8.1 Directors' Remuneration

In view of the confidentiality and sensitivity of the disclosures, details of the individual director's remuneration are not disclosed herewith. However, set out below are the details of the Directors' remuneration received, receivable and inclusive of the recommended directors' fees in respect of the financial year ended 31 December 2023, distinguishing between Executive and Non-Executive Directors of the Company.

Category of Remuneration	Executive Director RM	Non-Executive Director RM
Salary	564,000	–
Fees	72,000	222,000
Bonus	–	–
Benefits in Kind	11,100	–
EPF & Socso	35,120	–
Others	36,000	–
Meeting allowances	–	77,300
<b>Total</b>	<b>718,220</b>	<b>299,300</b>

## Corporate Governance Overview Statement (cont'd)

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

#### III. REMUNERATION (CONT'D)

##### 8.1 Directors' Remuneration (cont'd)

Band of Remuneration (RM)	Executive Director	Non-Executive Director
Below 50,000	–	7
50,001 to 100,000	–	1
100,001 to 150,000	–	–
150,001 to 200,000	–	–
200,001 to 250,000	1	–
250,001 to 300,000	–	–
300,001 to 350,000	–	–
350,001 to 400,000	–	–
400,001 to 450,000	–	–
450,001 to 500,000	–	–
500,001 to 550,000	1	–

##### 8.2 Remuneration of Senior Management

There is no disclosure for the remuneration of the top 5 senior management personnel mainly due to the confidentiality and sensitivity of the issue which may cause disunity among the management team and affect working morale.

### PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

#### I. Audit Committee

The Audit Committee was set up on 8 November 2023 and its terms of reference established and subsequently revised to be in line with the revamped Bursa Malaysia Securities Berhad listing requirements and the Malaysian Code on Corporate Governance. It comprises of two Independent Non-Executive Directors and one Non-Independent Non-Executive Director. The Committee is chaired by an Independent Non-Executive Director.

Details of its key functions, roles & responsibilities, composition and other relevant information and activities are set out in the Audit Committee Report.

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

## Corporate Governance Overview Statement (cont'd)

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

#### I. Audit Committee (cont'd)

##### 9.1 Chairman of Audit Committee

The Chairman of the Audit Committee is Mr Jonathan Ross Choo Jiunjye and is distinct from the Chairman of the Board.

##### 9.2 Former Audit Partner

The Audit Committee has a written policy that requires a former audit partner to observe a cooling-off period of at least 2 years before being appointed as Audit Committee member. The Company has never appointed any former audit partner to the Board.

##### 9.3 Assessment of Auditors

The Audit Committee has a formal written policy and has deliberated and assessed the issues of suitability, objectivity, competency and independence of external auditors during its meeting.

##### 9.4 Independence of Audit Committee

Only two out of three members of the Audit Committee are Independent Non-Executive Directors (Mr Jonathan Ross Choo Jiunjye and Datin Rafidah Binti Abdul Jalil), and their details are disclosed in the directors' profile section of the Annual Report 2023. The Board continues to seek potential candidates to take on the Independent Directorship of the Company.

##### 9.5 Diversity of Skill and Experience

The Audit Committee Members have different qualifications, expertise and experience. The Audit Committee Chairman, Mr Jonathan Ross Choo Jiunjye is a member of CPA Australia and the Malaysian Institute of Accountants and has more than a decade of combined financial, business management, and professional experience in the legal and accounting fields. He also has vast experience in the manufacturing sector and fast-moving consumer goods industry.

Datin Rafidah Binti Abdul Jalil, a member of the Audit Committee, has a rich background of more than four decades of experience in business, brand building and strategy across various companies including those in the fast-moving consumer goods and property management industries. She has also served as a trainer and was previously involved in not-for-profit activities, including community projects.

Mr Mah Siew Seng, an existing member of the Audit Committee is a Chartered Accountant by profession and is a member of the Malaysian Institute of Accountants, a fellow member of the Association of Chartered Certified Accountants and a fellow member of the Chartered Tax Institute of Malaysia.

As such, they possess a mixed range of necessary skills and experience to discharge their duties and responsibilities as Audit Committee Members.

## Corporate Governance Overview Statement (cont'd)

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

#### II. Risk Management and Internal Control Framework

Risk management is considered by the Board as an integral part of the business operations of the Company and it was embedded in the various systems of control. The Board is committed to uphold/support and enhance on continuous basis a strong control structure and environment for the proper conduct of the business to ensure risk is within tolerance level.

The management which is led by the Managing Director has been tasked with the responsibility to identify, evaluate, and prioritise significant risks faced by the Company for the Board's consideration, formulate action plans, implement appropriate internal control system and ensure compliance with the applicable laws, regulations, standards and guidelines and implementing policies adopted by the Board.

The Company has appointed an independent consulting firm to conduct a review to update the risk profile of the Company and to assess whether there are any significant changes to the key risks identified previously and proposed an appropriate internal audit scope of review to assess the effectiveness of controls in managing risks. The consulting firm was again engaged in 2023 to carry out another round of review.

The Board has considered and accepted the review and the updated risk profile of the Company. The management has since followed up with updates and reviews.

##### 10.1 Effective Risk Management and Internal Control Framework

The Directors recognise the importance of maintaining a sound system of internal control including financial, operational and compliance controls and risk management to safeguard shareholders' investment and the Company's assets. The internal control system is to identify and manage any risks that the Company may encounter in the pursuit of its business objectives.

The Company is aware of the importance of ongoing monitoring processes and control activities to identify and rectify operational deficiencies and to detect and prevent actual or suspected fraud, and other irregularities and improprieties.

##### 10.2 Features of Risk Management Framework

The features of the risk Management and internal control framework are disclosed in the Statement on Risk Management and Internal Control as set out in this Annual Report.

##### 10.3 Risk Management Committee

The Board has yet to establish a Risk Management Committee. Hence, in the meantime the Board assumes direct responsibility for risk management matters.

## Corporate Governance Overview Statement (cont'd)

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

#### II. Risk Management and Internal Control Framework (cont'd)

##### 11.1 Internal Audit Function

The Company's internal audit function was outsourced to an independent professional internal audit service provider, Messrs Wensen Consulting Asia (M) Sdn Bhd during the year at a cost of RM 18,000.00 to review certain functional areas to ensure best practices are adopted in internal control by the Company.

The internal audit function adopts a risk-based approach and prepares its audit strategy and plan based on the risk profiles of the business operations. This approach assists the Board/Audit Committee in obtaining assurance of a regular review and appraisal of the adequacy, integrity, and effectiveness of the system of internal control. In view of the limitations inherent in any internal control system, it can only provide reasonable but not absolute assurance against material misstatement, fraud, loss, or breaches of laws.

##### 11.2 Details on Internal Audit Personnel

The Company outsourced its internal audit function to an independent firm, Wensen Consulting Asia (M) Sdn Bhd which is in the related professional practice whose staff is professionally qualified. The internal auditors are free from any relationships or conflict of interest which could impair their professional judgement.

The internal auditors adopt a risk-based approach and framework and prepare the audit strategy and plan based on the risk profiles of the business operations.

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

#### I. Communication with Stakeholders

Communication and engagement with stakeholders are increasingly more important in building trust and understanding between the Company and its stakeholders.

##### 12.1 Effective Communication

It is important to have an effective communication channel between the Board, shareholders, and the general public through timely dissemination of all material information. The timely release of announcements, quarterly and annual financial results, annual reports, circulars, and notices of meetings provides shareholders with regular and updated information about the Company.

Shareholders and members of the public can obtain online information in respect of the full Annual Report, financial statements, and announcements from both the websites of Bursa Malaysia Securities Berhad and the Company. The Company's website at [www.greaterbayholdings.com](http://www.greaterbayholdings.com) also provides more information to the public for better understanding of the Company and its business. The Company endeavours to provide appropriate information upon requests by institutional investors, fund managers and analysts and the press.

## Corporate Governance Overview Statement (cont'd)

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

#### I. Communication with Stakeholders (cont'd)

##### 12.1 Effective Communication (cont'd)

At the Annual General Meeting (AGM), the Directors present the progress and performance of the Company and shareholders are encouraged and given the opportunity to participate in asking relevant questions pertaining to the Company and its business. AGM is also the platform that will enable shareholders to gain better insights into the Company's business and operations as well as its future prospects.

##### 12.2 Integrated Reporting

The Company has yet to set its intention to adopt integrated reporting currently. It may consider in doing so in the future.

#### II. Conduct of General Meeting

General Meeting serves as a platform for important engagement with shareholders by the Board and senior management to provide insights of the business operations besides fulfilling governance requirements.

##### 13.1 Notice for Annual General Meeting

The Board is committed to ensuring that the dispatch of the Notice of AGM is circulated at least twenty-eight (28) days prior to the meeting so as to give sufficient time for shareholders to consider the resolutions.

##### 13.2 Attendance at Annual General Meeting

All Directors are expected to attend the current year Annual General Meeting as they have usually attended all the past Annual General Meetings.

In line with the recommendation of the Code, the Chair of Audit Committee, Nomination Committee and other committees will provide direct response to questions addressed to them.

##### 13.3 Leverage on Technology in Annual General Meeting

The Company may not require leveraging on technology to facilitate the Annual General Meeting as it has a relatively small number of shareholders.

## Corporate Governance Overview Statement (cont'd)

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

#### II. Conduct of General Meeting (cont'd)

##### 13.4 Engagement with shareholders

GBAY, as helmed by the Chairman and Managing Director has always been cognisant of the importance in ensuring the AGM supports meaningful engagement between the Board, Management, and shareholders.

The Chairman, Managing Director and other members of Management also responded to questions from shareholders, proxies and corporate representatives regarding the Group's business and operations, and other queries/clarifications in connection with the AGM and the Annual Report, among other pertinent matters. The Chairman provided further encouragement to the shareholders, proxies and corporate representatives to ask as many questions/clarifications as they wished and steered the conduct of the meeting to remain relevant to the financial statements, business and operations of the Group, and the Resolutions in the Notice of AGM. Further epitomising the Company's commitment to the highest standards of shareholder engagement, the AGM Minutes included the additional questions posed by the shareholders along with the detailed responses, as provided by the Board and Management.

##### 13.5 Conduct of virtual general meeting

The Company has been conducting the Annual General Meeting physically as it has a relatively small number of shareholders.

##### 13.6 Circulation of minutes of the general meeting

APT (as of the last AGM, before the completion of the re-organisation) is in compliance with this practice as the Minutes of the AGM were published on the Company's website within 30 business days upon conclusion of the AGM.

#### Corporate Governance Report

The Corporate Governance Report can be viewed or downloaded at [www.greaterbayholdings.com](http://www.greaterbayholdings.com).

This Statement was approved by the Board on 25 April 2024.

## OTHER INFORMATION

### STATUS OF UTILISATION OF PROCEEDS

The Company did not implement any corporate proposal for the raising of funds during the financial year.

### AUDIT AND NON-AUDIT FEES

The amount of audit and non-audit fees paid or payable to the External Auditors, PKF PLT and its affiliated company by the Company and the Group for the financial year ended 31 December 2023 are as stated in the following table:-

Nature of services	Company (RM)	Group (RM)
<b>Audit</b>	<b>5,000</b>	<b>55,000</b>
<b>Non-audit:</b>		
Tax filing	1,500	13,000
Review of the Statement on Risk Management and Internal Control	7,000	7,000
<b>Total Non-audit fees</b>	<b>8,500</b>	<b>20,000</b>

### MATERIAL CONTRACTS

There were no other material contracts entered into by the Company, its directors and major shareholders either subsisting at the end of the financial year or entered into since the end of the previous financial year.

### RECURRENT RELATED PARTY TRANSACTIONS OF REVENUE OR TRADING NATURE

There were no recurrent related party transactions of revenue or trading nature which require shareholders' mandate during the financial year.

### EMPLOYEE'S SHARE OPTION SCHEME (ESOS)

The Company has not implemented any share option scheme for its employees.

### ACCOUNTS

Statutory declaration in relation to the Accounts has been signed by a person who fulfils the requirements of paragraph 9.27.

## STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

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### INTRODUCTION

Pursuant to Paragraph 15.26(b) of the Bursa Malaysia Securities Berhad Listing Requirements which requires the directors of public listed companies to include a statement in the annual report on the state of risk management and internal control, the Statement on Risk Management and Internal Control below outlines the nature and scope of risk management and internal control of the Group. The Board of Directors (“Board”) of Greater Bay Holdings Berhad (“GBAY”) is committed and acknowledges its overall responsibility to maintain the Group’s system of risk management and internal control as well as for reviewing its adequacy, integrity and effectiveness to safeguard shareholders’ investments and the Group’s assets.

### RESPONSIBILITY

It is the overall responsibility of the Board to maintain an effective system of risk management and internal control to safeguard shareholders’ investment and the Group’s assets. Hence, it has the responsibility for the Group’s system of risk management and internal control which includes the establishment of an appropriate control environment and framework as well as reviewing its adequacy and integrity through ongoing monitoring.

In pursuit of its business objectives, the control systems established in the Group are designed to manage the Group’s key risks at an acceptable level rather than eliminate all risks facing its business. Therefore, such controls can only provide reasonable and not absolute assurance against material misstatement, fraud, loss or breaches of laws or regulations in view of the limitations inherent in any system of internal control. The Board is assisted by the management in implementing and constantly reviewing the appropriate controls to manage risks and to mitigate its impact.

Below is a summary of the key features of the risk management framework and internal controls of the Group:-

### RISK MANAGEMENT

As risk management is considered as an integral part of managing the Group’s business operations and it is embedded in various systems of control, the Board is committed to uphold/support and enhance on a continuous basis a strong control structure and environment for the proper business conduct.

Management is led by the Managing Director who is tasked and is responsible for creating a risk awareness culture within the organisation to mitigate risks that may impede the achievement of the Group’s goals. The management has also been tasked with the responsibility to identify, evaluate and prioritise significant risks faced by the Group for the Board’s consideration, formulate action plans, implement appropriate internal controls and ensure compliance with applicable laws, regulations, standards and guidelines and in implementing policies adopted by the Board. The Managing Director and all heads of the department are involved in the identification and management of significant risks. The deliberations on risks and related mitigating measures are carried out at regular meetings or with the relevant personnel and reported to the Managing Director for further action and who then reports directly to the Board on material issues.

An independent consulting firm had previously been engaged to carry out a risk assessment exercise. The objectives of the risk management exercise were:

- To establish a structured risk assessment activity for the Group;
- To facilitate the deployment of a systematic and consistent method for the identification of significant business risks and responsibilities for managing these risks; and
- To facilitate an objective assessment of key controls to manage identified risks.

## Statement on Risk Management and Internal Control (cont'd)

### RISK MANAGEMENT (CONT'D)

Subsequently, the Group had appointed another independent consulting firm to conduct a review to update the risk profile of the Group and to assess whether there were any significant changes to the key risks identified previously and proposed an appropriate internal audit scope to review and assess the effectiveness of controls in managing risks. The independent consulting firm had first conducted the exercise with management to address the risk identification, risk assessment and risk reporting of the Group. Key risks that were identified and assessed include investment, customer management, credit, foreign exchange, product costing, raw materials, critical equipment, production, quality, inventory management, manpower, financial reporting, and non-certification, environmental and document security risks. The risk management process and framework as well as the risk profile and key risks of the Group were included in the review. The Board has considered and accepted the results of the yearly review and the updated risk profile, parameters and ratings of the Group carried out by the independent consultants.

The management has carried out the risk monitoring on an ongoing basis to ensure that appropriate controls are in place and mitigation plans are implemented on a timely basis.

### INTERNAL CONTROL STRUCTURE

The Group has an established internal control structure and there is a clearly defined operating structure with appropriate lines of authority to assist the Board to maintain a proper control environment.

The Board is committed to evaluating, enhancing and maintaining the structure to ensure effective control over the Group's business operations and to safeguard the Group's assets and shareholders' investment.

### ORGANISATIONAL STRUCTURE

A proper organisation structure is in place within the Group with appropriate authority, responsibility and job specification for employees to ensure proper reporting and smooth running of the Group's business.

At the Board level, it comprises a well mix of independent and non-independent directors. The Board is assisted by various committees such as the Audit Committee, Nomination Committee, and Remuneration Committee in performing its oversight function. With the proper delegation of responsibilities and authorities by the Board, these board committees have their own formal terms of reference to effectively discharge their respective duties.

### POLICIES AND PROCEDURES

Appropriate policies and procedures were in place to enable the management to ensure effective and efficient operational and financial processes and compliance with the system of internal control, and applicable laws and regulations.

### AUDIT COMMITTEE

An Audit Committee has been established by the Board which comprises two independent non-executive directors and one non-independent non-executive director. This committee provides direction and oversight over the internal audit function, which is an independent function of the Group.

The Audit Committee reviews the audit plan and findings as well as management's responses. It also reviews the quarterly reports and annual financial statements and auditors' reports before submission to the Board for approval for public release.

## Statement on Risk Management and Internal Control (cont'd)

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### INTERNAL AUDIT FUNCTION

The Group has engaged an external consulting firm to undertake the internal audit function of the Group on an annual basis and it reports directly to the Audit Committee. The consulting firm assists the Audit Committee and the Board in formulating an internal audit plan and to provide an independent assessment on the adequacy, efficiency and effectiveness of the Group's internal control system, in anticipating potential risk exposures over key business processes.

A risk-based approach is adopted by the internal audit function in the design of audit strategy and plan based on the risk profile of the business. Therefore, it provides the Board with the independent assurance and assistance it requires in reviewing the adequacy and integrity of internal controls and the implementation of appropriate systems in order to manage these risks that may have an impact on the key operations of the Group. A periodic review of the internal controls was carried out by the external consulting firm on various key functional areas of the Group's operations, as approved by the Audit Committee. Reports on findings and recommendations are then submitted directly to the Audit Committee, and by extension, the Board of Directors.

The management will take the necessary corrective actions on reported weaknesses as recommended by the internal audit function within an agreed time frame. The Audit Committee will in turn review with management the internal audit report and management's responses. Progress of corrective actions is monitored through follow-up audits by the independent consulting firm.

A sum of RM18,000.00 was spent on internal audit activities in 2023.

### EXTERNAL AUDIT

In the course of conducting the annual statutory audit, the external auditors will highlight significant audit areas arising from their audit, including deficiencies in internal control that require the Audit Committee's attention. At least once a year, the Audit Committee meets the external auditors without the presence of Executive Directors and management to discuss the overall audit findings and the co-operation is given to the Auditors.

### QUALITY ASSURANCE SYSTEM

A Quality Management System in compliance with ISO 9001:2015 requirements has been established as an integral part of the overall system of internal controls in monitoring the quality of the Group's core business of manufacturing flexible packaging materials and blown film.

Continuous reviews have been carried out by the management to improve and monitor the Group's Quality Management System with the objective of further enhancing it in accordance with the requirements of the latest ISO 9001 standard.

The Group currently has valid ISO 9001:2015, Good Manufacturing Practice (GMP) MS 1514:2009 and FSSC 2200 certifications.

### MANAGEMENT AND OPERATIONAL MEETING

Regular management and operational (such as sales and production) meetings were held to identify, discuss and resolve issues pertaining to management, resources, sales, production, quality matters and performance. These meetings are a platform to communicate expectations and inform staff on the latest developments within the various areas of operations.

## Statement on Risk Management and Internal Control (cont'd)

### BUDGET AND FINANCIAL REPORTING

The annual budget/forecast was prepared, processed and approved by the Board. The management is responsible for monitoring its achievement.

Management information, which includes costing reports and management accounts with detailed analysis, is prepared and reported to the top management on a monthly basis. In addition, the quarterly results and annual financial statements, subsequently audited by the external auditors, are reviewed by the Audit Committee and approved by the Board on a quarterly and annual basis respectively before public release via Bursa Malaysia.

### HUMAN CAPITAL / TRAINING

As human capital is very important to the Group, enhancement and improvement of employee competencies and proficiencies are carried out through continuous training and development. A combination of on-the-job training and internal and external training courses are arranged for employees who are required to be trained in their respective areas to perform better and to enable them to competently discharge their duties.

### CONCLUSION BY THE BOARD

The Managing Director has given reasonable verbal assurance to the Board that the Group's risk management and internal control systems are operating satisfactorily in the current operating environment.

The Board has reviewed the Group's risk management and internal control systems with the assistance of Audit Committee, Internal Auditors and management, and is of the opinion that the system of risk management and internal control is adequate for the Group's current operations. There was no material loss incurred during the financial year under review as a result of significant breakdown, weaknesses or deficiencies in the system of risk management and internal control implemented by the Group.

However, both the Board and management will remain vigilant and continue to take appropriate measures and steps to improve and strengthen the control environment of the Group with regular reviews.

### REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

The external auditors, PKF PLT, have reviewed this Statement on Risk Management and Internal Control pursuant to the scope set out in Audit and Assurance Practice Guide 3 ('AAPG 3'), Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report, Guidance on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report issued by Malaysian Institute of Accountants for inclusion in the Group's annual report for the financial year ended 31 December 2023.

Hence, the external auditors reported the results thereof to the Board of Directors that nothing has come to their attention that causes them to believe that this Statement is not prepared, in all material respects, in accordance with disclosures required by paragraphs 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers or is factually inaccurate.

This Statement was approved by the Board on 25 April 2024.

## **DIRECTORS' RESPONSIBILITY STATEMENT**

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The Directors of the Company are required by the Companies Act, 2016 to prepare financial statements for each financial year which give a true and fair view of the financial and cash flow positions and state of affairs of the Company and, where applicable, the Group as at the financial year-end. And pursuant to paragraph 15.26 (a) of the Listing Requirements of the Bursa Malaysia Securities Berhad, the Board of Directors is required to issue a statement explaining its responsibility for preparing the annual audited financial statements.

The directors have, through the Statement by Directors on page 57 of the Annual Report given their opinion that the financial statements have been drawn up in accordance with applicable approved financial reporting / accounting standards in Malaysia so as to give a true and fair view of the financial position of the Company for the financial year ended 31 December 2023.

In preparing the financial statements, the Directors are responsible for ensuring that appropriate accounting policies are adopted and applied consistently and where judgements and estimates were made, they were based on prudence and reasonableness. The directors are also responsible for ensuring that proper accounting and other records are kept to sufficiently explain the transactions and financial position of the Company and to enable true and fair financial statements to be prepared.

This statement was approved by the Board on 25 April 2024.

# AUDIT COMMITTEE REPORT

Pursuant to paragraph 15.15 of the Bursa Malaysia Securities Berhad Listing Requirements, the Board of Directors (“the Board”) is pleased to present the report of the Audit Committee for the financial year ended 31 December 2023.

## COMPOSITION

1. The Audit Committee shall be appointed from amongst the Directors of the Company and shall consist of at least three members, a majority of whom shall be independent directors.
2. All the members of the Audit Committee shall be non-executive directors.
3. All the members of the Audit Committee shall be financially literate and at least one member of the Audit Committee shall be a member of the Malaysian Institute of Accountants (MIA); or if he is not a member of MIA, he must have at least three years’ working experience and have passed the examination specified in Part I of the First Schedule of the Accountants Act, 1967 or be a member of one of the associations of accountants specified in Part II of the First Schedule of the Accountants Act, 1967 or fulfils such other requirements as prescribed or approved by Bursa Malaysia Securities Berhad.
4. An alternate director shall not be appointed as a member of the Audit Committee.
5. A former key audit partner shall not be appointed as a member of the Audit Committee before observing a cooling-off period of at least three (3) years before being appointed as a member of the Audit Committee. For the purpose of this clause, a former key audit partner means the engagement partner, the individual who is responsible for the engagement of quality control review and other audit partners, if any, on the engagement team who make key decisions and/or judgments on significant matters with respect to the audit of the financial statements on which the auditor will express an opinion.
6. Any vacancy on the Audit Committee resulting in the non-compliance of paragraph 15.09(1) of the Listing Requirements shall be filled within three months.

## Membership, Meetings and Attendance

The Audit Committee comprises of three non-executive directors. The composition, name, designation, and attendance of each member at Committee meetings held during the financial year ended 31 December 2023 are detailed below:-

Name	Designation	Number of Applicable Meetings	Attendance
a) Jonathan Ross Choo Jiunjye	Chairman <i>Independent Non-Executive</i>	1	1
b) Datin Rafidah Binti Abdul Jalil	Member <i>Independent Non-Executive</i>	1	1
c) Mah Siew Seng	Member <i>Non-Independent Non-Executive</i>	1	1

## Audit Committee Report (cont'd)

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### KEY FUNCTIONS, ROLES, AND RESPONSIBILITIES OF THE AUDIT COMMITTEE

1. To review the following and report the same to the Board of Directors:-
  - (a) with the external auditor, the nature and scope of the audit plan;
  - (b) with the external auditor, his evaluation of the system of internal controls;
  - (c) with the external auditor, his audit report;
  - (d) the assistance given by the employees of the company to the external auditor;
  - (e) the adequacy of the scope, functions, competency, and resources of the internal audit functions and that it has the necessary authority to carry out its work;
  - (f) the internal audit program, processes, the results of the internal audit program, processes or investigation undertaken and whether or not appropriate action is taken on the recommendations of the internal audit function;
  - (g) the quarterly results and year-end financial statements of the Company, prior to the approval of the Board of Directors, focusing particularly on:
    - i. changes in or implementation of major accounting policies changes;
    - ii. significant matters highlighted including financial reporting issues, significant judgements made by management, significant and unusual events, or transactions, and how these matters are addressed; and
    - iii. compliance with accounting standards and other legal requirements.
  - (h) any related party transactions and conflict of interest situation that may arise within the company or group including any transaction, procedure or course of conduct that raises questions of management integrity.
2. To consider the appointment of an external auditor, the audit fee and any questions of resignation or dismissal.
3. To establish policies and procedures to assess the performance, suitability, objectivity, and independence of external auditors that considers, among others:
  - (a) the competence, audit quality and resource capacity of the external auditor in relation to the audit;
  - (b) the nature and extent of the non-audit services rendered and appropriateness of the level of fees; and
  - (c) obtaining written assurance from the external auditors confirming that they are, and have been, independent throughout the conduct of the audit engagement in accordance with the terms of all relevant professional and regulatory requirements. The assessment of the suitability, objectivity and independence of the external auditors should be conducted annually.
4. To discuss problems and reservations arising from the interim and final audits, and any matter the auditor may wish to discuss (in the absence of management where necessary).
5. To review the external auditor's management letter and management's response.

## Audit Committee Report (cont'd)

### KEY FUNCTIONS, ROLES, AND RESPONSIBILITIES OF THE AUDIT COMMITTEE (CONT'D)

6. To do the following matters in relation to internal audit function:-
  - (a) review any appraisal or assessment of the performance of members of the internal audit function;
  - (b) approve any appointment or termination of senior staff members of the internal audit function;
  - (c) take cognizance of resignations of internal audit staff members and provide the resigning staff member an opportunity to submit his reasons for resigning.
7. To consider the major findings of internal investigations and the management's response.
8. To report to Bursa Malaysia Securities Berhad when the Audit Committee is of the view that a matter reported by it to the Board of Directors has not been satisfactorily resolved resulting in a breach of the Bursa Malaysia Securities Berhad Listing Requirements.
9. To consider any other topics as defined by the Board.

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

### SUMMARY OF WORK OF THE AUDIT COMMITTEE

The Audit Committee carried out the following works during the financial year ended 31 December 2023:-

- (a) reviewed the competency, suitability, and professional independence of the Auditors as well as audit fees and non-audit fees paid to the Auditors besides receiving assurance from Auditors on its independence and recommend to the Board of Directors for reappointment and their audit fees.
- (b) reviewed the nature and scope of the audit plan and audit fees with external auditors prior to the audit of the year-end financial statements and accounts.
- (c) reviewed the quarterly unaudited financial results and announcements and annual audited financial statements for recommendation and submission to the Board of Directors for approval and release to the Bursa Malaysia Securities Berhad. The Audit Committee has reviewed with Auditors changes in major accounting policy, compliance with accounting standards and significant financial reporting issues in order to discharge its oversight role in financial reporting.
- (d) reviewed with external auditors the assistance given to them by the staff of the Company, the evaluation of the system of internal control, external auditor's report, recommendations, management letter and management's response in relation to the audit of the year-end financial statement and accounts.
- (e) met and discussed with external auditors in the absence of management on matters arising from the interim and final audits.
- (f) discussed and considered the proposals from Wensen Consulting Asia (M) Sdn. Bhd to provide internal audit services and risk profile updating for 2023 and recommended the scope and plan for internal audit and updating of risk profile for approval of the Board.
- (g) reviewed the internal audit plan and reports prepared by Wensen Consulting Asia (M) Sdn. Bhd and management's response to its findings and recommendations.
- (h) enquired about the existence of any significant related party transactions and the management confirmed there is none during the year.
- (i) reviewed the Statement on Risk Management and Internal Control and Sustainability Statement.

## **Audit Committee Report** (cont'd)

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### **SUMMARY OF WORK OF THE INTERNAL AUDIT FUNCTION**

Wensen Consulting Asia (M) Sdn. Bhd (“WCA”) was appointed during the year to carry out the internal audit function as the Company does not have an internal audit department. It reports directly to the Audit Committee. WCA has drawn up an internal audit plan by adopting a risk-based approach and this provides an independent assessment of the adequacy, efficiency, and effectiveness of the Company’s internal control system.

WCA had in 2023 performed an internal audit on certain key risk areas and business processes within the scope of Sales and Credit Control Management to ensure best practices are adopted in the system of internal control by the Company. WCA also followed up with previous audit’s recommendations and actions taken by management. Internal audit report incorporating findings, audit issues, root causes, risk and implications, recommendations and management’s response was issued to the Company after the internal audit.

Hence, management is responsible to act on issues raised by taking necessary corrective actions within a certain agreed time frame to ensure potential risk exposures over key business processes are properly addressed and managed. The internal audit report was tabled for discussion in the Audit Committee meeting by WCA. Having been reviewed and discussed by the Audit Committee, the internal audit report and management’s response were then tabled at the next Board of Directors’ meeting for further action.

### **CONCLUSION**

The above work was carried out by the Audit Committee during the year under review and it has fulfilled its responsibilities entrusted to the Committee as per the terms of reference.

This statement was made in accordance with a Board resolution passed on 25 April 2024.

## CHAIRMAN'S STATEMENT

Dear Shareholders,  
I present to you on behalf of the Board of Directors of Greater Bay Holdings Berhad the Annual Report and Audited Financial Statements of the Company for the financial year ended 31 December 2023 (“**FY2023**”).

### Overview

This year remained a challenging but dynamic year for us. We have created and developed new business and commercial opportunities, while enduring many economic challenges that have affected the growth and performance of many businesses domestically and globally. Despite this, the Group has made significant progress toward its key goals and had achieved the following during FY2023:

- Growth in sales from newer customers;
- Second year of operations as a Good Manufacturing Practice (“GMP”) certified Group, substantial progress towards achieving our Food Safety System Certification (“FSSC”), together with the additional facility upgrades necessary to achieve such certification and improvements, the installation of our solar-energy system for the factory and the commissioning of new machinery; and
- Completion of the internal reorganisation approved by the shareholders.

That said, such progress was achieved on the backdrop of increased operating costs, driven primarily by the rise in raw material, utility and labour costs during FY2023. This had a substantial negative impact on the profitability of our Group amidst a competitive market. Furthermore, the outlook on the flexible packaging industry for the upcoming financial year has been weighed down in the face of further global economic instability.

Despite such challenges, we remain committed and optimistic towards achieving long-term profitability by focusing on the following key goals and objectives:-

- Grow sustainable sales from new and existing customers;
- Keep improving and to build on the Group’s management systems to achieve higher standards (of manufacturing/certification) to reflect our commitment to meet customers’ needs;
- Make continuous improvements across the Group’s operating capabilities, infrastructure and processes; and

## Chairman's Statement (cont'd)

- Mitigate risks with pro-active management, strategic capital expenditures and corporate investments (including those outside the flexible packaging business).

We remain committed to the flexible packaging business. With our passionate team and developing prospects from new and long-term customers, we believe we can weather and meet the future challenges the Group faces.

### Financial Performance

Our Group has achieved a turnover of RM25.8 million with recognition of our operating profit and reduction in net loss.

The financial year was relatively challenging due to a relatively slow economy and lower than expected consumer spending, which has had a negative impact on the businesses of consumer-related companies, who are our primary customers. This improvement has translated into decreased demand for consumer-related goods, leading to a corresponding decrease in demand for packaging products from our customers. As a result, we have experienced a decrease in our turnover. However, our profitability improved slightly due to improved cost management and relatively stable raw material prices during the year.

### Dividend

The Board of Directors has not recommended any final dividend for the financial year ended 31 December 2023.

### Prospects

Looking ahead, the improvements and initiatives that we have undertaken over the past few years would allow the Group to retain long-term competitiveness in the market while continuing to develop new business opportunities to expand its customer base and product offerings.

Furthermore, this would also allow the Group to improve its operating efficiency and capabilities.

Substantial growth potential exists based on our available production capacity and the prevalent demand for our products' end consumers across various essential sectors including food, pharmaceutical and household products. Therefore, these factors coupled with our continued marketing efforts and dedicated service, and improving operational capabilities and efficiency, will allow the Group to better navigate the persistent challenges ahead - such as economic/market downturns, fluctuating raw material costs and other factors that may remain outside the control of the Group.

Barring any unforeseen circumstances and once the overall macroeconomic environment improves, we believe our flexible packaging business will reach further economies of scale and create more value for the shareholders. The Group will also continue to explore business opportunities with a view to diversify its earnings base and enhance returns for the Shareholders.

### Acknowledgement

On behalf of the Board of Directors, I would like to express our sincere appreciation to the management and staff for their hard work, dedication and commitment. I would also like to record our grateful thanks to all our customers, bankers, government authorities, suppliers, business associates and shareholders for their continuous support.

Yours sincerely,

**Dato' Haji Ghazali bin Mat Ariff**  
25 April 2024

## MANAGEMENT DISCUSSION AND ANALYSIS

### OVERVIEW OF BUSINESS AND OPERATIONS

The Company, Greater Bay Holdings Berhad (“GBAY”) comprises primarily of its manufacturing arm, under the name of Advanced Packaging Technology (M) Bhd (“APT”). APT has more than thirty (30) years of operating history in the manufacturing and sale of flexible packaging materials with its head office and manufacturing facility located in Bandar Baru Bangi, Selangor.

APT manufactures and sells high quality flexible packaging materials to reliable and reputable companies across various industries. Our products are catered to a wide variety of industries in both local and overseas markets such as dry and frozen foods, beverages, household, medical/surgical and pharmaceutical, among others.

Flexible packaging materials are generally made of a composite of various substrates of the base film, paper or aluminium foil which are printed and laminated so that the resultant laminates have more enhanced performance properties than its original substrates.

In this modern era of technological advancement, efficient packaging remains as a top priority for any product. Appropriate packaging of products using flexible packaging materials will enhance the quality and shelf life of the products and ensure safe delivery to the end consumers.

The Company has another subsidiary, Sino Peak Sdn Bhd (“SPSB”), which is principally engaged in the investment and management of properties.

### REVIEW OF FINANCIAL RESULTS AND FINANCIAL CONDITION

#### REVENUE

The Group has achieved a revenue of RM25.8 million for the year ended 31 December 2023 (“FY2023”) against RM29.0 million recorded for the year ended 31 December 2022 (“FY2022”) which was RM3.2 million, or 11% lower, primarily due to a downturn in consumer spending and demand for consumer-related goods during the year.

#### OPERATING PROFIT

Despite recording a lower turnover, the Group managed to record an operating profit (before depreciation and interest expenses) of RM0.26 million for FY2023 primarily due to higher margins from operations as result of the stabilisation in raw material costs during the financial year, tighter internal controls to better manage wastage, stricter cost control procedures as well as maintaining strict credit monitoring controls.

#### NET LOSS

Net loss after tax for FY2023 was RM1.73 million which was mainly attributable to the above factors, as well as depreciation and interest expenses of RM1.64 million and RM0.67 million, respectively.

## Management Discussion And Analysis (cont'd)

### KEY FINANCIAL INDICATORS

Key financial indicators for the financial year ended 31 December 2020 ("FY2020"), 31 December 2021 ("FY2021"), FY2022 and FY2023, are as follows: -

	FY2023	FY2022	FY2021	FY2020
Basic earnings per share (sen)	(2.13)*	(2.18)*	(5.72)	3.23
Return on equity (%)	(6.06)	(5.94)	(3.80)	2.07
Return on total assets (%)	(4.07)	(3.26)	(4.00)	2.12
Net asset per share (RM)	0.35*	0.37*	1.50	1.56
Gearing Ratio (net debt/shareholders' equity)	0.69	0.54	0.01	(0.24)

\* Weighted average number of ordinary shares have accounted for the share-split in FY2022

Kindly refer to the "Five Years Financial Highlights and Financial Indicators" contained in this annual report for financial information and indicators for the past five financial years ended 31 December from 2019 to 2023.

### ASSETS

As at 31 December 2023, the total assets recorded by the Group maintained relatively constant at approximately RM50 million, as there were no significant investments or purchases of properties or machinery as compared to the previous year. In the previous year, the Group completed the transfer of investment properties (under SPSB) which amounted to a carrying amount of RM19.8 million along with significant purchases of machinery amounting to RM11.3 million being recorded as at the financial year end.

Trade receivables have decreased slightly by 2% as compared to the previous financial year, in line with the decrease in sales during the current financial year. The balances recorded are mainly due to the timing differences in the invoicing and settlement of such receivables. The collectability of outstanding receivables has remained relatively consistent with prior years as the Company has maintained a predominantly credit-worthy customer base along with adequate credit control and monitoring procedures.

Cash and cash equivalents (including deposits with licensed banks) have decreased by approximately RM3 million primarily due to the reallocation of the funds towards facilities improvements and initiatives in line with our Food Safety System Certification ("FSSC"), the purchase of new machinery, the installation of the solar-energy system, and allocation towards other investments and quoted securities. The reallocation of such funds towards these initiatives and investments are intended to increase the capacity and capabilities of the Group, manage long-term risks, and to seize opportunities to improve the future earnings quality and value of the Group in the long-term.

### LIABILITIES

Total liabilities for the Group have decreased by about RM0.3 million as compared to the previous financial year, mainly due to reversals made in relation to deferred tax liabilities and provisions for staff gratuity.

Trade payables have increased by approximately 30% as higher levels of raw material purchases that were made in anticipation of an increase in demand of products in the forward-looking months. The Group optimises and manages its cash flow effectively and appropriately pays its suppliers in a timely manner.

## Management Discussion And Analysis (cont'd)

### CAPITAL STRUCTURE AND FINANCIAL RESOURCES

As at 31 December 2023, the Group has a healthy capital structure and has leveraged on bank borrowings for the acquisition and financing of assets (existing for investment properties and machinery). This has allowed the Group to re-allocate existing resources to reduce operational and business risks, improving operational capabilities (from acquisition of new machinery) and generate returns from other aspects of the business operations.

The management of the Group has thoroughly assessed the feasibility and consideration of business expansion, diversification, operational capacity/capability and long-term value creation, and hence have made such decisions to leverage on debt.

### CAPITAL EXPENDITURE

With consideration to the expansion, diversification of business operations/activities and long-term value creation, the Group's capital expenditure was primarily allocated towards the improvement of facilities towards higher certification requirement, FSSC, installation of the solar-energy system and the acquisition of new machinery during the financial year.

### REVIEW OF OPERATING ACTIVITIES

The Group achieved a lower sales turnover of approximately RM25.8 million for FY2023 against RM29.0 million for FY2022 which was primarily driven by the downturn in consumer spending and demand away from consumer-related goods.

The Group however, recorded an operating profit (before depreciation, interest and tax expenses) of RM0.26 million for FY2023 mainly due to improved margins from operations as result of the stabilisation in raw material costs during the financial year, increased and tighter internal controls to manage wastage, implementation of stricter cost control procedures as well as maintaining strict credit monitoring controls.

The Group has maintained focus on long-term performance and sustainability, with the goal to achieve sales growth, manage operational/business risks and improve the capabilities and efficiency of its operations for the current financial year. Economies of scale, improvements in efficiency and productivity of operations will play an important role in the upcoming financial year.

### KEY RISKS

The Group has identified key risk areas that may have a material impact on the performance of the Group for the financial year. Supply chain risk remains as one of the major concerns within the industry, as it relies on a complex global supply chain, which can be impacted by a range of factors such as natural disasters, geopolitical instability, and trade disruptions. Disruptions in the supply chain can lead to material shortages, price increases, or delays in production. Economic risk is also another major risk identified, whereby economic conditions can adversely impact the demand for flexible packaging products, as well as the cost of materials and labour. Pricing competition, changes in currency exchange rates, inflation, and interest rates can also significantly impact the financial performance of the Group.

## Management Discussion And Analysis (cont'd)

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### FORWARD LOOKING STATEMENT

To address the key risks and challenges that may face the Group going forward, the Group has enhanced its diversifying of raw material sources, implementing stricter cost control procedures, greater focus on operational efficiency, maintaining strict credit monitoring and controls, while actively continuing its marketing efforts and business development to diversify income and cash reserves (currency).

The Group will continue to maintain focus on long-term performance and sustainability, with the goal to achieve growth, manage operational/business risks and improve the operational capabilities and efficiency of its operations through (i) pro-active marketing and customer network building, (ii) training and development of staff, (iii) the purchase and installation of new/modern machinery and equipment, (iv) factory improvements and renovations, (v) manufacturing process refinement, and (vi) higher-level certification of its operations to reflect the above.

That said, the flexible packaging materials industry is an essential industry and is expected to retain continuous demand for its products and services.

Barring unforeseen circumstances, the key risks will be managed prudently, and management is cautiously optimistic on the performance of the Group for the current financial year ending 31 December 2024.

This Statement was approved by the Board on 25 April 2024.

## FIVE YEARS FINANCIAL HIGHLIGHTS AND FINANCIAL INDICATORS

Financial year ended 31 December	2023	2022	2021	2020	2019
<b>Statements of Profit or Loss and Other Comprehensive Income (RM)</b>					
Revenue	25,806,350	29,018,844	24,161,490	23,504,501	22,671,913
Earnings/(Loss) before interest expense, tax, depreciation and amortisation	257,934	(140,009)	(51,769)	2,260,870	1,234,792
(Loss)/Profit before tax	(2,047,193)	(1,673,049)	(1,449,055)	788,891	(227,318)
(Loss)/Profit after tax	(1,729,130)	(1,716,691)	(1,116,507)	617,077	(143,667)
Net (loss)/profit attributable to equity holders	(1,729,130)	(1,744,848)	(1,092,868)	617,077	(143,667)
<b>Statements of Financial Position (RM)</b>					
Total assets	50,265,811	51,359,212	36,242,673	37,187,572	36,442,884
Total borrowings	14,134,488	13,446,382	—	—	—
Shareholders equity	28,551,785	29,392,433	28,735,229	29,828,097	29,211,020
<b>Financial Indicators</b>					
Return on equity (%)	(6.06)	(5.94)	(3.80)	2.07	(0.49)
Return on total assets (%)	(4.07)	(3.26)	(4.00)	2.12	(0.62)
Gearing ratio (Net debts/ Shareholders' equity)	0.69	0.54	0.01	(0.24)	(0.27)
Basic (loss)/earning per share (sen) <sup>1</sup>	(2.13)	(2.18)	(5.72)	3.23	(0.75)
Net assets per share (RM) <sup>1</sup>	0.35	0.37	1.50	1.56	1.53
Price earning (PE) ratio	(29.88)	(30.25)	(45.47)	69.69	(303.31)
Share price as at 31 December (RM) <sup>1</sup>	0.64	0.66	2.60	2.25	2.28
Market Capitalisation as at 31 December (RM)	51,660,513	52,787,418	49,691,808	43,002,527	43,575,894
Gross dividend per share (sen)	—	—	—	—	—
Gross dividend yield (%)	—	—	—	—	—

<sup>1</sup> The FY2023 and FY2022 figures reflect the weighted average number of ordinary shares which have accounted for the share-split in FY2022.



# FINANCIAL STATEMENTS

# DIRECTORS' REPORT

The Directors hereby submit their report and the audited financial statements of the Group and of the Company for the financial year ended 31 December 2023.

## PRINCIPAL ACTIVITIES

The Company is principally engaged to provide management services and investment holding.

The principal activities of its subsidiaries are set out in Note 11 to the financial statements.

## RESULTS

	Group RM	Company RM
Loss for the financial year	(1,729,130)	(111,022)
<b>Loss for the financial year attributable to:</b>		
Owners of the parent	(1,729,130)	(111,022)

## RESERVES AND PROVISIONS

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

## DIVIDENDS

No dividend has been paid or declared by the Company since the end of the previous financial year. The Directors do not recommend any final dividend for the financial year ended 31 December 2023.

## DIRECTORS

The Directors in office during the financial year and during the period from the end of the financial year to the date of the report are:

Dato' Haji Ghazali B. Mat Ariff	- Appointed on 8 November 2023
Mah Siew Seng	- Appointed on 8 November 2023
Law Mong Yong	- Appointed on 8 November 2023
Pang Chong Yong	- Appointed on 8 November 2023
Lim Tiong Heng	- Appointed on 8 November 2023
Andrew Ling Yew Chung	- Appointed on 8 November 2023
Peter Ling Ee Kong	- Appointed on 8 November 2023
Jonathan Ross Choo Jiunjye	- Appointed on 8 November 2023
Datin Rafidah Binti Abdul Jalil	- Appointed on 8 November 2023
Pang Jun Jie (Alternate to Pang Chong Yong)	- Appointed on 24 November 2023
Edward Teow Eu Wuen	- Resigned on 8 November 2023
Goh Kaa Sian	- Resigned on 8 November 2023

The name of the Director of the Company's subsidiary since the beginning of the financial year to the date of this report, excluding those who already disclosed is:

Brian Ling Yew Han

## Directors' Report (cont'd)

### DIRECTORS' INTEREST IN SHARES

The shareholdings and deemed shareholdings in the Ordinary Shares of the Company at the end of the financial year, as recorded in Register of Director's Shareholding kept under Section 59 of the Companies Act, 2016, in Malaysia are as follows:

	At 1.1.2023	Number of Ordinary Shares		At 31.12.2023
		Bought	Sold	
In the Company:				
<b>Direct interest:</b>				
Mah Siew Seng	3,343,588	–	–	3,343,588
Law Mong Yong	1,836	–	–	1,836
Pang Chong Yong	6,373,972	–	–	6,373,972
Andrew Ling Yew Chung	240,000	60,000	–	300,000
Peter Ling Ee Kong	7,984,000	1,599,500	–	9,583,500
Lim Tiong Heng	78,400	–	–	78,400
<b>Indirect interest:</b>				
Mah Siew Seng	1,000,000	–	–	1,000,000
Pang Jun Jie	6,373,972	–	–	6,373,972
Andrew Ling Yew Chung	7,984,000	1,599,500	–	9,583,500
Peter Ling Ee Kong	407,200	140,800	–	548,000

The other Directors holding office at 31 December 2023 had no interest in the Ordinary Shares and options over shares of the Company and of its related companies during the financial year according to the register required to be kept under Section 59 of the Companies Act, 2016 in Malaysia.

### DIRECTORS' BENEFITS

Since the end of the previous financial year, no Director has received nor become entitled to receive any benefit (other than a benefit included in aggregate amount of emoluments received or due and receivable by directors or the fixed salaries of full time employees of the Group and of the Company as disclosed in Note 4 to the financial statements) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the director has a substantial financial interest other than disclosed in Note 31 to the financial statements.

There were no arrangements during and at the end of the financial year, which had the object of enabling the Directors to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

### DIRECTOR'S REMUNERATION AND FEE

Director's remuneration including benefits-in-kind of the Group and of the Company amounted to RM723,520 and RM14,100 respectively as disclosed in Note 4 to the financial statements.

Director's fee of the Group and of the Company amounted to RM341,500 and RM54,000 respectively as disclosed in Note 4 to the financial statements.

## Directors' Report (cont'd)

### INDEMNITY AND INSURANCE FOR DIRECTORS, OFFICERS AND AUDITORS

There was no indemnity given to or insurance effected to any Directors, officers or auditor of the Group and of the Company.

### ISSUE OF SHARES AND DEBENTURES

On 9 November 2024, the Company issued 81,355,136 new ordinary shares ("GBAY Share(s)") in exchange of all the shares in Advanced Packaging Technology (M) Bhd. shares ("APT Share(s)") on the basis of one (1) GBAY share for every one (1) existing APT share held and the share exchange had been completed on 14 November 2023.

There were no debentures issued during the financial year.

### OPTIONS GRANTED OVER UNISSUED SHARES

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

### 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) proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and have satisfied themselves that there are no known bad debts and adequate provision had been made for doubtful debts; and
- (ii) any current assets which were unlikely to be realised in the ordinary course of business have been written down to an amount which they might be expected so to realise.

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

- (i) which would necessitate the writing off of bad debts or render the amount of the provision for doubtful debts inadequate to any substantial extent; or
- (ii) which would render the value attributed to 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, which 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 and 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 and of the Company that has arisen since the end of the financial year.

## Directors' Report

(cont'd)

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### OTHER STATUTORY INFORMATION (CONT'D)

No contingent liability or other liability of the Group and of the Company 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 its obligations as and when they fall due.

In the opinion of the Directors, except as otherwise stated in the financial statements, the results of the operations of the Group and of the Company for the financial year ended 31 December 2023 have not been substantially affected by any item, transaction or event of a material and unusual nature nor has any such item, transaction or event occurred in the interval between the end of the financial year and the date of this report.

### SIGNIFICANT EVENTS

Details of significant events during the financial year is disclosed in Note 37 to the financial statements.

### AUDITORS

The auditors, Messrs PKF PLT, have indicated their willingness to continue in office.

The auditors' remuneration of the Group and of the Company amounted to RM62,000 and RM12,000 respectively for the financial year ended 31 December 2023.

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

ANDREW LING YEW CHUNG

PANG CHONG YONG

Kuala Lumpur

25 April 2024

## **STATEMENT BY DIRECTORS PURSUANT TO SECTION 251(2) OF THE COMPANIES ACT, 2016 IN MALAYSIA**

In the opinion of the Directors, the accompanying financial statements as set out on pages 63 to 124 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia, so as to give a true and fair view of financial position of the Group and of the Company as at 31 December 2023 and of its financial performance and its cash flows for the financial year ended on that date.

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

ANDREW LING YEW CHUNG

PANG CHONG YONG

Kuala Lumpur

25 April 2024

## **STATUTORY DECLARATION PURSUANT TO SECTION 251(1)(B) OF THE COMPANIES ACT, 2016 IN MALAYSIA**

I, ANDREW LING YEW CHUNG, being the Director primarily responsible for the financial management of GREATER BAY HOLDINGS BERHAD, do solemnly and sincerely declare that to the best of my knowledge and belief, the accompanying financial statements as set out on pages 63 to 124 are in my opinion correct, and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960, in Malaysia.

Subscribed and solemnly declared by the )  
above-named at Kuala Lumpur in Wilayah )  
Persekutuan on 25 April 2024 )

ANDREW LING YEW CHUNG

Before me,

COMMISSIONER FOR OATHS

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GREATER BAY HOLDINGS BERHAD

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### REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

#### **Opinion**

We have audited the financial statements of GREATER BAY HOLDINGS BERHAD, which comprise the statements of financial position as at 31 December 2023, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 63 to 124.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 December 2023, and of its financial performance and its cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia.

#### **Basis for Opinion**

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report.

We 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Independent Auditors' Report To The Members of Greater Bay Holdings Berhad (cont'd)

### REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D)

#### **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 as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

#### **(i) Impairment of property, plant and equipment**

(Refer to Notes 1(e)(iv), 2(g)(ii), and 9 to the financial statements)

The Group has property, plant and equipment with a carrying amount of RM13,330,816 as at 31 December 2023. Following the losses reported during the year, this is an indicator that impairment might have occurred. The management has performed an impairment review and concluded that there is no impairment in respect of the property, plant and equipment as their recoverable amounts were higher than their carrying amounts.

Due to the measurement of fair value being inherently judgemental and the carrying amount of these assets being material to the Group, we have considered this to be a key audit matter.

Our procedures included:

- a) Obtained the valuation reports prepared by the independent valuers engaged by the Group;
- b) Reviewed these reports for appropriateness of the methodology used and the reasonableness of the assumptions used; and
- c) Assessed the competency, capabilities and objectivity of these independent valuers engaged by the Group.

#### **(ii) Valuation of defined benefit gratuity**

(Refer to Notes 1(e) (viii) and 23 to the financial statements)

The Group has recognised a provision for gratuity of RM890,768 as at 31 December 2023. The assumptions that underpin the valuation of the defined benefit retirement liability are subjective and based on judgements that affect the Group's distributable reserves. Uncertainty arises as a result of estimates made based on the Group's expectations and assumptions about employment trends and market conditions. As a result, the actual amounts charged to the statements of profit or loss by the Group may be significantly different to that recognised on the statements of financial position since small changes to the assumptions used in the calculation materially affect the provision calculated at amortised cost.

Our audit procedures included, among others:

- a) Enquiry with management on the nature or bases of the assumptions made;
- b) Review of employment contracts, assessment of the capabilities of personnel involved in the assessment;
- c) Perform reasonableness test on the provision by testing management's assumptions, data and model used; and
- d) Review of historical data in relation to the management assumptions made in the current financial year.

## **Independent Auditors' Report To The Members of Greater Bay Holdings Berhad (cont'd)**

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### **REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D)**

#### ***Information Other than the Financial Statements and Auditors' Report Thereon***

The Directors of the Company are responsible for the other information. The other information comprises the Statement of Risk Management and Internal Control, Statement of Corporate Governance, Audit Committee Report, Management Discussion and Analysis Report, Sustainability Statement and Directors' Report included in the annual report, but does not include the Chairman's Statement, 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 do not cover the other information and we do not express any form of assurance conclusion thereon.

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

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

#### ***Responsibilities of the Directors for the Financial Statements***

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

In preparing the financial statements of the Group and of the Company, the Directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group and 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 Greater Bay Holdings Berhad (cont'd)**

### **REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D)**

#### ***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 Group's and of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group and 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 represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

## **Independent Auditors' Report To The Members of Greater Bay Holdings Berhad (cont'd)**

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### **REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D)**

#### ***Auditors' Responsibilities for the Audit of the Financial Statements (cont'd)***

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

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

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

#### ***Other matters***

This report is made solely to the members of the Group and 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 contents of this report.

PKF PLT  
202206000012 (LLP0030836-LCA) & AF0911  
CHARTERED ACCOUNTANTS

SHARINAH BINTI MOHAMED IQBAL  
03285/10/2024 J  
CHARTERED ACCOUNTANT

Kuala Lumpur

25 April 2024

## STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

	Note	Group		Company	
		01.01.2023 to 31.12.2023 RM	01.01.2022 to 31.12.2022 RM	01.01.2023 to 31.12.2023 RM	17.03.2022 to 31.12.2022 RM
Revenue	3	25,806,350	29,018,844	–	–
Other income		322,113	643,362	–	–
Changes in inventories of finished goods and work-in-progress		(596,900)	237,892	–	–
Raw materials used		(15,143,580)	(19,939,166)	–	–
Employee benefits expense	4	(5,800,517)	(4,855,974)	(68,100)	–
Other expenses		(4,340,638)	(5,255,313)	(42,922)	(10,346)
<b>Profit/(Loss) from operations</b>		246,828	(150,355)	(111,022)	(10,346)
Depreciation of property, plant and equipment and investment properties		(1,440,638)	(1,168,563)	–	–
Depreciation of right-of-use asset		(199,543)	(155,761)	–	–
Interest income		11,106	34,754	–	–
Finance costs	5	(664,946)	(243,470)	–	–
<b>Loss before tax</b>	6	(2,047,193)	(1,683,395)	(111,022)	(10,346)
Tax income/(expense)	7	318,063	(43,642)	–	–
<b>Loss and other comprehensive losses for the financial year</b>		(1,729,130)	(1,727,037)	(111,022)	(10,346)
<b>Total comprehensive loss attributable to:</b>					
Owners of the company		(1,729,130)	(1,755,194)	(111,022)	(10,346)
Non-controlling interests		–	28,157	–	–
		(1,729,130)	(1,727,037)	(111,022)	(10,346)
<b>Loss per ordinary share (sen)</b>	8				
Basic		(2.13)	(2.16)		
Diluted		(2.13)	(2.16)		

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

## STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2023

			Group		Company
	Note	2023 RM	2022 RM	2023 RM	2022 RM
<b>ASSETS</b>					
<b>Non-current assets</b>					
Property, plant and equipment	9	13,330,816	11,363,193	–	–
Right-of-use assets	10	3,332,986	2,841,663	–	–
Investment in subsidiaries	11	–	–	20,338,784	–
Other investments	12	–	706,946	–	–
Investment properties	13	19,803,324	19,845,671	–	–
		36,467,126	34,757,473	20,338,784	–
<b>Current assets</b>					
Inventories	14	4,329,749	4,340,812	–	–
Contract assets	15	524,814	1,206,548	–	–
Other investments	12	999,251	–	–	–
Trade receivables	16	6,389,022	6,497,178	–	–
Non-trade receivables, deposits and prepayments	17	105,865	61,658	4,500	2
Tax recoverable		367,107	339,011	–	–
Fixed deposits with licensed banks	18	367,681	153,650	–	–
Cash and bank balances		715,196	4,002,884	990	–
		13,798,685	16,601,741	5,490	2
<b>TOTAL ASSETS</b>		50,265,811	51,359,214	20,344,274	2
<b>EQUITY AND LIABILITIES</b>					
<b>Equity attributable to owners of the Company</b>					
Share capital	19	20,338,786	2	20,338,786	2
Reorganisation reserve	19	–	20,504,250	–	–
Treasury shares	20	–	(400,945)	–	–
Retained profits/ (Accumulated losses)	21	8,212,999	9,278,782	(121,368)	(10,346)
Equity attributable to owners of the parent		28,551,785	29,382,089	20,217,418	(10,344)
Non-controlling interest		–	–	–	–
<b>Total equity</b>		28,551,785	29,382,089	20,217,418	(10,344)

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

**Statements of Financial Position**  
**As At 31 December 2023**  
(cont'd)

			Group		Company
	Note	2023 RM	2022 RM	2023 RM	2022 RM
<b>LIABILITIES</b>					
<b>Non-current liabilities</b>					
Deferred tax liabilities	22	–	354,696	–	–
Provision for staff gratuity	23	890,768	867,521	–	–
Term loans	24	13,451,879	12,904,668	–	–
Lease liabilities	25	21,188	–	–	–
		14,363,835	14,126,885	–	–
<b>Current liabilities</b>					
Trade payables	26	4,760,877	3,670,091	–	–
Non-trade payables and accruals	27	1,572,504	2,720,660	12,000	1,500
Provision for staff gratuity	23	–	657,787	–	–
Amount due to related parties	28	180,000	8,846	–	8,846
Amount due to subsidiaries	29	–	–	60,856	–
Amount due to Directors	30	114,000	207,500	54,000	–
Term loans	24	682,610	541,714	–	–
Lease liabilities	25	40,200	–	–	–
Tax payable		–	43,642	–	–
		7,350,191	7,850,240	126,856	10,346
<b>Total liabilities</b>		21,714,026	21,977,125	126,856	10,346
<b>TOTAL EQUITY AND LIABILITIES</b>		50,265,811	51,359,214	20,344,274	2

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

## STATEMENTS OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

	Non-distributable			Distributable			
	Share capital RM	Reorganisation reserve RM	Treasury shares RM	Retained profits RM	Total RM	Non-controlling interest RM	Total equity RM
<b>Group</b>							
At 1 January 2022	2	20,504,250	(1,096,473)	9,327,452	28,735,231	(23,639)	28,711,592
Loss and other comprehensive loss for the financial year	-	-	-	(1,755,194)	(1,755,194)	28,157	(1,727,037)
Effect of sale of treasury shares	-	-	695,528	1,702,006	2,397,534	-	2,397,534
Acquisition of non-controlling interest	-	-	-	4,518	4,518	(4,518)	-
At 31 December 2022	2	20,504,250	(400,945)	9,278,782	29,382,089	-	29,382,089
Loss and other comprehensive loss for the financial year	-	-	-	(1,729,130)	(1,729,130)	-	(1,729,130)
Issuance of shares							
- Share exchange with Advanced Packaging Technology (M) Berhad	20,338,784	(20,338,784)	-	-	-	-	-
Effect of cancellation of treasury shares	-	-	148,765	-	148,765	-	148,765
Effect of sale of treasury shares	-	(165,466)	252,180	663,347	750,061	-	750,061
At 31 December 2023	20,338,786	-	-	8,212,999	28,551,785	-	28,551,785

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

**Statements of Changes In Equity**  
**For The Financial Year Ended 31 December 2023**  
(cont'd)

	Share capital RM	Accumulated losses RM	Total equity RM
<b>Company</b>			
At 17 March 2022 (date of incorporation)	2	–	2
Loss and other comprehensive loss for the financial period	–	(10,346)	(10,346)
At 31 December 2022	2	(10,346)	(10,344)
Issuance of shares			
– Share exchange with Advanced Packaging Technology (M) Berhad	20,338,784	–	20,338,784
Loss and other comprehensive loss for the financial year	–	(111,022)	(111,022)
At 31 December 2023	20,338,786	(121,368)	20,217,418

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

## STATEMENTS OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
<b>Cash flows from operating activities</b>				
Loss before tax	(2,047,193)	(1,683,395)	(111,022)	(10,346)
Adjustments for:				
Depreciation of property, plant and equipment	1,398,289	1,141,898	–	–
Depreciation of right-of-use assets	199,543	155,761	–	–
Depreciation of investment property	42,347	26,665	–	–
Interest income	(11,106)	(34,754)	–	–
Interest expense	664,946	243,470	–	–
Inventories written off	49,881	111,214	–	–
Investment income	–	(26,243)	–	–
Gain on disposal of property, plant and equipment	(99,999)	(164,381)	–	–
Loss on derecognition of right-of-use asset	–	15,644	–	–
(Gain)/Loss on unrealised foreign exchange	(9,704)	5,173	–	–
Fair value loss/(gain) on other investments	2,668	(185,856)	–	–
Property, plant and equipment written off	87	–	–	–
Impairment of trade receivables	22,560	–	–	–
Cancellation of treasury shares	148,765	–	–	–
Provision for staff gratuity	51,337	50,520	–	–
Reversal of amortised cost of provision for gratuity	(486,948)	(36,561)	–	–
<b>Operating loss before working capital changes</b>	(74,527)	(380,845)	(111,022)	(10,346)
(Decrease)/Increase in inventories	(38,818)	326,445	–	–
Decrease/(Increase) in receivables	51,093	4,711,212	(4,498)	(2)
Decrease/(Increase) in contract assets	681,734	(508,935)	–	–
(Decrease)/Increase in amount due to Directors	(93,500)	(22,500)	54,000	–
Decrease in provision for staff gratuity	(198,929)	(288,296)	–	–
Increase in payables	113,784	1,279,841	62,510	10,346
<b>Cash generated from/(used in) operations</b>	440,837	5,116,922	990	(2)
Tax paid	(108,371)	(46,749)	–	–
<b>Net cash from/(used in) operating activities</b>	332,466	5,070,173	990	(2)

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

**Statements of Cash Flows**  
**For The Financial Year Ended 31 December 2023**  
(cont'd)

	Note	Group 2023 RM	Group 2022 RM	Company 2023 RM	Company 2022 RM
<b>Cash flows from investing activities</b>					
Investment income received		–	26,243	–	–
Interest income received		11,106	34,754	–	–
Proceeds from disposal of property, plant and equipment		100,000	164,400	–	–
Other investment redemption		(294,973)	3,494,900	–	–
Acquisition of property, plant and equipment		(3,366,000)	(5,044,032)	–	–
Acquisition of investment properties		–	(19,872,336)	–	–
Acquisition of right-of-use assets		(614,541)	(356,742)	–	–
<b>Net cash used in investing activities</b>		(4,164,408)	(21,552,813)	–	–
<b>Cash flows from financing activities</b>					
Interest paid		(664,946)	(243,470)	–	–
Issuance of shares		–	2	–	2
Drawdown of term loan	(ii)	1,300,000	13,596,000	–	–
Repayment of term loan	(ii)	(611,893)	(149,618)	–	–
(Placement)/Withdrawal of fixed deposits		(214,031)	846,350	–	–
Repayment of lease liabilities	(ii)	(14,937)	(26,986)	–	–
Sale of treasury shares		750,061	2,397,534	–	–
<b>Net cash from financing activities</b>		544,254	16,419,812	–	2
<b>Net (decrease)/increase in cash and cash equivalents</b>		(3,287,688)	(62,828)	990	–
<b>Cash and cash equivalents at 1 January</b>		4,002,884	4,065,712	–	–
<b>Cash and cash equivalents at 31 December</b>	(i)	715,196	4,002,884	990	–

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

## Statements of Cash Flows

### For The Financial Year Ended 31 December 2023

(cont'd)

Notes:

**(i) Cash and cash equivalents**

Cash and cash equivalents, included in the statements of cash flows comprise cash and bank balances.

**(ii) Reconciliation of liabilities arising from financing activities :**

	1 January RM	Cash flows RM	Non- cash flows RM	31 December RM
<b>Group 2023</b>				
Term loans	13,446,382	688,107	–	14,134,489
Lease liabilities	–	(14,937)	76,325	61,388
<b>Group 2022</b>				
Term loans	–	13,446,382	–	13,446,382
Lease liabilities	26,986	(26,986)	–	–

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

# NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2023

## 1. BASIS OF PREPARATION

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

The accompanying financial statements have been prepared assuming that the Group and the Company will continue as going concerns which contemplate the realisation of assets and settlement of liabilities in the normal course of business.

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

### (a) Standards issued and effective

On 1 January 2023, the Group and the Company have adopted the following accounting standards, amendments and interpretations which are mandatory for annual financial periods beginning on or after 1 January 2023:

#### Description

- MFRS 17, Insurance Contracts
- Amendments to MFRS 17, Insurance Contracts
- Amendment to MFRS 17 Insurance Contracts: Initial Application of MFRS 17 and MFRS 9—Comparative Information
- Amendments to MFRS 108, Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates
- Amendments to MFSR 112, Income Tax: Deferred Tax related to Assets and Liabilities arising from a Single Transaction

The Directors expect that the adoption of the new and amended MFRS above have no impact on the financial statements of the Group and of the Company.

## Notes To The Financial Statements As At 31 December 2023 (cont'd)

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

#### (b) Standards issued but not yet effective

The Group and the Company have not adopted the following standards and interpretations that have been issued but not yet effective:

Description	Effective for annual periods beginning on or after
• Amendments to MFRS 16, Leases: Lease Liability in a Sale and Leaseback	1 January 2024
• Amendments to MFRS 101, Presentation of Financial Statements: Non-current Liabilities with Covenants	1 January 2024
• Amendments to MFRS 107, Statement of Cash Flows and MFRS 7, Financial Instruments: Disclosures—Supplier Finance Arrangements	1 January 2024
• Amendments to MFRS 121, The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability	1 January 2025
• Amendments to MFRS 10, Consolidated Financial Statements and MFRS 128, Investment in Associate and Joint Ventures: Sales or Contribution of Assets Between an Investor and its Associate or Joint Venture	Deferred

The initial application of the abovementioned accounting standards, amendments or interpretations are not expected to have any material impact to the financial statements of the Group and of the Company.

#### (c) Presentation format

The Company entered into an internal reorganisation exercise with Advanced Packaging Technology (M) Berhad (“APT”) by way of Scheme of Arrangement pursuant to Section 366(1) of the Companies Act 2016, hereinafter referred to as the “Acquisition”.

In accordance with MFRS 3, Business Combinations, the Acquisition was accounted for using the reverse acquisition method with the Company being the accounting acquiree and APT being the accounting acquirer.

Consolidated financial statements prepared following a reverse acquisition are a continuation of the financial statements of APT, which is the accounting acquirer, with one adjustment, which is to adjust retrospectively the accounting acquirer’s legal capital to reflect the legal capital of the accounting acquiree.

Comparative information presented has accordingly been, in the case of the Group, retrospectively adjusted into the reorganisation reserve to reflect the legal capital of the Company.

## Notes To The Financial Statements As At 31 December 2023 (cont'd)

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

#### (c) Presentation format (cont'd)

As the consolidated financial statements represent the continuation of the financial statements of APT, including its subsidiary (collectively known as "APT Group"), except for its capital structure, the consolidated financial statements reflect:

- (i) the assets and liabilities of the APT Group recognised and measured at their pre-combination carrying amount;
- (ii) the assets and liabilities of the Company recognised and measured at their fair value;
- (iii) the retained earnings and other equity balances of APT Group before the Acquisition; and
- (iv) the amount recognised as issued equity interests in the consolidated financial statements is determined by adding the issued equity interest of APT Group outstanding immediately before the Acquisition to the fair value of the Company. However, the equity structure reflects the equity structure of the Company, including the equity interests the legal parent issued to effect the Acquisition. Accordingly, the equity structure of APT Group is restated using the exchange ratio established in the Scheme of Arrangement to reflect the number of shares of the Company issued in the reverse acquisition.

#### (d) Basis of measurement

The financial statements have been prepared on the historical cost basis unless otherwise as indicated in the summary of significant accounting policies.

#### (e) Significant accounting estimates and judgements

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

##### Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

##### (i) Revenue Recognition Over Time

The Group manufactures goods with customised specifications stated in the contracts with customers, thus based on management assessment at contract inception, these goods do not have alternative use to the Group. The Group has an enforceable right to payment for performance completed to date, as if the contract is terminated by the customer at any time, the Group always has the right to bill customers for the performance completed to date.

As a result, the Group recognises revenue over time using output method, based on appraisals of results achieved. Upon completion of manufacturing the goods, if all of these goods pass the quality control testing and have not yet been delivered to customers, the Group will recognise 99% of transaction price as revenue at the end of each reporting date. The remaining 1% of transaction price is recognised as revenue upon delivery of these goods to customers.

The revenue recognised during the year would differ if the Group uses different method to recognise revenue from contracts with customers over time.

## Notes To The Financial Statements As At 31 December 2023

(cont'd)

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

#### (e) Significant accounting estimates and judgements (cont'd)

##### Key sources of estimation uncertainty (cont'd)

##### (ii) *Income Taxes*

There are certain transactions and computations for which the ultimate tax determination may be different from the initial estimate. The Group and the Company recognise tax liabilities based on its understanding of the prevailing tax laws and estimates of whether such taxes will be due in the ordinary course of business. Where the final outcome of these matters is different from the amounts that were initially recognised, such difference will impact the income tax and deferred tax provisions in the year in which such determination is made.

##### (iii) *Depreciation of Property, Plant and Equipment*

The estimates for the residual values, useful lives and related depreciation charges for the property, plant and equipment are based on commercial and production factors which could change significantly as a result of technical innovations and competitors' actions in response to the market conditions.

The Group anticipates that the residual values of its property, plant and equipment will be insignificant. As a result, residual values are not being taken into consideration for the computation of the depreciable amount.

Changes in the expected level of usage and technological development could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised.

##### (iv) *Impairment of Non-financial Assets*

When the recoverable amount of an asset is determined based on the estimate of the value in use of the cash-generating unit to which the asset is allocated, the management is required to make an estimate of the expected future cash flows from the cash-generating unit and also to apply a suitable discount rate in order to determine the present value of those cash flows.

##### (v) *Write-down of Inventories*

Reviews are made periodically by management on damaged, obsolete and slow-moving inventories. These reviews require judgement and estimates. Possible changes in these estimates could result in revisions to the valuation of inventories.

##### (vi) *Provision for Expected Credit Losses ("ECLs") of Trade Receivables*

The Group and the Company use a provision matrix to calculate ECLs for trade receivables and contract assets. The provision rates are based on the payment profiles of sales over a period of 36 months before the end of the reporting period and the corresponding historical credit losses experienced within this period.

The provision matrix is initially based on the Group's and the Company's historical observed default rates. The Group and the Company will calibrate the matrix to adjust the historical credit loss experience with forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The historical observed default rates are updated and changes in the forward-looking estimates are analysed at every end of the reporting period.

## Notes To The Financial Statements As At 31 December 2023 (cont'd)

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

#### (e) Significant accounting estimates and judgements (cont'd)

##### Key sources of estimation uncertainty (cont'd)

##### (vii) *Deferred Tax Assets and Liabilities*

Deferred tax implications arising from the changes in corporate income tax rates are measured with reference to the estimated realisation and settlement of temporary differences in the future periods in which the tax rates are expected to apply, based on the tax rates enacted or substantively enacted at the reporting date. While management's estimates on the realisation and settlement of temporary differences are based on the available information at the reporting date, changes in business strategy, future operating performance and other factors could potentially impact on the actual timing and amount of temporary differences realised and settled. Any difference between the actual amount and the estimated amount would be recognised in the profit or loss in the period in which actual realisation and settlement occurs.

##### (viii) *Provision for Staff Gratuity*

The present value of the retirement gratuities is determined by discounting the amount payable by reference to market yields at the date of the statement of financial position on high quality corporate bonds which have terms to maturity approximating the terms of the related liability. Past service costs are recognised immediately in profit or loss.

##### (ix) *Carrying Value of Investments in Subsidiary Companies*

Investment in subsidiary companies are reviewed for impairment annually in accordance with its accounting policy as disclosed in Note 2(g)(ii) to the financial statements, or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

Significant judgement is required in the estimation of the present value of future cash flows generated by the subsidiaries, which involves uncertainties and are significantly affected by assumptions and judgements made regarding estimated of future cash flows and discount rates. Changes in assumptions could significantly affect the Company's amount of investment in subsidiary.

##### (x) *Lease*

##### (a) *Lease term*

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option.

Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

##### (b) *Incremental borrowing rate of leases*

In determining the incremental borrowing rate, the Group uses interest rate ranging from 3.70% to 4.70% as a starting point and makes adjustments specific to the lease, from one (1) to three (3) years.

## Notes To The Financial Statements As At 31 December 2023

(cont'd)

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### 2. MATERIAL ACCOUNTING POLICIES

The Group adopted Amendments to MFRS101, Presentation of Financial Statements – Disclosure of Accounting Policies for the first time in 2023. Although the amendments did not result in any changes to the accounting policies themselves, they impacted the accounting policy information disclosed in the financial statements.

The amendments require the disclosure of 'material', rather than 'significant', accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand other information in the financial statements.

Management reviewed the accounting policies and made updates to the information disclosed in Material accounting policies (2022: Significant accounting policies) in certain instances in line with the amendments.

The material accounting policies adopted by the Group are consistent with those in the previous financial years unless otherwise stated.

Certain immaterial accounting policies have been voluntarily disclosed to ensure completeness in the financial statements of the Group.

#### (a) Basis of consolidation

##### (i) Subsidiaries

Subsidiaries are entities, including structured entities, controlled by the Group. The Group controls the entities when the Group is exposed to, or has rights to, variable returns from its involvement with the entities and has the ability to affect those returns through its power over the entities.

The Group considers it has de-facto power over an investee when, despite not having the majority of voting rights, it has the current ability in circumstances where the size of the Group's voting rights relative to the size and dispersion of holdings of other shareholders to direct the activities of the investee that significantly affect the investee's return. Potential voting rights are considered when assessing control only when such rights are substantive.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Business combinations are accounted for using the acquisition method on the acquisition date. The consideration transferred includes the fair value of assets transferred, equity interest issued by the Group and liabilities assumed. Identifiable assets acquired, liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of the acquiree's identifiable net assets.

## Notes To The Financial Statements As At 31 December 2023 (cont'd)

### 2. MATERIAL ACCOUNTING POLICIES (CONT'D)

#### (a) Basis of consolidation (cont'd)

##### (i) Subsidiaries (cont'd)

Acquisition-related costs are recognised in the profit or loss as incurred.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recognised as goodwill. If the total of consideration transferred, non-controlling interest recognised and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in profit or loss.

Investments in subsidiaries are measured in the Company's statement of financial position at cost less any impairment losses, unless the investment is classified as held for sale or distribution. The cost of investment includes transaction costs.

##### (ii) Business combinations

Acquisitions of business are accounted for using the acquisition method. Under the acquisition method, the consideration transferred for acquisition of a subsidiary is the fair value of the assets transferred, liabilities incurred and the equity interests issued by the Group at the acquisition date. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs, other than the costs to issue debt or equity securities, are recognised in profit or loss when incurred.

In a business combination achieved in stages, previously held equity interests in the acquiree are remeasured at fair value at the acquisition date and any corresponding gain or loss is recognised in profit or loss.

Non-controlling interests in the acquiree may be initially measured either at fair value or at the non-controlling interests' proportionate shares of the fair value of the acquiree's identifiable net assets at the date of acquisition. The choice of measurement basis is made on a transaction-by-transaction basis.

##### (iii) Non-controlling interests

Non-controlling interests at the end of the reporting period, being the equity in a subsidiary not attributable directly or indirectly to the equity holders of the Company, are presented in the consolidated statement of financial position and statement of changes in equity within equity, separately from equity attributable to the owners of the Company. Non-controlling interests in the results of the Group is presented in the consolidated statement of profit or loss and other comprehensive income as an allocation of the profit and loss and the other comprehensive income for the year between non-controlling interests and the owners of the Company.

Losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if doing so caused the non-controlling interests to have a deficit balance.

## Notes To The Financial Statements As At 31 December 2023

(cont'd)

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### 2. MATERIAL ACCOUNTING POLICIES (CONT'D)

#### (a) Basis of consolidation (cont'd)

##### (iv) *Transactions with non-controlling interests*

Transactions with non-controlling interests are accounted for using the entity concept method, whereby, transactions with non-controlling interests are accounted for as transactions with owners.

On acquisition of non-controlling interest, the difference between the consideration and the Group's share of the net assets acquired is recognised directly in equity. Gain or loss on disposal to non-controlling interests is recognised directly in equity.

##### (v) *Loss of control*

Upon the loss of control of a subsidiary, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in the profit or loss. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently it is accounted for as equity accounted investee or as an available-for-sale financial asset depending on the level of influence retained.

##### (vi) *Transactions eliminated on consolidation*

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

Unrealised gains arising from transactions with equity accounted associates are eliminated against the investment to the extent of the Group's interest in the associates and jointly controlled entities. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

#### (b) Foreign currencies

##### (i) *Functional and presentation currency*

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

##### (ii) *Foreign currencies transactions*

Transactions in foreign currencies are measured in the respective functional currencies of the Group and of the Company are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary items denominated in foreign currencies that are measured at historical cost are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items denominated in foreign currencies measured at fair value are translated using the exchange rates at the date when the fair value was determined.

## Notes To The Financial Statements As At 31 December 2023 (cont'd)

### 2. MATERIAL ACCOUNTING POLICIES (CONT'D)

#### (b) Foreign currencies (cont'd)

##### (ii) Foreign currencies transactions (cont'd)

Exchange differences arising on the settlement of monetary items or on translating monetary items at the reporting date are recognised in profit or loss except for exchange differences arising on monetary items that form part of the Group's and of the Company's net investment in foreign operations, which are recognised initially in other comprehensive income and accumulated under foreign currency translation reserve in equity. The foreign currency translation reserve is reclassified from equity to the profit and loss of the Company on disposal of the foreign operation.

Exchange differences arising on the translation of non-monetary items carried at fair value are included in profit or loss for the period except for the differences arising on the translation of non-monetary items in respect of which gains and losses are recognised directly in equity. Exchange differences arising from such non-monetary items are also recognised directly in equity.

The principal exchange rates for every unit of foreign currency ruling used at reporting date are as follows:

	2023 RM	2022 RM
1 United States Dollar	4.528	4.478
1 Brunei Dollar	3.431	3.330
100 Japanese Yen	3.189	3.384

#### (c) Revenue and other income

##### (i) Sale of goods

The Group manufactures and distributes flexible packaging materials to local and overseas customers. The sale of goods are identified in the contracts with customers: manufacturing and delivery of goods, which are non-distinct. As such, there is only one single performance obligation identified in the contract.

Transaction price is a fixed consideration which is stated in the contracts with customers. The Group recognises revenue over time as stated in Note 1(e)(i) to the financial statements.

No element of financing is deemed present as the sales are normally made with a credit term of 30 to 90 days, which is consistent with the market practice.

The Group does not offer return/refund options, explicit warranty on its products nor provide after-sales service.

##### (ii) Interest income

Interest income is recognised on an accrual basis, based on effective yield on the investment and effective interest method.

##### (iii) Rental income

Rental income is recognised on an accrual basis in accordance with the terms of agreement.

The contract price is fixed, which is based on agreed amount in the agreement. As the customer simultaneously receives and consumes the benefits during the contract period, the revenues are recognised over time.

## Notes To The Financial Statements As At 31 December 2023

(cont'd)

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### 2. MATERIAL ACCOUNTING POLICIES (CONT'D)

#### (d) Employee benefits expense

##### (i) Short term benefits

Wages, salaries, bonuses and social security contributions are recognised as an expense in the financial year in which the associated services are rendered by employees of the Group and of the Company. Short term accumulating compensated absences such as paid annual leave are recognised when services are rendered by employees that increase their entitlement to future compensated absences, and short term non-accumulating compensated absences such as sick leave are recognised when the absences occur.

##### (ii) Defined contribution plans

The Group's and the Company's contribution to defined contribution plans is charged to the profit or loss in the period to which they related. Once the contributions have been paid, the Group and the Company have no further liability in respect of the defined contribution plans.

The Group's and the Company's staff gratuity schemes are for employees who are eligible under their employment contracts. Gratuity for employees is provided for in the financial statements with consideration to the length of service and basic salary earnings of eligible employees and charged to the statement of profit or loss.

#### (e) Income tax

##### (i) Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

Current taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity.

##### (ii) Deferred tax

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred tax liabilities are recognised for all taxable temporary differences other than those that arise from goodwill or excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the business combination costs or from the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit.

Deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised.

The carrying amounts of deferred tax assets are reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient future taxable profits will be available to allow all or part of the deferred tax assets to be utilised.

## Notes To The Financial Statements As At 31 December 2023 (cont'd)

### 2. MATERIAL ACCOUNTING POLICIES (CONT'D)

#### (e) Income tax (cont'd)

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on the tax rates that have been enacted or substantively enacted at the end of the reporting period.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred income taxes relate to the same taxation authority.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transactions either in other comprehensive income or directly in equity and deferred tax arising from a business combination is included in the resulting goodwill or excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the business combination costs.

#### (f) Borrowing costs

Borrowing costs are stated at cost with any difference between cost and redemption value being recognised in the profit or loss over the period of the loans and borrowings using the effective interest method.

Borrowing costs incurred in connection with financing the construction and installation of property, plant and equipment is capitalised until the property, plant and equipment are ready for their intended use. All other borrowing costs are charged to the profit or loss.

Borrowings are classified as current liabilities unless the Group and the Company have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

#### (g) Impairment

##### (i) *Financial assets*

The Group and the Company recognise loss allowances for expected credit losses on financial assets measured at amortised cost, expected credit losses are a probability-weighted estimate of credit losses.

The Group and the Company measure loss allowances at an amount equal to lifetime expected credit loss, except for cash and bank balances. Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit loss.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit loss, the Group and the Company consider reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's and the Company's historical experience and informed credit assessment and including forward-looking information, where available.

## Notes To The Financial Statements As At 31 December 2023 (cont'd)

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### 2. MATERIAL ACCOUNTING POLICIES (CONT'D)

#### (g) Impairment (cont'd)

##### (i) *Financial assets (cont'd)*

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of the asset, which 12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within the 12-months after the reporting date. The maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group and the Company are exposed to credit risk.

The Group and the Company estimate the expected credit losses on trade receivables using a provision matrix with reference to historical credit loss experience.

An impairment loss in respect of financial assets measured at amortised cost is recognised in profit or loss and the carrying amount of the asset is reduced through the use of an allowance amount.

At each reporting date, the Group and the Company assess whether financial assets carried at amortised cost are credit-impaired. A financial asset is credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

The gross carrying amount of a financial asset is written off (either partially or full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group and the Company determine 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. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's and the Company's procedures for recovery amounts due.

##### (ii) *Non-financial assets*

The Group and the Company assess at each reporting date whether there is an indication that a non-financial asset may be impaired. If any such indication exists or when an annual impairment assessment for an asset is required, the Group and the Company make an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's fair value less costs to sell and its value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units ("CGU")).

In assessing value in use, the estimated future cash flows expected to be generated by the asset are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where the carrying amount of an asset exceeds its recoverable amount, the asset is written down to its recoverable amount. Impairment losses recognised in respect of a CGU or groups of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to those units or groups of units and then, to reduce the carrying amount of the other assets in the unit or groups of units on a pro-rata basis.

Impairment losses are recognised in profit or loss except for assets that are previously revalued where the revaluation was taken to other comprehensive income and equity. In this case the impairment is also recognised in other comprehensive income and equity up to the amount of any previous revaluation.

## Notes To The Financial Statements As At 31 December 2023 (cont'd)

### 2. MATERIAL ACCOUNTING POLICIES (CONT'D)

#### (g) Impairment (cont'd)

##### (ii) Non-financial assets (cont'd)

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. The increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase. Impairment loss on goodwill is not reversed in subsequent periods.

#### (h) Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost. The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. When significant parts of property, plant and equipment are required to be replaced in intervals, the Group recognises such parts as individual assets with specific useful lives and depreciation, respectively. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the property, plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Capital work-in-progress is not depreciated as these assets are not available for use. Depreciation will commence on these assets when they are ready for their intended use.

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

Plant, machinery and tools	7½% - 10%
Furniture, fittings and equipment	10% - 20%
Motor vehicles	20%

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

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

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

## Notes To The Financial Statements As At 31 December 2023

(cont'd)

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### 2. MATERIAL ACCOUNTING POLICIES (CONT'D)

#### (i) Investment properties

Investment properties which are owned or held under a leasehold interest to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes.

Investment properties are initially measured at cost, including transaction cost. Cost includes expenditures that are directly attributable to the acquisition of the investment property. The cost of self-constructed investment property includes the cost of materials and direct labour, any other costs directly attributable to bring the investment property to a working condition for their intended use and capitalised borrowing costs.

Subsequent to initial recognition, investment properties are measured at fair value and are revalued annually and are included in the statement of financial position at their open market values. Any gain or loss resulting from either a change in the fair value or the sale of an investment property is immediately recognised in profit or loss in the period in which they arise. The fair values are determined by external professional valuers with sufficient experience with respect to both the location and the nature of the investment property and supported by market evidence. Where the fair value of the investment property under construction is not reliably determinable, the investment property under construction is measured at cost until either its fair value becomes reliably determinable or construction is complete, whichever is earlier.

Investment properties are derecognised when either they are disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from the disposal. Any gain or loss on the retirement or disposal of an investment property is recognised in the profit or loss in the financial period of retirement or disposal.

Transfers are made to or from investment property only when there is a change in use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of change. When an item of property, plant and equipment is transferred to investment property following a change in its use, any difference arising at the date of transfer between the carrying amount of the item immediately prior to transfer and its fair value is recognised directly in equity as a revaluation of property, plant and equipment. However, if a fair value gain reverses a previous impairment loss, the gain is recognised in profit or loss. Upon disposal of an investment property, any surplus previously recorded in equity is transferred to retained earnings; the transfer is not made through profit or loss.

#### (j) Financial assets

Categories of financial assets are determined on initial recognition and are not reclassified subsequent to their initial recognition unless the Group and the Company change its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change of the business model.

## Notes To The Financial Statements As At 31 December 2023 (cont'd)

### 2. MATERIAL ACCOUNTING POLICIES (CONT'D)

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

##### (i) Amortised costs

Amortised cost category comprises financial assets that are held within a business model whose objective is to hold assets to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The financial assets are not designated as fair value through profit or loss. Subsequent to initial recognition, these financial assets are measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Interest income is recognised by applying effective interest rate to the gross carrying amount except for credit impaired financial assets where the effective interest rate is applied to the amortised cost.

##### (ii) Fair value through other comprehensive income

###### *Equity investments*

This category comprises investment in equity that is not held for trading, and the Group and the Company irrevocably elects to present subsequent changes in the investment's fair value in other comprehensive income. This election is made on an investment-by-investment basis. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of investment. Other net gains and losses are recognised in other comprehensive income. On derecognition, gains and losses accumulated in other comprehensive income are not reclassified to profit or loss.

##### (iii) Fair value through profit or loss

All financial assets not measured at amortised cost as described above are measured at FVTPL. This includes derivative financial assets (except for a derivative that is a designated and effective hedging instrument).

Financial assets categorised as FVTPL are subsequently measured at their fair value. Net gains or losses, including any interest or dividend income, are recognised in the profit or loss.

#### (k) Inventories

Inventories, comprising of raw materials, work-in-progress, finished goods and consumables, are stated at the lower of cost and net realisable value.

Cost is determined using first-in-first-out basis. Cost of raw materials and consumables, includes all cost incurred in bringing them to their present location and condition.

Cost of work-in-progress and finished goods include the cost of raw materials, direct labour and an appropriate proportion of the fixed and variable production overheads.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and estimated costs necessary to make the sales.

## Notes To The Financial Statements As At 31 December 2023

(cont'd)

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### 2. MATERIAL ACCOUNTING POLICIES (CONT'D)

#### (l) Contract asset

A contract asset is recognised when the Group's right to consideration is conditional on something other than the passage of time. A contract asset is subject to impairment in accordance to Note 2(g) (i) to the financial statements.

#### (m) Cash and cash equivalents

Cash and cash equivalents comprise of cash at bank and on hand, demand deposits, short term and highly liquid investments that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in fair value with original maturities of three months or less and are used by the Group and the Company in management of their short-term commitments.

#### (n) Treasury shares

When shares of the Group, that have not been cancelled, recognised as equity are reacquired, the amount of consideration paid is recognised directly in equity. Reacquired shares are classified as treasury shares and presented as a deduction from total equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of treasury shares. When treasury shares are reissued by resale, the difference between the sales consideration and the carrying amount is recognised in equity.

#### (o) Financial liabilities

##### *Amortised cost*

Other financial liabilities not categorised as fair value through profit or loss are subsequently measured at amortised cost using the effective interest method.

Interest expense and foreign exchange gains and losses are recognised in the profit or loss. Any gains or losses on derecognition are also recognised in the profit or loss.

#### (p) Leases

##### As a lessor

##### (i) Initial recognition and measurement

Leases for which the Group is a lessor are classified as finance or operating leases.

Leases which transfer substantially all of the risks and rewards incidental to ownership of the underlying asset is a finance lease; if not, then it is an operating lease.

The Group recognises assets held under a finance lease in its statement of financial position and presents them as a receivable at an amount equal to the net investment in the lease. Initial direct costs, other than those incurred by manufacturer or dealer lessors, are included in the initial measurement of the investment in the lease.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. It assesses the lease classification of a sublease with reference to the right-of-use asset arising from the head lease. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sublease as an operating lease.

## Notes To The Financial Statements As At 31 December 2023 (cont'd)

### 2. MATERIAL ACCOUNTING POLICIES (CONT'D)

#### (p) Leases (cont'd)

##### As a lessor (cont'd)

##### (ii) Subsequent measurement

Finance income from finance leases is recognised over the lease term, based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease whereas lease income from operating leases is recognised in profit or loss on a straight-line basis over the lease term.

##### As a lessee

##### (i) Initial recognition and measurement

The Group recognised right-of-use asset and lease liability at the commencement date of the lease. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing. Thus, the Group uses their incremental borrowing rate as the discount rate.

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 less 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.

The Group excludes variable lease payments that linked to future performance or usage of the underlying asset from the lease liability. Instead, these payments are recognised in profit or loss in the period in which the performance or use occurs.

##### (ii) Subsequent measurement

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a revision of in-substance fixed lease payments, or if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

## Notes To The Financial Statements As At 31 December 2023

(cont'd)

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### 2. MATERIAL ACCOUNTING POLICIES (CONT'D)

#### (q) Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

#### (r) Earnings per ordinary share

The Group and the Company present basic and diluted earnings per share data for its ordinary shares ("EPS").

Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Group and of the Company by the weighted average number of ordinary shares outstanding during the period, adjusted for own shares held.

Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all diluted potential ordinary shares, which comprises convertible notes and share granted to employees.

#### (s) Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

#### (t) Contingencies

##### (i) *Contingent liabilities*

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is not recognised in the statement of financial position and is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent liabilities unless the probability outflow of economic benefits is remote.

##### (ii) *Contingent assets*

When an inflow of economic benefit of an asset is probable where it arises from past events and where existence will be confirmed only by the occurrence or non-occurrence of one of more uncertain future events not wholly within the control of the entity, the asset is not recognised in the statement of financial position but is being disclosed as a contingent asset. When the inflow of economic benefit is virtually certain, then the related asset is recognised.

## Notes To The Financial Statements As At 31 December 2023 (cont'd)

### 2. MATERIAL ACCOUNTING POLICIES (CONT'D)

#### (u) Operating segment

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

#### (v) Equity instrument

An equity instrument is any contract that evidences a residual interest in the assets of the Group and of the Company after deducting all of its liabilities.

Ordinary shares are recorded at the proceeds received, net of directly attributable incremental transaction costs. Ordinary shares are classified as equity. Dividends on ordinary shares are recognised out of equity in the period in which they are declared.

#### (w) Fair value measurements

Fair value of an asset or a liability, except for share-based payment and lease transactions, is determined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market or in the absence of a principal market, in the most advantageous market which must be accessible to the Group and the Company.

For non-financial asset, the fair value measurement considers a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

When measuring the fair value of an asset or a liability, the Group and the Company use observable market data as far as possible. Fair value are categories into different levels in a fair value hierarchy based on the input used in the valuation techniques as follows:

- Level 1 : Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date.
- Level 2 : Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 : Unobservable inputs for the asset or liability.

The Group and the Company recognise transfers between levels of the fair value hierarchy as of the date of the event or change in circumstances that caused the transfer.

## Notes To The Financial Statements

### As At 31 December 2023

(cont'd)

### 3. REVENUE

	Group 01.01.2023 to 31.12.2023 RM	01.01.2022 to 31.12.2022 RM
Sales of packaging materials	25,190,350	28,626,844
Rental income from investment properties	616,000	392,000
	25,806,350	29,018,844

Disaggregation of revenue from sales of packaging materials:

	Manufacturing and distribution RM	Rental income RM	Total RM
<b>By primary geographical market:</b>			
Malaysia	24,714,344	616,000	25,330,344
Mauritius	261,945	–	261,945
Brunei	214,061	–	214,061
	25,190,350	616,000	25,806,350
<b>Major goods or services</b>			
Packaging materials	25,190,350	–	25,190,350
Rental income	–	616,000	616,000
	25,190,350	616,000	25,806,350
<b>Timing of revenue recognition</b>			
Over time	25,190,350	616,000	25,806,350

## Notes To The Financial Statements As At 31 December 2023

(cont'd)

### 4. EMPLOYEE BENEFITS EXPENSE

	Group		Company	
	01.01.2023 to 31.12.2023 RM	01.01.2022 to 31.12.2022 RM	01.01.2023 to 31.12.2023 RM	17.03.2022 to 31.12.2022 RM
(a) Staff costs				
Salaries, wages, allowances, bonus and overtime	4,025,367	3,401,337	–	–
Contributions to defined contribution plan	381,251	327,656	–	–
Social security contributions	60,070	52,125	–	–
Other benefits	268,809	300,337	–	–
	4,735,497	4,081,455	–	–
(b) Directors' remuneration and fees				
<i>Executive:</i>				
Salaries, allowances and other emoluments	600,000	468,000	–	–
Contribution to defined contribution plan	34,080	27,120	–	–
Social security contributions	1,040	899	–	–
Estimated money value of benefits-in-kind	11,100	7,400	–	–
	646,220	503,419	–	–
<i>Non-executive:</i>				
Salaries, allowances and other emoluments	77,300	63,600	14,100	–
Total Directors' remuneration	723,520	567,019	14,100	–
<i>Director's fees</i>				
Executive	78,000	60,000	12,000	–
Non-executive	263,500	147,500	42,000	–
Total Director's fees	341,500	207,500	54,000	–
Total Directors' remuneration and fees	1,065,020	774,519	68,100	–
Total Directors' remuneration and fees excluding benefits-in-kind	1,053,920	767,119	68,100	–
Total staff costs	5,800,517	4,855,974	68,100	–

## Notes To The Financial Statements As At 31 December 2023

(cont'd)

### 5. FINANCE COSTS

	Group	
	01.01.2023 to 31.12.2023 RM	01.01.2022 to 31.12.2022 RM
Interest expense		
- term loans	659,592	243,100
- lease liabilities	5,354	370
	<u>664,946</u>	<u>243,470</u>

### 6. LOSS BEFORE TAX

	Group		Company	
	01.01.2023 to 31.12.2023 RM	01.01.2022 to 31.12.2022 RM	01.01.2023 to 31.12.2023 RM	17.03.2022 to 31.12.2022 RM
Loss before tax is arrived at after charging/(crediting):				
Auditors' remuneration				
- Statutory audit	55,000	49,500	5,000	1,500
- Non-statutory audit	7,000	7,000	7,000	-
Reversal of amortised cost of provision for gratuity	(486,948)	(36,561)	-	-
Depreciation of property, plant and equipment	1,398,289	1,141,898	-	-
Depreciation of right-of-use assets	199,543	155,761	-	-
Depreciation of investment properties	42,347	26,665	-	-
(Gain)/Loss on foreign exchange				
- realised	(5,981)	(38,368)	-	-
- unrealised	(9,704)	5,173	-	-
Fair value loss/(gain) on other investments	2,668	(185,856)	-	-
Gain on disposal of property, plant and equipment	(99,999)	(164,381)	-	-
Interest income				
- Interest income received from deposits placed with licensed banks	(11,106)	(34,754)	-	-

**Notes To The Financial Statements**  
**As At 31 December 2023**  
(cont'd)

**6. LOSS BEFORE TAX (CONT'D)**

	Group		Company	
	01.01.2023 to 31.12.2023 RM	01.01.2022 to 31.12.2022 RM	01.01.2023 to 31.12.2023 RM	17.03.2022 to 31.12.2022 RM
Loss before tax is arrived at after charging/(crediting):				
Inventories written off	49,881	111,214	–	–
Investment income	–	(26,243)	–	–
Loss on derecognition of right-of-use assets	–	15,644	–	–
Property, plant and equipment written off	87	–	–	–
Impairment of trade receivables	22,560	–	–	–
Provision for staff gratuity	51,337	50,520	–	–

**7. TAX (INCOME)/EXPENSES**

	Group		Company	
	01.01.2023 to 31.12.2023 RM	01.01.2022 to 31.12.2022 RM	01.01.2023 to 31.12.2023 RM	17.03.2022 to 31.12.2022 RM
Current tax expense				
- current year	32,714	43,642	–	–
- underprovision in prior years	3,919	–	–	–
	36,633	43,642	–	–
Deferred tax expense (Note 22)				
- current year	(187,118)	–	–	–
- overprovision in prior years	(167,578)	–	–	–
	(354,696)	–	–	–
	(318,063)	43,642	–	–

## Notes To The Financial Statements As At 31 December 2023

(cont'd)

### 7. TAX (INCOME)/EXPENSES

#### Reconciliation of tax expense

	Group		Company	
	01.01.2023 to 31.12.2023 RM	01.01.2022 to 31.12.2022 RM	01.01.2023 to 31.12.2023 RM	17.03.2022 to 31.12.2022 RM
Loss before tax	(2,047,193)	(1,683,395)	(111,022)	(10,346)
Taxation computed at statutory tax rate of 24%	(491,326)	(404,015)	(26,645)	(2,483)
Non-deductible expenses	154,754	98,071	26,645	2,483
Non-taxable income	(167,313)	(128,442)	–	–
Deferred tax assets not recognised	349,481	478,028	–	–
	(154,404)	43,642	–	–
Underprovision of current tax in prior years	3,919	–	–	–
Overprovision of deferred tax in prior years	(167,578)	–	–	–
	(318,063)	43,642	–	–

The Group and the Company have unutilised tax losses and unabsorbed capital allowance amounting to RM1,465,570 and RM3,870,197 (2022: RM523,339 and RM2,858,232) respectively to be utilised against future taxable profits.

Unutilised tax losses can be carried forward for a period of 10 years of assessment (“YA”) to set off against future taxable profits.

## Notes To The Financial Statements As At 31 December 2023 (cont'd)

### 8. LOSS PER ORDINARY SHARE

Basic loss per ordinary share for the financial year is calculated by dividing the comprehensive income for the financial year attributable to owners of the Group and of the Company by the weighted average number of ordinary shares outstanding during the financial year, after taking into consideration of the treasury shares held by the Company calculated as follows:

	Group		Company	
	01.01.2023 to 31.12.2023 RM	01.01.2022 to 31.12.2022 RM	01.01.2023 to 31.12.2023 RM	17.03.2022 to 31.12.2022 RM
Total comprehensive loss attributable to owners (RM)	(1,729,130)	(1,727,037)	(111,022)	(10,346)
Weighted average number of ordinary shares in issue, net of treasury shares	81,355,138	79,980,936	81,355,138	N/A
Basic loss per share (sen)	(2.13)	(2.16)	(0.14)	N/A
Diluted loss per share (sen)	(2.13)	(2.16)	(0.14)	N/A

**Notes To The Financial Statements**  
**As At 31 December 2023**  
(cont'd)

**9. PROPERTY, PLANT AND EQUIPMENT**

<b>Group 2023</b>	<b>Plant, machinery and tools RM</b>	<b>Furniture, fittings and equipment RM</b>	<b>Motor vehicles RM</b>	<b>Work-in- progress RM</b>	<b>Total RM</b>
<b>Cost</b>					
At 1 January	30,425,609	1,051,412	579,146	3,957,674	36,013,841
Additions	1,965,035	295,259	–	1,105,706	3,366,000
Reclassification	3,957,674	–	–	(3,957,674)	–
Written off	(1,732,717)	(260)	–	–	(1,732,977)
Disposals	(995,206)	–	–	–	(995,206)
At 31 December	33,620,395	1,346,411	579,146	1,105,706	36,651,658
<b>Accumulated depreciation</b>					
At 1 January	23,669,565	677,330	303,753	–	24,650,648
Charge for the financial year	1,203,219	138,414	56,656	–	1,398,289
Written off	(1,732,631)	(259)	–	–	(1,732,890)
Disposals	(995,205)	–	–	–	(995,205)
At 31 December	22,144,948	815,485	360,409	–	23,320,842
<b>Carrying amount</b>					
At 31 December	11,475,447	530,926	218,737	1,105,706	13,330,816

Notes To The Financial Statements  
As At 31 December 2023  
(cont'd)

9. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Group 2022	Plant, machinery and tools RM	Furniture, fittings and equipment RM	Motor vehicles RM	Work-in- progress RM	Total RM
<b>Cost</b>					
At 1 January	34,332,907	979,332	708,312	4,000	36,024,551
Additions	684,474	88,572	317,312	3,953,674	5,044,032
Written off	(4,591,772)	(16,492)	(446,478)	–	(5,054,742)
At 31 December	30,425,609	1,051,412	579,146	3,957,674	36,013,841
<b>Accumulated depreciation</b>					
At 1 January	27,232,706	622,465	708,302	–	28,563,473
Charge for the financial year	1,028,627	71,346	41,925	–	1,141,898
Written off	(4,591,768)	(16,481)	(446,474)	–	(5,054,723)
At 31 December	23,669,565	677,330	303,753	–	24,650,648
<b>Carrying amount</b>					
At 31 December	6,756,044	374,082	275,393	3,957,674	11,363,193

## Notes To The Financial Statements As At 31 December 2023

(cont'd)

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

Included in property, plant and equipment of the Group and of the Company are the following fully depreciated property, plant and equipment which are still in use:

	2023 RM	Group 2022 RM
At cost:		
Plant, machinery and tools	20,297,667	19,559,913
Furniture, fittings and equipment	501,133	469,953
Motor vehicles	261,840	261,840
	<u>21,060,640</u>	<u>20,291,706</u>

#### *Impairment of property, plant and equipment*

- (i) During the financial year ended 2023, the Group had assessed the recoverability of its new additions of property, plant and equipment with the carrying amount of RM5,021,122 as the Group continues to report losses for the current financial year which gave rise to an indication of impairment. No impairment loss was recognised for the property, plant and equipment on consolidation for the current financial year as its recoverable value was in excess of its carrying values.

The plant, machinery and tools of the Group were valued on 11 March 2024 based on valuations carried out by an external independent professional valuer as below:

Description	Valuation method	Valuation amount RM
Plant, machinery and tools	Cost replacement method	<u>5,053,000</u>

- (ii) In the current financial year, the Directors have placed reliance on the valuation report dated 13 March 2023 provided by the external independent valuers with appropriate recognised professional qualifications and recent experience in the plant, machinery and tools category, had performed desktop review based on the Directors' best estimation to estimate the fair value of the plant, machinery and tools. The Directors considered that the market value to remained constant with no substantial variation from the fair value, even after accounting for the annual depreciation.

**Notes To The Financial Statements**  
**As At 31 December 2023**  
(cont'd)

**10. RIGHT-OF-USE ASSETS**

<b>Group 2023</b>	<b>Lease rental RM</b>	<b>Leasehold land RM</b>	<b>Buildings RM</b>	<b>Total RM</b>
<b>Cost</b>				
At 1 January	–	739,000	5,890,882	6,629,882
Addition	76,325	–	614,541	690,866
As at 31 December	76,325	739,000	6,505,423	7,320,748
<b>Accumulated depreciation</b>				
At 1 January	–	279,035	3,509,184	3,788,219
Depreciation for the financial year	15,568	7,390	176,585	199,543
As at 31 December	15,568	286,425	3,685,769	3,987,762
<b>Carrying amount</b>				
At 31 December	60,757	452,575	2,819,654	3,332,986
<b>2022</b>				
<b>Cost</b>				
At 1 January	82,583	739,000	5,534,140	6,355,723
Addition	–	–	356,742	356,742
Disposals	(82,583)	–	–	(82,583)
As at 31 December	–	739,000	5,890,882	6,629,882
<b>Accumulated depreciation</b>				
At 1 January	56,527	271,645	3,371,225	3,699,397
Depreciation for the financial year	10,412	7,390	137,959	155,761
Disposals	(66,939)	–	–	(66,939)
As at 31 December	–	279,035	3,509,184	3,788,219
<b>Carrying amount</b>				
At 31 December	–	459,965	2,381,698	2,841,663

## Notes To The Financial Statements As At 31 December 2023 (cont'd)

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

Included under right-of-use assets are:

- (i) The Group and the Company leases buildings with contract terms ranging from 2023 to 2025 for two (2) years.
- (ii) Leasehold lands and buildings of the Group with carrying amount of RM3,272,543 (2022: RM2,841,663)

In the current financial year, the Directors have placed reliance on the valuation report dated 13 March 2023 provided by the external independent property valuers with appropriate recognised professional qualifications and recent experience in the location and category of properties being valued, had performed desktop review based on the Directors' best estimation to estimate the fair value of the leasehold land. The Directors considered that the market value to remained constant with no substantial variation from the fair value, even after accounting for the annual depreciation.

### 11. INVESTMENT IN SUBSIDIARIES

	Company	
	2023 RM	2022 RM
<b>Unquoted shares, at cost</b>		
At 1 January	–	–
Addition		
– Share exchange with APT	20,338,784	–
At 31 December	20,338,784	–

Details of the subsidiaries are as follows:

Name of company	Country of incorporation	Effective equity interest		Principal activities
		2023 %	2022 %	
Advanced Packaging Technology (M) Bhd. ("APT")	Malaysia	100	–	Manufacturing and distribution of flexible packaging materials.
<b>Subsidiary of APT</b> Sino Peak Sdn. Bhd. ("SP")	Malaysia	100	–	Investment holding and provision of management services

## Notes To The Financial Statements As At 31 December 2023 (cont'd)

### 11. INVESTMENT IN A SUBSIDIARY (CONT'D)

On 9 November 2023, the Company acquired the entire equity interest in APT through the issuance of 81,355,136 new ordinary shares as a share exchange with the existing shareholders of APT for all the shares of APT ("APT Share(s)") with the shares of the Company ("GBAY Share(s)") on the basis of 1 new GBAY Share for every 1 APT Share held. Upon completion of the above transaction, APT became a wholly owned subsidiary of the Company. In accordance with MFRS 3, Business Combinations, the acquisition was accounted for using the reverse acquisition method, with the Company being the accounting acquirer and APT being the accounting acquiree.

### 12. OTHER INVESTMENTS

	2023 RM	Group 2022 RM
<b>Current</b>		
Investment in quoted shares	999,251	–
<b>Non-current</b>		
Investment in quoted shares	–	706,946

The investment in quoted shares represent investment in quoted shares and is classified as fair value through profit or loss.

As at the reporting date, the fair value of this investment is equivalent to its carrying value.

### 13. INVESTMENT PROPERTIES

Building	2023 RM	Group 2022 RM
<b>Cost</b>		
At 1 January	19,872,336	–
Addition	–	19,872,336
At 31 December	19,872,336	19,872,336
<b>Accumulated depreciation</b>		
At 1 January	26,665	–
Charge for the financial year	42,347	26,665
At 31 December	69,012	26,665
<b>Carrying amount</b>		
At 31 December	19,803,324	19,845,671

## Notes To The Financial Statements As At 31 December 2023 (cont'd)

### 14. INVENTORIES

	2023 RM	Group 2022 RM
<b>At cost:</b>		
Raw materials	3,537,589	3,518,402
Work-in-progress	582,380	619,196
Consumables	202,158	196,985
Goods in transit	7,622	6,229
	<u>4,329,749</u>	<u>4,340,812</u>
<b>Recognised in profit or loss</b>		
Inventories recognised as cost of production	16,337,380	19,701,275
Inventories written off	49,881	111,214
	<u></u>	<u></u>

### 15. CONTRACT ASSETS

	2023 RM	Group 2022 RM
Contract assets	524,814	1,206,548
	<u></u>	<u></u>

The contract assets primarily related to the Groups' rights to consideration for work completed but not yet billed at the reporting date.

### 16. TRADE RECEIVABLES

	2023 RM	Group 2022 RM
Trade receivables	6,424,855	6,510,451
Less: Impairment	(35,833)	(13,273)
	<u>6,389,022</u>	<u>6,497,178</u>

## Notes To The Financial Statements As At 31 December 2023 (cont'd)

### 16. TRADE RECEIVABLES (CONT'D)

The movement in impairment of trade receivables are as follows:

	2023 RM	Group 2022 RM
Impairment:		
At 1 January	13,273	13,273
Additional	22,560	–
At 31 December	35,833	13,273

The Group's normal trade credit term ranges from 30 to 90 days (2022: 30 to 90 days). Other credit terms are assessed and approved on a case-by-case basis.

The trade receivables are non-interest bearing and recognised at their original invoice amounts which represent their fair values on initial recognition.

### 17. NON-TRADE RECEIVABLES, DEPOSITS AND PREPAYMENTS

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Non-trade receivables	8,068	5,133	–	–
Deposits	21,455	20,756	4,500	–
Prepayments	76,342	26,921	–	–
Others	–	8,848	–	2
	105,865	61,658	4,500	2

Included in non-trade receivables of the Group and of the Company are staff loans of RM8,068 (2022: RM5,133) which bear interest at 3.00% (2022: 4.00%) per annum.

### 18. FIXED DEPOSITS WITH LICENSED BANKS

The deposits placed with licensed banks bear interest rates ranging from 2.25% to 2.80% (2022: 2.35%) per annum and have a maturity period of 365 days (2022: 365 days).

Included in fixed deposits with licensed banks is RM157,280 (2022: RM153,650) pledged to a financial institution for a term loan facility and to secure the term loans of the Company as disclosed in Note 24 to the financial statements.

## Notes To The Financial Statements

### As At 31 December 2023

(cont'd)

#### 19. SHARE CAPITAL

	2023	Group and Company		2022
	Number of Ordinary Shares	2022	2023	2022
			RM	RM
Issued and fully paid:				
At 1 January	2	2	2	2
Issuance of shares				
– Share exchange with APT	82,016,998	–	20,338,784	–
Effect of cancellation of treasury shares	(661,862)	–	–	–
At 31 December	81,355,138	2	20,338,786	2

The holders of ordinary shares is entitled to receive dividends as and when declared by the Company. All ordinary shares are carrying one (1) vote per share without restriction and rank equally with regards to the Company's residual interests.

##### (a) Reorganisation reserve

The reorganisation reserve at the consolidated financial statements represents the differences between the legal capital of the Company (accounting acquiree) and APT (accounting acquirer).

#### 20. TREASURY SHARES

	2023	Group and Company		2022
	Number of Ordinary Shares	2022	2023	2022
			RM	RM
At 1 January	2,036,064	1,392,016	400,945	1,096,473
Subdivision of shares	–	4,176,048	–	–
Sales	(1,374,200)	(3,532,000)	(252,180)	(695,528)
Cancellation	(661,864)	–	(148,765)	–
At 31 December	–	2,036,064	–	400,945

- (i) In the previous financial year, the Company underwent a share-split of a subdivision of every 1 existing ordinary share of the Company into 4 subdivided shares of the Company. The number of ordinary shares held as treasury shares of 2,036,064 represents the number of shares after the split.
- (ii) As at 31 December 2023, the number of outstanding Ordinary Shares (post share-split) in issue after deducting the treasury shares was Nil (2022: 79,980,936).

## Notes To The Financial Statements As At 31 December 2023 (cont'd)

### 20. TREASURY SHARES (CONT'D)

- (iii) The repurchased transactions were financed by internally generated funds. The shares repurchased are being held as treasury shares in accordance with Section 113 subsection 5 (b) of Companies Act, 2016 in Malaysia. The Company has the right to reissue these shares at a later date. As treasury shares, the rights attached as to voting, dividends and participation in other distribution are suspended. Balance of the treasury shares repurchased had cancelled on 14 November 2023.

### 21. RETAINED PROFITS

Under the single tier system introduced by the Finance Act, 2007 in Malaysia which came into effect from the year of assessment 2008, dividends paid under this system are tax exempt in the hands of shareholders. As such, the whole retained profits can be distributed to shareholders as tax exempt dividends.

### 22. DEFERRED TAX LIABILITIES

	2023 RM	Group 2022 RM
At 1 January	354,696	354,696
Transferred to profit or loss (Note 7)	(354,696)	–
At 31 December	–	354,696

The components and movements of deferred tax liabilities and assets during the financial year prior to offsetting are as follows:

	Property, plant and equipment RM
<b>Deferred tax liabilities of the Group:</b>	
At 1 January 2023	1,314,998
Recognised in statements of profit or loss	(1,314,998)
At 31 December 2023	–
At 1 January 2022	1,314,998
Recognised in statements of profit or loss	–
At 31 December 2022	1,314,998

## Notes To The Financial Statements As At 31 December 2023 (cont'd)

### 22. DEFERRED TAX LIABILITIES (CONT'D)

	Unutilised tax losses RM	Unabsorbed capital allowances RM	Provisions RM	Total RM
<b>Deferred tax assets of the Group</b>				
At 1 January 2023	37,488	557,421	365,393	960,302
Recognised in statements of profit or loss	(37,488)	(557,421)	(365,393)	(960,302)
At 31 December 2023	–	–	–	–
At 1 January 2022	37,488	557,421	365,393	960,302
Recognised in statements of profit or loss	–	–	–	–
At 31 December 2022	37,488	557,421	365,393	960,302

The amount of temporary differences for which no deferred tax assets has been recognised in the statement of financial position are as follows (stated at gross):

	2023 RM	Group 2022 RM
Provision	1,611,963	–
Property, plant and equipment	(5,492,190)	–
Unabsorbed capital allowance	3,870,197	–
Unutilised tax losses	1,465,570	–
Others	632	–
	1,456,172	–

### 23. PROVISION FOR STAFF GRATUITY

Representing:		
Current liabilities	–	657,787
Non-current liabilities	890,768	867,521
	890,768	1,525,308

**Notes To The Financial Statements**  
**As At 31 December 2023**  
(cont'd)

**23. PROVISION FOR STAFF GRATUITY (CONT'D)**

	2023 RM	Group 2022 RM
At 1 January	1,141,860	1,379,636
Provision during the financial year	51,337	50,520
Reversal	(486,949)	–
Paid out	(180,304)	(288,296)
	524,944	1,141,860
Add: Amortised cost		
At 1 January	383,448	420,009
Reversal	(18,624)	(36,561)
	364,824	383,448
At 31 December	890,768	1,525,308

The discount rates applied in the computation of the present value of retirement gratuities ranges from 3.58% to 3.74% (2022: 2.63% to 4.50%) per annum.

**24. TERM LOANS**

	2023 RM	Group 2022 RM
Current	682,610	541,714
Non-current	13,451,879	12,904,668
	14,134,489	13,446,382

The maturity structure of the term loans can be analysed as follows:

	2023 RM	Group 2022 RM
Repayable within one (1) year	682,610	541,714
Repayable between two (2) to five (5) years	13,451,879	12,904,668
	14,134,489	13,446,382

## Notes To The Financial Statements As At 31 December 2023 (cont'd)

### 24. TERM LOANS (CONT'D)

#### **Term loan 1**

Term loan 1 of the Group bears an interest of 5.19% (2022: 5.19%) per annum and is secured by way of:

- (i) Legal charges over the factory warehouse of the Group as disclosed in Note 10 to the financial statements; and
- (ii) Jointly and severally guaranteed by certain Directors of the Group.

#### **Term loan 2**

Term loan 2 of the Group bears interest ranging from 5.60% to 6.35% (2022: 5.60% to 6.35%) per annum and is secured by way of:

- (i) first party legal charge over the Group's investment property as disclosed in Note 13 to the financial statements;
- (ii) Personal guarantee by the former shareholder of the Group;
- (iii) Corporate guarantee by the company; and
- (iv) Assignment of all the rights, titles, benefits and interests in respect of the rental proceeds from investment property in favour of the bank.

#### **Term loan 3**

Term loan 3 of the Group bears interest ranges from 6.10% to 6.35% (2022: 6.10% to 6.35%) per annum and is secured by way of:

- (i) first party legal charge over the Group's investment property as disclosed in Note 13 to the financial statements;
- (ii) first party fixed deposits of RM157,280. Interest on the fixed deposit is to be capitalised and pledged as additional security throughout the tenor of banking facility as disclosed in Note 18 to the financial statements;
- (iii) Personal guarantee by the former shareholder of the Group; and
- (iv) Corporate guarantee by the company.

### 25. LEASE LIABILITIES

The following table summarises the carrying amount of the Group's right-of-use assets and the movements during the year:

	Group	
	2023 RM	2022 RM
Representing:		
Current liabilities	40,200	—
Non-current liabilities	21,188	—
	<hr/> 61,388	<hr/> —

**Notes To The Financial Statements**  
**As At 31 December 2023**  
(cont'd)

**25. LEASE LIABILITIES (CONT'D)**

	2023 RM	Group 2022 RM
<b>Recognised in profit or loss:</b>		
Interest expense on lease liabilities	5,354	370

(i) The total cash outflow for leases for the financial year ended 31 December 2023 is RM20,291 (2022: RM27,356); and

(ii) The lease liabilities payable are as follows:

	2023 RM	Group 2022 RM
Present value of lease liabilities:		
Repayable within one year	40,200	–
Repayable between one to two years	21,188	–
	61,388	–

**26. TRADE PAYABLES**

The normal trade credit terms granted to the Group and the Company ranges from 30 to 90 days (2022: 30 to 90 days).

**27. NON-TRADE PAYABLES AND ACCRUALS**

	2023 RM	Group 2022 RM	Company 2023 RM	2022 RM
Non-trade payables				
- Third party	608,515	612,992	–	–
- Amount due to a shareholder	–	1,135,200	–	–
Deposits received	164,500	126,000	–	–
Accruals	799,489	846,468	12,000	1,500
	1,572,504	2,720,660	12,000	1,500

The amount due to a shareholder is unsecured, interest free and repayable on demand.

## Notes To The Financial Statements As At 31 December 2023 (cont'd)

### 28. AMOUNT DUE TO RELATED PARTIES

The amount due to related parties represent Director fees payables to the former directors and are unsecured, interest-free and usually settled within one (1) year.

Significant related party transactions are disclosed in Note 31 to the financial statements.

### 29. AMOUNT DUE TO SUBSIDIARIES

The amount due to subsidiaries represents non-trade, unsecured, interest-free advances and is repayable on demand.

Significant related party transactions are disclosed in Note 31 to the financial statements.

### 30. AMOUNT DUE TO DIRECTORS

The amount due to Directors represent Director fees and are unsecured, interest-free and usually settled within one (1) year.

Significant related party transactions are disclosed in Note 31 to the financial statements.

### 31. SIGNIFICANT RELATED PARTY TRANSACTIONS

(a) Identities of related parties:

Parties are considered to be related to the Group if the Group has the ability to directly control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individual or other entities.

Related parties of the Group include:

- (i) Subsidiaries;
- (ii) Entities in which directors have substantial financial interest; and
- (iii) Key management personnel of the Group and of the Company, comprise persons having the authority and responsibility for planning, directing and controlling the activities directly or indirectly.

(b) Other than those disclosed elsewhere in the financial statements, the Group and the Company also carried out the following transactions with its related parties during the financial year.

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
<b>With former shareholder</b>				
Payment to	–	300,000	–	–
<b>With related party</b>				
Advances from	–	(8,844)	–	(8,844)

**Notes To The Financial Statements**  
**As At 31 December 2023**  
(cont'd)

**31. SIGNIFICANT RELATED PARTY TRANSACTIONS (CONT'D)**

(c) Compensation of Key Management Personnel

	2023 RM	Group 2022 RM
<b>Executive</b>		
Directors' remuneration	646,220	503,419
Directors' fee	78,000	60,000
	<u>724,220</u>	<u>563,419</u>
<b>Non-executive</b>		
Directors' remuneration	77,300	63,600
Directors' fee	263,500	147,500
	<u>340,800</u>	<u>211,100</u>
Total compensation	<u>1,065,020</u>	<u>774,519</u>

**32. SEGMENTAL INFORMATION**

The Group is principally engaged in the manufacturing and distribution of flexible packaging materials in Malaysia. There is no other business component that is an operating segment with a distinct allocation of resources. The Group has exported the packaging materials to Mauritius and Brunei. The revenue of the Group is analysed as follows:

	2023 RM	Group 2022 RM
Malaysia	25,330,344	27,599,180
Mauritius	261,945	1,320,853
Brunei	214,061	98,811
	<u>25,806,350</u>	<u>29,018,844</u>

**Major customers**

For the financial year, the revenue of 5 (2022: 5) customers contributed more than 50% of the total revenue of these major customer(s) is RM13,670,996 (2022: RM15,939,893).

## Notes To The Financial Statements

### As At 31 December 2023

(cont'd)

#### 33. CONTINGENT LIABILITY

	2023 RM	Group 2022 RM
Bank guarantee given by financial institution to third party	288,849	317,343

#### 34. CAPITAL COMMITMENTS

	2023 RM	Group 2022 RM
Capital expenditure not provided for in the financial statements are as follows:		
<b>Property, plant and equipment</b>		
Authorised and contracted for	485,882	–

#### 35. FINANCIAL INSTRUMENTS

##### Categories of financial instruments

- (a) Fair value through profit or loss ("FVTPL");
- (b) Financial assets measured at amortised cost ("AC"); and
- (c) Financial liabilities measured at amortised cost ("AC").

Group	Carrying amount RM	FVTPL RM	AC RM
<b>2023</b>			
<b>Financial assets</b>			
Other investments	999,251	999,251	–
Trade receivables	6,389,022	–	6,389,022
Non-trade receivables and deposits (excluding prepayment)	29,523	–	29,523
Fixed deposits with licensed banks	367,681	–	367,681
Cash and cash equivalents	715,196	–	715,196
	8,500,673	999,251	7,501,422

**Notes To The Financial Statements**  
**As At 31 December 2023**  
(cont'd)

**35. FINANCIAL INSTRUMENTS (CONT'D)**

**Categories of financial instruments (cont'd)**

<b>Group</b>	<b>Carrying amount RM</b>	<b>FVTPL RM</b>	<b>AC RM</b>
<b>2023</b>			
<b>Financial liabilities</b>			
Trade payables	4,760,877	–	4,760,877
Non-trade payables and accruals	1,572,504	–	1,572,504
Amount due to related parties	180,000	–	180,000
Amount due to Directors	114,000	–	114,000
Term loans	14,134,488	–	14,134,488
Lease liabilities	61,388	–	61,388
Provision for gratuity	890,768	–	890,768
	<b>21,714,025</b>	<b>–</b>	<b>21,714,025</b>
<b>2022</b>			
<b>Financial assets</b>			
Other investments	706,946	706,946	–
Trade receivables	6,497,178	–	6,497,178
Non-trade receivables and deposits (excluding prepayment)	34,737	–	34,737
Fixed deposits with licensed banks	153,650	–	153,650
Cash and cash equivalents	4,002,884	–	4,002,884
	<b>11,395,395</b>	<b>706,946</b>	<b>10,688,449</b>
<b>Financial liabilities</b>			
Trade payables	3,670,091	–	3,670,091
Non-trade payables and accruals	2,720,660	–	2,720,660
Amount due to Directors	207,500	–	207,500
Term loan	13,446,382	–	13,446,382
Provision for gratuity	1,525,308	–	1,525,308
	<b>21,569,941</b>	<b>–</b>	<b>21,569,941</b>
<b>Company</b>			
<b>2023</b>			
<b>Financial assets</b>			
Deposits	4,500	–	4,500
Cash and cash equivalents	990	–	990
	<b>5,490</b>	<b>–</b>	<b>5,490</b>

## Notes To The Financial Statements As At 31 December 2023 (cont'd)

### 35. FINANCIAL INSTRUMENTS (CONT'D)

#### Categories of financial instruments (cont'd)

Group	Carrying amount RM	FVTPL RM	AC RM
<b>Company</b>			
<b>2023</b>			
<b>Financial liabilities</b>			
Non-trade payables and accruals	12,000	–	12,000
Amount due to subsidiaries	60,856	–	60,856
Amount due to Directors	54,000	–	54,000
	<u>126,856</u>	<u>–</u>	<u>126,856</u>
<b>Company</b>			
<b>2022</b>			
<b>Financial asset</b>			
Non-trade receivables	2	–	2
	<u>2</u>	<u>–</u>	<u>2</u>
<b>Financial liabilities</b>			
Non-trade payables and accruals	1,500	–	1,500
Amount due to related parties	8,846	–	8,846
	<u>10,346</u>	<u>–</u>	<u>10,346</u>

#### Net gains and (losses) arising from financial instruments

	Group	
	2023 RM	2022 RM
<b>Fair value through profit or loss</b>		
Fair value (loss)/gain on other investments	(2,668)	185,856
<b>Fair value through other comprehensive income</b>		
Investment income	–	26,243
<b>Financial assets measured at amortised cost</b>		
Interest income	11,106	34,574
Impairment of trade receivables	(22,560)	–
Realised gain on foreign exchange	5,981	34,084
Unrealised gain/(loss) on foreign exchange	9,704	(4,076)
	<u>4,231</u>	<u>64,582</u>

## Notes To The Financial Statements As At 31 December 2023 (cont'd)

### 35. FINANCIAL INSTRUMENTS (CONT'D)

#### Categories of financial instruments (cont'd)

	2023 RM	Group 2022 RM
<b>Financial liabilities measured at amortised cos</b>		
Reversal of amortised cost of provision for gratuity	18,624	36,561
Realised gain on foreign exchange	-	4,284
Unrealised loss on foreign exchange	-	(1,097)
Interest expense	(664,946)	(243,470)
Provision for staff gratuity	(51,337)	(50,520)
	(697,659)	(254,242)
	(696,096)	22,439

The Group and the Company are exposed to financial risks arising from their operations and the use of financial instruments. The key financial risks include credit risk, market risk, foreign currency risk, interest rate risk and liquidity risk.

The Group's and the Company's financial risk management policy seeks to ensure that adequate financial resources are available for the development of the Group's and the Company's businesses whilst managing its credit risk, market risk, foreign currency risk, interest rate risk and liquidity risk.

The following sections provide details regarding the Group's and the Company's exposure to the abovementioned financial risks and the objectives, policies and processes for the management of these risks.

#### 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 and the Company's exposure to credit risk arises principally from the individual characteristics of each customer.

#### Trade receivables and contract assets

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

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

## Notes To The Financial Statements As At 31 December 2023 (cont'd)

### 35. FINANCIAL INSTRUMENTS (CONT'D)

#### Categories of financial instruments (cont'd)

There are no significant changes as compared to previous year.

#### Credit risk concentration profile

The Group's and the Company's major concentration of credit risk relates to the amounts owing by 8 (2022: 8) major customers which constituted approximately 69% (2022: 72%) of its trade receivables as at the end of the reporting period.

#### Exposure to credit risk

As the Group and the Company do not hold any collateral, the maximum exposure to credit risk is represented by the carrying amount of the financial assets as at the end of the reporting period.

The exposure of credit risk for trade receivables by geographical region is as follows:

	2023 RM	Group 2022 RM
Malaysia	6,379,811	6,216,707
Brunei	9,211	–
Mauritius	–	280,471
	<u>6,389,022</u>	<u>6,497,178</u>

#### Ageing analysis

The ageing analysis of the Group's trade receivables as at reporting period is as follows:

Group 2023	Gross carrying amount RM	Loss allowances RM	Net carrying amount RM
Not past due:	2,194,896	–	2,194,896
Past due:			
– less than 3 months	3,648,227	–	3,648,227
– more than 3 months	577,587	(31,688)	545,899
	<u>6,420,710</u>	<u>(31,688)</u>	<u>6,389,022</u>
<b>Credit impaired</b>			
Individually impaired	4,145	(4,145)	–
	<u>6,424,855</u>	<u>(35,833)</u>	<u>6,389,022</u>

## Notes To The Financial Statements As At 31 December 2023 (cont'd)

### 35. FINANCIAL INSTRUMENTS (CONT'D)

#### Categories of financial instruments (cont'd)

##### Ageing analysis (cont'd)

Group 2022	Gross carrying amount RM	Loss allowances RM	Net carrying amount RM
Not past due:	1,796,176	–	1,796,176
Past due:			
- less than 3 months	3,621,635	–	3,621,635
- more than 3 months	1,088,495	(9,128)	1,079,367
	6,506,306	(9,128)	6,497,178
<b>Credit impaired</b>			
Individually impaired	4,145	(4,145)	–
	6,510,451	(13,273)	6,497,178

#### 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 statement of financial position.

As at the end of the reporting period, the Group and the Company did not recognise any allowance for impairment losses.

#### Deposits

Credit risks on deposits are mainly arising from deposits paid for hostel buildings rented. These deposits will be refunded at the end of each lease terms. The Group and the Company manage the credit risk together with the leasing arrangement.

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

As at the end of the reporting period, the Group and the Company did not recognise any allowance for impairment losses.

#### Market risk

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

## Notes To The Financial Statements As At 31 December 2023 (cont'd)

### 35. FINANCIAL INSTRUMENTS (CONT'D)

#### Categories of financial instruments (cont'd)

#### Foreign currency risk

The Group and the Company are exposed to foreign currency risk on sales and purchases that are denominated in a currency other than Ringgit Malaysia. The currency giving rise to this risk is US Dollar ("USD"), Brunei Dollar ("BND") and Japanese Yen ("JPY"). The exposure of foreign currency risk is monitored on an on-going basis to ensure that the net exposure is at an acceptable level.

The Group's exposure to foreign currency is as follows:

Group	USD RM	JPY RM	Total RM
<b>2023</b>			
<b>Financial asset</b>			
Trade receivables	5,107	–	5,107
<b>Financial liability</b>			
Non-trade payables	(7,649)	–	(7,649)
Net currency exposure	(2,542)	–	(2,542)
<b>2022</b>			
<b>Financial asset</b>			
Trade receivables	266,540	–	266,540
<b>Financial liability</b>			
Non-trade payables	(330,729)	(68,730)	(399,459)
Net currency exposure	(64,189)	(68,730)	(132,919)

#### Foreign currency risk sensitivity analysis

The following table details the sensitivity analysis to a reasonably possible change in the foreign currencies as at the end of the reporting period, with all other variables held constant:

	2023 RM Increase/ (Decrease)	Group 2022 RM Increase/ (Decrease)
<b>Effect on loss after tax</b>		
USD / RM		
Strengthened by 5% (2022:5%)	(97)	(2,439)
Weakened by 5% (2022:5%)	97	2,439
JPY / RM		
Strengthened by 5% (2022:5%)	–	(2,612)
Weakened by 5% (2022:5%)	–	2,612

## Notes To The Financial Statements As At 31 December 2023 (cont'd)

### 35. FINANCIAL INSTRUMENTS (CONT'D)

#### Categories of financial instruments (cont'd)

##### Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's and the Company's exposure to interest rate risk arises mainly from interest-earning financial assets and liabilities. The Group's and the Company's policy is to obtain the most favourable interest rates available. Any surplus funds of the Group and of the Company will be placed with licensed financial institutions to generate interest income.

The Group's and the Company's primary interest rate risk relates to interest earning from fixed deposits with licensed banks and other investments.

#### Effective interest rates and repricing analysis

The following table shows information on the Group's and the Company's exposure to interest rate risk.

	Effective interest rate per annum %	Less than one year RM	Between one and five years RM	Total RM
<b>Group and Company 2023</b>				
<b>Financial asset</b>				
Fixed deposit with licensed bank	2.25 - 2.80	367,681	–	367,681
<b>Financial liabilities</b>				
Lease liabilities	5.50	(40,200)	(21,188)	(61,388)
Term loans	5.19 - 6.35	(682,610)	(13,451,879)	(14,134,489)
		(722,810)	(13,473,067)	(14,195,877)
<b>Group and Company 2022</b>				
<b>Financial assets</b>				
Fixed deposit with licensed bank	2.35	153,650	–	153,650
<b>Financial liability</b>				
Term loans	5.19 - 6.35	(541,714)	(12,904,668)	(13,446,382)
		(388,064)	(12,904,668)	(13,292,732)

## Notes To The Financial Statements As At 31 December 2023 (cont'd)

### 35. FINANCIAL INSTRUMENTS (CONT'D)

#### Categories of financial instruments (cont'd)

#### Interest rate risk (cont'd)

##### Interest rate risk sensitivity analysis

The following table details the sensitivity analysis to a reasonably possible change in the interest rates as at the end of the reporting period, with all other variables held constant:

	2023 RM Increase/ (Decrease)	Group 2022 RM Increase/ (Decrease)
Effects on profit after taxation		
Increase of 10 basis points	14,196	10,102
Decrease of 10 basis points	(14,196)	(10,102)

#### Liquidity risk

The Group and the Company monitor and maintain a level of cash and cash equivalents deemed adequate by management to finance the Group's and the Company's operations and to mitigate the effects of fluctuations in cash flows.

##### Maturity analysis

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

	Carrying amount RM	Contractual cash flows RM	Within 1 year RM	More than 1 year RM
<b>Group</b>				
<b>2023</b>				
Trade payables	4,760,877	4,760,877	4,760,877	–
Non-trade payables and accruals	1,572,504	1,572,504	1,572,504	–
Amount due to related parties	180,000	180,000	180,000	–
Amount due to Directors	114,000	114,000	114,000	–
Term loans	14,134,489	14,134,489	682,610	13,451,879
Lease liabilities	61,388	61,388	40,200	21,188
Provision for gratuity	890,768	890,768	–	890,768
	21,714,026	21,714,026	7,350,191	14,363,835

## Notes To The Financial Statements As At 31 December 2023 (cont'd)

### 35. FINANCIAL INSTRUMENTS (CONT'D)

#### Categories of financial instruments (cont'd)

#### Liquidity risk (cont'd)

#### Maturity analysis (cont'd)

	Carrying amount RM	Contractual cash flows RM	Within 1 year RM	More than 1 year RM
<b>Group</b>				
<b>2022</b>				
Trade payables	3,670,091	3,670,091	3,670,091	–
Non-trade payables and accruals	2,720,660	2,720,660	2,720,660	–
Amount due to Directors	207,500	207,500	207,500	–
Term loans	13,446,382	13,446,382	541,714	12,904,668
Provision for gratuity	1,525,308	1,525,308	657,787	867,521
	21,569,941	21,569,941	7,797,752	13,772,189
<b>Company</b>				
<b>2023</b>				
Non-trade payables and accruals	12,000	12,000	12,000	–
Amount due to subsidiaries	60,856	60,856	60,856	–
Amount due to Directors	54,000	54,000	54,000	–
	126,856	126,856	126,856	–
<b>2022</b>				
Non-trade payables and accruals	1,500	1,500	1,500	–
Amount due to related parties	8,846	8,846	8,846	–
	10,346	10,346	10,346	–

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

#### Fair values

The following summarises the methods used to determine the fair values of the financial instruments:

- The financial assets and financial liabilities maturing within the next twelve (12) months approximated their fair values due to the relatively short-term maturity of the financial instruments.
- The fair value of other investments is equivalent to the carrying value as at the end of the reporting period.
- The fair value of lease liability is determined by discounting the relevant cash flows using current interest rates for similar instruments as at the end of the reporting period.

## Notes To The Financial Statements As At 31 December 2023 (cont'd)

### 35. FINANCIAL INSTRUMENTS (CONT'D)

#### Fair values (cont'd)

The following summarises the methods used to determine the fair values of the financial instruments:  
(cont'd)

- (iv) The financial assets and financial liabilities maturing within the next twelve (12) months approximated their fair values due to the relatively short-term maturity of the financial instruments.
- (v) The fair value of other investments is equivalent to the carrying value as at the end of the reporting period.
- (vi) The fair value of lease liability is determined by discounting the relevant cash flows using current interest rates for similar instruments as at the end of the reporting period.

The aggregate fair values and the carrying amounts of the financial asset carried on the statement of financial position as at 31 December are as below:

Group	2023		2022	
	Carrying amount RM	Fair value RM	Carrying amount RM	Fair value RM
<b>Financial asset:</b>				
Other investments	999,251	999,251	706,946	706,946
<b>Financial liability:</b>				
Lease liabilities	61,388	61,388	–	–

#### Fair value hierarchy

The table below analyses financial instrument carried at fair value, by valuation method. The different levels have been defined as follows:

- Level 1 : Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 : Inputs other than quoted prices included within Level 1 that are observable for assets or liabilities, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 : Input for the assets or liabilities that are not based on observable market data (unobservable inputs).

## Notes To The Financial Statements As At 31 December 2023 (cont'd)

### 35. FINANCIAL INSTRUMENTS (CONT'D)

#### Fair values (cont'd)

The Group does not have any financial liabilities carried at fair value or any financial instruments classified as Level 1 and Level 2 as at reporting date.

Group	Level 1 RM	Level 2 RM	Level 3 RM	Total RM
<b>2023</b>				
<b>Financial asset</b>				
Other investments	999,251	–	–	999,251
<b>Financial liability</b>				
Lease liabilities	–	–	61,388	61,388
<b>2022</b>				
<b>Financial asset</b>				
Other investments	706,946	–	–	706,946
<b>Financial liability</b>				
Lease liabilities	–	–	–	–

### 36. CAPITAL MANAGEMENT

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratio in order to support its business and maximise shareholder value.

The Group manages its capital structure and makes adjustments to it in response to changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the financial year ended 31 December 2023.

	2023 RM	Group 2022 RM
Total debts		
- Term loans	14,134,489	13,446,382
Less: Cash and bank balances	(715,196)	(4,002,884)
Less: Fixed deposits with licensed banks	(367,681)	(153,650)
Net debt	13,051,612	9,289,848
Total equity	28,551,785	29,382,089
Total capital	41,603,397	38,671,937
Gearing ratio (times)	49.50	45.76

## Notes To The Financial Statements As At 31 December 2023

(cont'd)

### 36. CAPITAL MANAGEMENT (CONT'D)

Under the requirements of Bursa Malaysia Practice Note 19, the Group is required to maintain a shareholders' equity equal to or not less than the 25% of the issued and paid up capital (excluding treasury shares). The Group has complied with this requirement for the financial year ended 31 December 2023.

There are no other external capital requirements imposed on the Group.

### 37. SIGNIFICANT EVENTS

On 29 March 2022, Advanced Packaging Technology (M) Bhd. ("APT") had entered into a conditional internal restructuring agreement with Greater Bay Holdings Berhad ("Newco") for the purpose of the Proposed Internal Reorganisation by the way of members' scheme of arrangement under Section 366 of the Companies Act, 2016 in Malaysia comprising the following:

- (i) Proposed share exchange of the entire issued and fully paid up share capital of APT, with the corresponding number of new ordinary shares in Greater Bay Holdings Berhad (Registration No. 202201009799 (1455496-U)) ("Newco") ("Newco Share(s)") on the basis of 1 new Newco Share for every 1 existing APT Share held by the existing shareholders of APT as at the entitlement date to be determined and announced by the Board ("Proposed Share Exchange"); and
- (ii) Proposed transfer of the listing status of APT to Newco, the admission of Newco to and withdrawal of APT from the Official List of the Main Market of Bursa Malaysia Securities Berhad ("Bursa Securities"), and the listing of and quotation for the entire issued and paid up share capital of Newco on the Main Market of Bursa Securities ("Proposed Transfer of Listing Status").

On 9 November 2023, the Company has allotted 82,016,998 new ordinary shares ("Newco Share(s)") and completed the share exchange with APT ("APT Share(s)") with 1 new Newco Share in exchange for every 1 existing APT Share for total 81,335,138 ordinary shares, while remaining 661,864 treasury shares had been cancelled against treasury shares on 25 October 2023.

The Company's entire issued capital comprising 81,335,138 Newco Shares was listed on the Main Market of Bursa Securities on 14 November 2023. Accordingly, the Company was admitted to the Official List of Bursa Securities in place of APT.

### 38. GENERAL INFORMATION

The Company is incorporated and domiciled in Malaysia, and is listed on Bursa Malaysia Securities Berhad.

The Company is principally engaged to provide management services and investment holding.

The principal activities of its subsidiaries are set out in Note 11 to the financial statements.

The registered office of the Company is located at Level 12, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan.

The principal place of business of the Company is located at Lot 2, Jalan P/2A, Kawasan MIEL, Bangi Industrial Estate, 43650 Bandar Baru Bangi, Selangor Darul Ehsan.

The financial statements were approved and authorised for issue by the Board of Directors on 25 April 2024.

## LIST OF THE PROPERTIES AS AT 31 DECEMBER 2023

Location/ Address	Description/ Existing Use	Land/ (Built-up) Area sq.m	Tenure	Age of building	Net Book Value RM	Date of acquisition
<b>Location:</b> Lot HS(M) 9617, PT 11447, Mukim of Kajang, Daerah Ulu Langat, Selangor Darul Ehsan  <b>Address:</b> Lot 2 Jalan P/2A, Kawasan MIEL, Bangi Industrial Estate, 43650 Bandar Baru Bangi, Selangor Darul Ehsan	Industrial Land erected with office, factory and warehouse premises / Own use	8,903 / 5,666	99 years leasehold, expiring on 29 September 2086	39 years old	3,223,924	3 May 1984
<b>Location:</b> HSD 21418, PT 38492, Mukim of Kuala Lumpur, District of Kuala Lumpur, State of Wilayah Persekutuan, Kuala Lumpur  <b>Address:</b> No. 162, Jalan Maarof, Taman Bandaraya, 59100 Kuala Lumpur	An extended and renovated double-storey detached house (currently being used as a retail of furniture and soft furnishings)	510 / 471	Freehold	>40 years old	9,875,499	27 January 2022
<b>Location:</b> HSD 21417, PT 38491, Mukim of Kuala Lumpur District of Kuala Lumpur, State of Wilayah Persekutuan, Kuala Lumpur  <b>Address:</b> No. 162A, Jalan Maarof, Taman Bandaraya, 59100 Kuala Lumpur	A double-storey bungalow with limited commercial potential (currently being used as an office)	508 / 248	Freehold	>40 years old	9,927,824	30 August 2022

## ANALYSIS OF SHAREHOLDINGS AS AT 15 MARCH 2024

### SHAREHOLDERS

The Company had 1,045 shareholders as at 15 March 2024. There is only one class of share, namely ordinary share. Each share entitles the holder to one vote.

#### Analysis of Shareholdings

Size of Shareholdings	No. of Shareholders	No. of Shares	% of Issued Share Capital
Less than 100	39	946	0.00
100 - 1,000	381	89,628	0.11
1,001 - 10,000	370	1,924,720	2.37
10,001 - 100,000	195	6,266,988	7.70
100,001 to less than 5% of issued shares	57	51,504,436	63.31
5% and above of issued shares	3	21,568,420	26.51
Total	1,045	81,355,138	100.00

### SUBSTANTIAL SHAREHOLDERS

As at 15 March 2024

No.	Name of Substantial Shareholders	No. of Shares	
		Direct Interest	%
1	Peter Ling Ee Kong - CGS International Nominees Malaysia (Tempatan) Sdn Bhd 2,496,700 - Affin Hwang Nominees (Tempatan) Sdn Bhd 5,702,000 - Alliance Group Nominees (Tempatan) Sdn Bhd 1,648,800	9,847,500	12.10
2	KSL Capital Sdn Bhd	7,335,400	9.02
3	Brilliant Smart International Limited UOB Kay Hian Nominees (Asing) Sdn Bhd - Exempt An For UOB Kay Hian (Hong Kong) Limited (A/C Clients)	6,465,048	7.95
4	Pang Chong Yong - Alliance Group Nominees (Tempatan) Sdn Bhd 1,800,000 - CIMSEC Nominees (Tempatan) Sdn Bhd 2,508,000 - UOB Kay Hian Nominees (Asing) Sdn Bhd 2,065,972	6,373,972	7.83
5	Mah Siew Seng	3,343,588	4.11
6	Liew Kit	4,000	0.00

## Analysis of Shareholdings (cont'd)

### DIRECTORS' SHAREHOLDINGS

As at 15 March 2024

No.	Name of Directors		No. of Shares	
			Direct Interest	%
1	Dato' Haji Ghazali B. Mat Ariff		–	–
2	Mah Siew Seng		3,343,588	4.11
3	Law Mong Yong	836	1,836	0.00
	- Affin Hwang Nominees (Tempatan) Sdn Bhd	1,000		
4	Pang Chong Yong		6,373,972	7.83
	- Alliance Group Nominees (Tempatan) Sdn Bhd	1,800,000		
	- CIMSEC Nominees (Tempatan) Sdn Bhd	2,508,000		
	- UOB Kay Hian Nominees (Asing) Sdn Bhd	2,065,972		
5	Andrew Ling Yew Chung		300,000	0.37
6	Pang Jun Jie (Alternate Director to Pang Chong Yong)		–	–
7	Peter Ling Ee Kong		9,847,500	12.10
	- CGS International Nominees Malaysia (Tempatan) Sdn Bhd	2,496,700		
	- Affin Hwang Nominees (Tempatan) Sdn Bhd	5,702,000		
	- Alliance Group Nominees (Tempatan) Sdn Bhd	1,648,800		
8	Lim Tiong Heng		78,400	0.10
9	Jonathan Ross Choo Jiunjye		–	–
10	Datin Rafidah Binti Abdul Jalil		–	–

## Analysis of Shareholdings (cont'd)

### THIRTY (30) LARGEST SECURITIES ACCOUNTS HOLDERS

AS AT 15 MARCH 2024

NO.	NAME OF SHAREHOLDERS	HOLDINGS	%
1	UOB Kay Hian Nominees (Asing) Sdn Bhd Exempt An For UOB Kay Hian (Hong Kong) Limited (A/C Clients)	8,531,020	10.49
2	KSL Capital Sdn Bhd	7,335,400	9.02
3	Affin Hwang Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Peter Ling Ee Kong	5,702,000	7.01
4	Law Mong Hock	3,829,056	4.71
5	Mah Siew Seng	3,343,588	4.11
6	Sin Soon Lee Realty Company (M) Sdn Bhd	3,183,300	3.91
7	Low Khek Heng @ Low Choon Huat	3,050,800	3.75
8	CIMSEC Nominees (Tempatan) Sdn Bhd CIMB For Pang Chong Yong (PB)	2,508,000	3.08
9	CGS International Nominees Malaysia (Tempatan) Sdn Bhd Pledged Securities Account For Peter Ling Ee Kong	2,496,700	3.07
10	Tjin Kiat @ Tan Cheng Keat	2,463,600	3.03
11	Jenny Siew	2,173,012	2.67
12	Tan You Hum	2,069,500	2.54
13	Alliance Group Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Pang Chong Yong	1,800,000	2.21
14	Law Geok King	1,738,371	2.14
15	Alliance Group Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Peter Ling Ee Kong	1,648,800	2.03
16	Law Geok Beng	1,415,867	1.74
17	Law Ling Ling	1,385,891	1.70
18	Teo Kwee Hock	1,367,700	1.68
19	Tan Kok Chiew	1,293,580	1.59
20	Ong Kim Looi	1,226,800	1.51
21	Juliet Yap Swee Hwang	1,149,600	1.41
22	Tan You Hum	1,120,800	1.38
23	Mah Jon Van	1,000,000	1.23
24	Law Geok Eng	975,971	1.20
25	Tasek Maju Realty Sdn Bhd	900,000	1.11
26	Lai Thiam Poh	658,000	0.81
27	Yap Ah Cheng	600,000	0.74
28	Jane Yap Sin Yee	583,600	0.72
29	Tan Gian Hock	530,000	0.65
30	Teoh Ee Yeong @ Teoh Keat Siang	500,000	0.61

## NOTICE OF SECOND ANNUAL GENERAL MEETING (2<sup>nd</sup> AGM)

**NOTICE IS HEREBY GIVEN** that the Second Annual General Meeting (“2<sup>nd</sup> AGM”) of Greater Bay Holdings Berhad (“GBAY” or “the Company”) will be convened and held at Bangi Resort Hotel, Off Persiaran Bandar, 43650 Bandar Baru Bangi, Selangor Darul Ehsan on Thursday, 23 May 2024 at 2.30 p.m. to transact the following items of business :-

### **A G E N D A**

#### **Ordinary Business**

1. To receive the Statutory Financial Statements for the year ended 31 December 2023 together with the Directors’ and Auditors’ Reports thereon.
2. To approve the payment of Directors’ Fees of RM324,000/- for the financial year ended 31 December 2023. **Ordinary Resolution 1**
3. To approve the payments of Directors’ Benefit (excluding Directors’ Fees) up to an amount of RM174,000/- from the conclusion of 2<sup>nd</sup> AGM until the next AGM of the Company. **Ordinary Resolution 2**
4. To re-elect Dato’ Haji Ghazali B. Mat Ariff who is retiring pursuant to Clause 102 of the Company’s Constitution, who being eligible offers himself for re-election. **Ordinary Resolution 3**
5. To re-elect Peter Ling Ee Kong who is retiring pursuant to Clause 102 of the Company’s Constitution, who being eligible offers himself for re-election. **Ordinary Resolution 4**
6. To re-elect Mah Siew Seng who is retiring pursuant to Clause 102 of the Company’s Constitution, who being eligible offers himself for re-election. **Ordinary Resolution 5**
7. To re-elect Law Mong Yong who is retiring pursuant to Clause 102 of the Company’s Constitution, who being eligible offers himself for re-election. **Ordinary Resolution 6**
8. To re-elect Pang Chong Yong who is retiring pursuant to Clause 102 of the Company’s Constitution, who being eligible offers himself for re-election. **Ordinary Resolution 7**
9. To re-elect Lim Tiong Heng who is retiring pursuant to Clause 102 of the Company’s Constitution, who being eligible offers himself for re-election. **Ordinary Resolution 8**
10. To re-elect Jonathan Ross Choo Jiunye who is retiring pursuant to Clause 102 of the Company’s Constitution, who being eligible offers himself for re-election. **Ordinary Resolution 9**
11. To re-elect Datin Rafidah Binti Abdul Jalil who is retiring pursuant to Clause 102 of the Company’s Constitution, who being eligible offers herself for re-election. **Ordinary Resolution 10**
12. To re-elect Andrew Ling Yew Chung who is retiring pursuant to Clause 102 of the Company’s Constitution, who being eligible offers himself for re-election. **Ordinary Resolution 11**
13. To re-appoint Messrs PKF PLT as Auditors of the Company and to authorise the Directors to fix their remuneration. **Ordinary Resolution 12**

## Notice Of Second Annual General Meeting (2<sup>nd</sup> AGM) (cont'd)

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### Special Business

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

#### As Ordinary Resolutions

14. **Authority to Directors to Allot Shares or Grant Rights pursuant to Section 75 and 76 of the Companies Act 2016 and Waiver of Pre-Emptive Rights pursuant to Section 85 of the Companies Act 2016 and Clause 57 of the Company's Constitution**

"**THAT** subject always to the Companies Act 2016 ("the Act"), the Company's Constitution, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and the approval of the relevant government and/or regulatory authorities, the Directors be and are hereby authorised pursuant to the Sections 75 and 76 of the Act to allot shares in the Company at any time at such price, upon such terms and conditions, for such purposes and to such person(s) whomsoever as the Directors may in their absolute discretion deem fit and expedient in the interest of the Company, provided that the aggregate number of shares issued pursuant to this resolution does not exceed 10% of the total issued share capital of the Company for the time being, and that the Directors be and are also empowered to obtain the approval from Bursa Securities for the listing of and quotation for the additional shares so issued and that such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company.

**Ordinary  
Resolution 13**

**THAT** in connection with the above, pursuant to Section 85 of the Act read together with Clause 57 of the Constitution of the Company, the shareholders do hereby waive the statutory pre-emptive rights of the offered shares in proportion of their holdings at such price and at such terms to be offered arising from any issuance of new shares above by the Company.

**AND THAT** the new shares to be issued shall, upon allotment and issuance, rank equally in all respects with the existing shares of the Company, save and except that they shall not be entitled to any dividends, rights, allotments and/or any other forms of distribution that which may be declared, made or paid before the date of allotment of such new shares."

15. **Proposed Share Buy-Back of up to 10% of the total number of issued shares of the Company**

"**THAT** subject to the Companies Act, 2016 ("the Act"), the Company Constitution, Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and all other prevailing laws, rules, regulations and orders issued and/or amended from time to time by the relevant regulatory authorities, the Company be and is hereby authorised to purchase such number of ordinary shares of GBAY on the Main Market of Bursa Securities and/or hold from such terms and conditions as the Directors may deemed fit and expedient in the interest of the Company and, provided that:

**Ordinary  
Resolution 14**

## Notice Of Second Annual General Meeting (2<sup>nd</sup> AGM) (cont'd)

- (a) The aggregate number of ordinary shares in the Company purchased ("Purchased Share(s)") and/or held as treasury shares pursuant to this ordinary resolution shall not exceed 10% of the total number of issued shares of the Company at any point in time; and
- (b) The maximum funds to be allocated by the Company for the Proposed Share Buy-Back shall not exceed the total retained earnings of the Company at the time of the purchase;

THAT upon completion of the purchase of the Purchased Shares, the Board of Directors of GBAY shall have the absolute discretion to decide whether such Purchased Shares are to be cancelled and/or retained as treasury shares, or dealt with in such manner as provided under Section 127(7) of the Act;

THAT the Directors be and are hereby authorised to carry out the Proposed Share Buy-Back immediately upon the passing of this resolution until:-

- (a) the conclusion of the next AGM of the Company, unless by ordinary resolution passed at the meeting, the authority is renewed, either unconditionally or subject to conditions;
- (b) the expiration of the period within which the next AGM is required by law to be held; or
- (c) revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting,

whichever occurs first but not so as to prejudice the completion of purchase(s) by the Company before the aforesaid expiry date and to take all steps as are necessary and/or to do all such acts and things as the Directors may deem fit and expedient in the interest of the Company to give full effect to the Proposed Share Buy-Back with full powers to assent to any conditions, modifications, amendments and/or variations as may be imposed by the relevant authorities."

- 16. To transact any other ordinary business of which due notice shall have been given.

BY ORDER OF THE BOARD

LEONG SHIAK WAN (MAICSA 7012855) (SSM PC No. 202008002757)  
ZURIATI BINTI YAACOB (LS0009971) (SSM PC No. 202008003191)  
Joint Company Secretaries

Petaling Jaya  
26 April 2024

## Notice Of Second Annual General Meeting (2<sup>nd</sup> AGM) (cont'd)

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### NOTES:

#### 1. Proxy

- 1.1 A member of the Company entitled to attend and vote at this meeting may appoint a maximum of two proxies to vote in his stead. Where a member appoints two proxies, the appointment shall be invalid unless he specifies the proportions of his shareholdings to be represented by each proxy. A proxy may but need not be a member of the Company. If the proxy is not a member of the Company, he shall be any person and there shall be no restriction as to the qualification of the proxy.
- 1.2 Where a member is an authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991, it may appoint at least one proxy (but not more than two) in respect of each Securities Account it holds with ordinary shares of the Company standing to the credit of the said Securities Account.
- 1.3 Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
- 1.4 An exempt authorised nominee refers to an authorised nominee defined under the Securities Industry (Central Depositories) Act 1991 ("SICDA") which is exempted from compliance with the provisions of subsection 25A(1) of SICDA.
- 1.5 The instrument appointing a proxy, in the case of an individual, shall be signed by the appointer or by his attorney duly authorised in writing, and in the case of a corporation, shall be either given under its common seal or under the hand of an officer or attorney duly authorised.
- 1.6 The instrument appointing a proxy must be deposited at 11<sup>th</sup> Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan not less than forty-eighth (48) hours before the time appointed for holding the meeting or any adjournment thereof.
- 1.7 Only members whose names appear in the Record of Depositors on 16 May 2024 shall be entitled to attend, speak and vote at the AGM.
- 1.8 Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad, all the Resolutions set out in the Notice of the Second AGM will be put to vote by poll.

#### 2. Audited Financial Statements for financial year ended 31 December 2023

- 2.1 The audited financial statements are laid in accordance with Section 340(1)(a) of the Companies Act 2016 for discussion only under Agenda 1. They do not require shareholders' approval and hence, it will not be put forward for voting.

## Notice Of Second Annual General Meeting (2<sup>nd</sup> AGM) (cont'd)

### 3. Ordinary Resolution 3, 4, 5, 6, 7, 8, 9, 10, and 11: Re-election of Directors who retire by rotation in accordance with Clause 102 of the Company's Constitution.

- 3.1 Clause 102 of the Company's Constitution provides that the Directors shall have power at any time, and from time to time to appoint any person to be a Director, either to fill a casual vacancy or as an addition to the existing Director, but so that the total number of Directors shall not at any time exceed the number fixed in accordance with this Constitution. Any Directors so appointed shall hold office only until the next annual general meeting, and shall then be eligible for re-election but shall not be taken into account in determining the Directors who are to retire by rotation at that meeting. Dato' Ghazali B. Mat Ariff, Mr Peter Ling Ee Kong, Mr Mah Siew Seng, Mr Law Mong Yong, Mr Pang Chong Yong, Mr Lim Tiong Heng, Mr Jonathan Ross Choo Jiunye, Datin Rafidah Binti Abdul Jalil and Mr Andrew Ling Yew Chung who was appointed as director of the Company on 8 November 2023 are standing for re-election as Director of the Company pursuant to Clause 102 and being eligible has offered themselves for re-election. The Board is satisfied with the level of independence demonstrated by Mr Lim Tiong Heng, Mr Jonathan Ross Choo Jiunye and Datin Rafidah Binti Abdul Jalil and their ability to act in the best interest of the Company and he is complied with the criteria of an Independent Director as defined under MMLR.

### 4. Ordinary Resolution 13 : Proposed Allot and Issue Shares

- 4.1 The Ordinary Resolution 13, if passed, will renew the mandate given to the Directors of the Company, pursuant to Sections 75 and 76 of the Companies Act 2016 ("Renewed Mandate") and will empower the Directors to allot and issue shares in the Company up to an amount not exceeding in total 10% of the issued share capital of the Company for such purposes as the Directors consider would be in the interest of the Company. This authority, unless revoked or varied by the Company at a general meeting, will expire at the next AGM of the Company.
- 4.2 The waiver of pre-emptive rights pursuant to Section 85 of the Act read together with Clause 57 of the Constitution of the Company will allow the Directors of the Company to issue new shares of the Company which rank equally to existing issued shares of the Company, to any person without having to offer the new shares to all existing shareholders of the Company prior to issuance of new shares in the Company under the General Mandate.
- 4.3 Section 85(1) of the Companies Act 2016 provides as follows:

#### **"85. Pre-emptive rights to new shares**

- (1) Subject to the constitution, where a company issues shares which rank equally to existing shares as to voting or distribution rights, those shares shall first be offered to the holders of existing shares in a manner which would, if the offer were accepted, maintain the relative voting and distribution rights of those shareholders."

## Notice Of Second Annual General Meeting (2<sup>nd</sup> AGM) (cont'd)

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4.4 Clause 57 of the Constitution of the Company provides as follows:

**“Clause 57 of the Constitution of the Company**

Subject to any direction to the contrary that may be given by the Company in general meeting, all new shares or other convertible securities from time to time to be created shall, before issues, be offered to such persons as at the date of the offer are entitled to receive notices from the Company of general meetings in proportion, as nearly as the circumstances admit, to the amount of the existing shares or securities to which they are entitled. The offer shall be made by notice specifying the number of shares or securities offered, limiting a time within which the offer, if not accepted, will be deemed to be declined, and, after the expiration of that time, or on the receipt of the intimation from the person to whom the offer is made that he declines to accept the shares or securities offered, the Directors may dispose of any new shares or securities which by reason of the ratio which the new shares or securities bear to shares or securities held by persons entitled to an offer of new shares or securities cannot, in the opinion of the Directors, be conveniently offered under this Constitution.”

4.5 By voting in favour of Ordinary Resolution, shareholders of the Company will agree to waive their pre-emptive rights under Section 85 of the Act read together with Clause 57 of the Constitution of the Company to be offered new shares or other convertible securities which may be issued by the Company pursuant to the Renewed Mandate.

### **5. Ordinary Resolution 14 : Proposed Shareholders Mandate**

5.1 The Ordinary Resolution 14, if approved, will empower the Directors of the Company to purchase and/or hold up to a maximum of ten percent (10%) of the total number of issued shares of the Company at any point of time, by utilising the funds allocated which shall not exceed the total retained profits of the Company. This authority, unless revoked or varied by the Company in a general meeting, will expire at the conclusion of the next Annual General Meeting of the Company, or the expiration of period within which the next Annual General Meeting is required by law to be held, whichever is earlier. Further information on this proposed Ordinary Resolution is set out in the Statement Accompanying Notice of AGM enclosed together with the Notice of 2<sup>nd</sup> AGM.

### **6. Abstention from Voting**

6.1 All the Directors who are shareholders of the Company will abstain from voting on Ordinary Resolution 1 and Ordinary Resolution 2 concerning Directors' fees and Directors' benefit (excluding Directors' fees) respectively at the Second AGM. Any Director referred to in Ordinary Resolutions 3, 4, 5, 6, 7, 8, 9, 10 and 11 who is a shareholder of the Company will abstain from voting on the resolution in respect of his re-election as a Director at the Second AGM.

# STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

## PART I : GENERAL INFORMATION

### 1) NAMES OF DIRECTORS STANDING FOR RE-ELECTION

The names of the Directors standing for re-election at the forthcoming Second Annual General Meeting are as follows:-

Re-election under clause 102 of the Company's Constitution

- a) Dato' Haji Ghazali B. Mat Ariff
- b) Peter Ling Ee Kong
- c) Mah Siew Seng
- d) Law Mong Yong
- e) Pang Chong Yong
- f) Lim Tiong Heng
- g) Jonathan Ross Choo Jiunjye
- h) Datin Rafidah Binti Abdul Jalil
- i) Andrew Ling Yew Chung

### 2) DETAILS OF ATTENDANCE OF DIRECTORS AT BOARD MEETINGS

The number of Board of Directors' Meetings held and attendance by directors during the financial year ended 31 December 2023 are as follows:-

NAME OF DIRECTOR	NUMBER OF MEETINGS HELD	NUMBER OF MEETINGS ATTENDED
Dato' Haji Ghazali B. Mat Ariff	1	1
Mah Siew Seng	1	1
Lim Tiong Heng	1	0
Peter Ling Ee Kong	1	1
Law Mong Yong	1	1
Pang Chong Yong	1	1
Andrew Ling Yew Chung	1	1
Jonathan Ross Choo Jiunjye	1	1
Datin Rafidah Binti Abdul Jalil	1	1

### 3) PLACE, DATE AND HOUR OF THE SECOND ANNUAL GENERAL MEETING

The Second Annual General Meeting of the Company will be held at Bangi Resort Hotel, Off Persiaran Bandar, 43650 Bandar Baru Bangi, Selangor Darul Ehsan on Thursday, 23 May 2024 at 2.30 p.m.

### 4) DETAILS OF DIRECTORS STANDING FOR RE-ELECTION

The details of the directors standing for re-election at the forthcoming Second Annual General Meeting are set out on pages 5 to 10 of the Annual Report.

## STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

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### SHARE BUY-BACK STATEMENT

#### 1.0 IMPORTANCE

If you are in any doubt as to the course of action to be taken, you should consult your Stockbroker, Bank Manager, Solicitor, Accountant or other Professional Adviser immediately.

Bursa Malaysia Securities Berhad ("Bursa Securities") has not perused this Share Buy-Back Statement ("Statement") prior to its issuance as it is an exempt Statement. Bursa Securities takes no responsibility for the contents of this Statement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Statement.

#### 2.0 DETAILS OF THE PROPOSED SHAREHOLDERS' MANDATE FOR SHARE BUY-BACK

##### 2.1 Introduction

On 27 February 2024, the Board of Directors of GBAY ("Board") announced the Company's intention to seek the approval of the shareholders of GBAY for the Proposed Share Buy-Back at the forthcoming 2<sup>nd</sup> Annual General Meeting ("AGM").

**THE PURPOSE OF THIS STATEMENT IS TO PROVIDE THE SHAREHOLDERS WITH THE RELEVANT INFORMATION ON THE PROPOSED SHARE BUY-BACK AND TO SET OUT THE VIEW AND RECOMMENDATION OF THE BOARD AS WELL AS TO SEEK THE APPROVAL FROM THE SHAREHOLDERS FOR THE RESOLUTION PERTAINING TO THE PROPOSED SHARE BUY-BACK TO BE TABLED AT THE FORTHCOMING 2<sup>ND</sup> AGM. THE NOTICE OF THE FORTHCOMING 2<sup>ND</sup> AGM AND THE FORM OF PROXY ARE ENCLOSED TOGETHER WITH THIS STATEMENT.**

**SHAREHOLDERS ARE ADVISED TO READ AND CONSIDER CAREFULLY THE CONTENTS OF THIS STATEMENT TOGETHER WITH THE APPENDIX CONTAINED HEREIN BEFORE VOTING ON THE RESOLUTION PERTAINING TO THE PROPOSED SHARE BUY-BACK TO BE TABLED AT THE FORTHCOMING 2<sup>ND</sup> AGM.**

##### 2.2 DETAILS OF THE PROPOSED SHARE BUY-BACK

In accordance with Section 127 of the Act, and any prevailing laws, rules, regulations, orders guidelines and requirements issued by the relevant authorities at the time of the purchase, the Company is allowed to purchase its own Shares (referred to the Ordinary Shares of GBAY "Share(s)" or "GBAY Shares") on Bursa Securities through its appointed stockbroker(s) as approved by Bursa Securities. Accordingly, the Board proposes to seek the authority from the shareholders of GBAY to purchase and/or hold from time to time and at any time up to 10% of its issued Shares for the time being quoted on Bursa Securities through stockbroker(s) to be appointed at a later date.

## Statement Accompanying Notice of Annual General Meeting (cont'd)

### SHARE BUY-BACK STATEMENT (CONT'D)

#### 2.0 DETAILS OF THE PROPOSED SHAREHOLDERS' MANDATE FOR SHARE BUY-BACK (CONT'D)

##### 2.3 Maximum number or percentage of GBAY Shares to be acquired

Based on the records of the Company as at 16 April 2024 being the latest practicable date prior to printing of this Statement ("LPD"), GBAY has a total of 81,355,138 Shares. Pursuant to the Proposed Share Buy-Back, GBAY may purchase up to 8,135,513 GBAY Shares, representing up to 10% of its total number of issued Shares as at the LPD. The computation of the total number of issued GBAY Shares assuming that the Proposed Share Buy-Back is to be implemented in full is illustrated as follows:-

	No. of GBAY Shares
Total number of GBAY Shares as at the LPD	81,355,138
Maximum number of GBAY Shares that can be repurchased	(8,135,513)
<b>Total number of issued Shares of GBAY after full implementation of the Proposed Share Buy-Back</b>	<b>73,219,625</b>

##### 2.4 Maximum amount of funds to be allocated and the source of funds

Paragraph 12.10(1) of the Listing Requirements stipulates that the Proposed Share Buy-Back must be made wholly out of the retained earnings of the Company. Accordingly, the maximum funds to be allocated by the Company for the Proposed Share Buy-Back shall not exceed the total retained earnings of the Company at the time of purchase.

Based on the latest audited financial statements of GBAY for the financial year ended 31 December 2023, the accumulated losses of the Company stood at approximately RM1.73 million. The Company will commence Share Buy-Back only when it has recorded retained earnings in future in compliance with the abovesaid Paragraph 12.01(10) of the Listing Requirements.

Notwithstanding the above, the Proposed Share Buy-Back may be funded using the internally generated funds of GBAY and/or external borrowings, the exact proportion/quantum of which has yet to be determined at this juncture. The source of funding the Proposed Share Buy-Back will only be determined at a later stage depending on, amongst others, the availability of internally generated funds, the retained earnings and financial resources of the Company at the time of the purchase(s), the actual number of GBAY Shares to be purchased and other relevant cost factors.

The actual number of GBAY Shares to be purchased and the timing of such purchases will depend on, amongst others, the market conditions and sentiments of the stock market as well as the retained earnings and the financial resources available to the Company.

##### 2.5 Duration of the Proposed Share Buy-Back

The implementation of the Proposed Share Buy-Back would be effective immediately upon the passing of the ordinary resolution for the Proposed Share Buy-Back by the shareholders of GBAY at the forthcoming 2<sup>nd</sup> AGM. Pursuant to Paragraph 12.07(3) of the Listing Requirements, the Proposed Share Buy-Back shall be valid until:-

- (i) the conclusion of the next annual general meeting of the Company following the general meeting at which such resolution was passed at which time the said authority shall lapse unless by an ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions;

## Statement Accompanying Notice of Annual General Meeting (cont'd)

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### SHARE BUY-BACK STATEMENT (CONT'D)

#### 2.0 DETAILS OF THE PROPOSED SHAREHOLDERS' MANDATE FOR SHARE BUY-BACK (CONT'D)

##### 2.5 Duration of the Proposed Share Buy-Back (cont'd)

- (ii) the expiration of the period within which the next annual general meeting of the Company is required by law to be held; or
- (iii) revoked or varied by ordinary resolution passed by the shareholders in general meeting, whichever occurs first ("Authority Period").

The Proposed Share Buy-Back will allow the Board to exercise the power of the Company to purchase its own Shares at any time during the Authority Period.

##### 2.6 Treatment of Purchased Shares

In accordance with Section 127(4) of the Act, the Board is able to deal with the GBAY shares purchased pursuant to the Proposed Share Buy-Back "Purchased Shares" in the following manner:-

- (i) to cancel the Purchased Shares;
- (ii) to retain the Purchased Shares as treasury shares; or
- (iii) to retain part of the Purchased Shares as treasury shares and cancel the remainder.

Accordingly, based on Section 127(7) of the Act, where such Purchased Shares are held as treasury shares, the Board may, at their discretion:-

- (i) distribute the Purchased Shares as dividends to GBAY shareholders, such dividends to be known as "share dividends";
- (ii) resell the Purchased Shares or any of the Purchased Shares in accordance with the relevant rules of Bursa Securities;
- (iii) transfer the Purchased Shares or any of the Purchased Shares for the purpose of or under an employees' share scheme;
- (iv) transfer the Purchased Shares or any of the Purchased Shares as purchase consideration;
- (v) cancel the Purchased Shares or any of the Purchased Shares; or
- (vi) sell, transfer or otherwise use the Purchased Shares for such other purposes as the Minister charged with the responsibility for companies (as set out in the Act) may by order prescribe.

Pursuant to Section 127(8) of the Act, if the Purchased Shares are held as treasury shares, the rights attached to them in relation to voting, dividends and participation in any other distribution and otherwise are suspended. In accordance with Section 127(9) of the Act, the treasury shares shall not be taken into account in calculating the number or percentage of shares or of a class of shares in the Company for any purposes including substantial shareholding, takeovers, notices, the requisitioning of meetings, the quorum for a meeting and the result of a vote on a resolution at meetings.

## Statement Accompanying Notice of Annual General Meeting (cont'd)

### SHARE BUY-BACK STATEMENT (CONT'D)

#### 2.0 DETAILS OF THE PROPOSED SHAREHOLDERS' MANDATE FOR SHARE BUY-BACK (CONT'D)

##### 2.6 Treatment of Purchased Shares (cont'd)

The decision whether to retain the Purchased Shares as treasury shares, or to cancel the Purchased Shares or a combination of both, will be determined by the Board at the appropriate time.

The Company will make an immediate announcement to Bursa Securities of any purchase or resale of GBAY Shares and whether the Purchased Shares will be cancelled or retained as treasury shares or a combination of both.

##### 2.7 Pricing

Pursuant to Paragraph 12.17 of the Listing Requirements, GBAY may only purchase its own Shares at a price which is not more than 15% above the 5-day Volume-Weighted Average market Price ("VWAP") of GBAY Shares immediately preceding the date of the purchase(s).

Pursuant to Paragraph 12.18 of the Listing Requirements, GBAY may only resell or transfer any treasury shares on Bursa Securities at a price which is:-

- (i) not less than the 5-day VWAP of GBAY Shares immediately before the day of the resale or transfer; or
- (ii) a discounted price of not more than 5% to the 5-day VWAP of GBAY Shares immediately before the date of resale or transfer, provided that:-
  - (a) the resale or transfer takes place not earlier than 30 days from the date of the purchase; and
  - (b) the resale or transfer price is not less than the cost of purchase of the GBAY Shares being resold or transferred.

##### 2.8 Previous purchases, resale and cancellation of treasury shares

Presently, the Company does not have an existing authority to purchase its Shares. Hence, the Company does not currently hold any treasury shares and has not purchased, resold and/or cancelled any Shares during the last 12 months preceding the LPD.

##### 2.9 Public shareholding spread of GBAY

The Proposed Share Buy-Back will be carried out in accordance with the prevailing laws at the time of the purchase including compliance with the 25% shareholding spread requirements as set out in Paragraph 8.02(1) of the Listing Requirements.

Based on the Record of Depositors of the Company as at the LPD, the public shareholding spread of the Company stood at 45%.

The Board is mindful of the requirement that any purchase of GBAY Shares by the Company must not result in the public shareholding spread of GBAY falling below 25% of the total number of issued Shares.

## Statement Accompanying Notice of Annual General Meeting (cont'd)

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### SHARE BUY-BACK STATEMENT (CONT'D)

#### 2.0 DETAILS OF THE PROPOSED SHAREHOLDERS' MANDATE FOR SHARE BUY-BACK (CONT'D)

##### 2.10 Implications relating to the Rules on Take-overs, Mergers and Compulsory Acquisitions issued by the Securities Commission of Malaysia ("Rules")

Pursuant to the Rules, a person or a group of persons acting in concert will be required to make a mandatory offer if his/their stake(s) in the Company is/are increased to beyond 33% of its total number of issued shares or if his/their existing shareholding(s) is/are more than 33% but less than 50% and it exceeds by another 2% in any six (6) month's period.

In the event that the Proposed Share Buy-Back results in the shareholdings of any of the above parties being affected, the said person or group of persons acting in concert will be obliged to make a mandatory offer for the remaining GBAY Shares not held by him/them. However, an exemption from a mandatory offer obligation may be granted by the Securities Commission under the Rules, subject to the affected person and the parties acting in concert complying with the certain conditions, if the obligation is triggered as a result of action outside their direct participation.

As it is not intended for the Proposed Share Buy-Back to trigger the obligation to undertake a mandatory offer by any of its substantial shareholders and/or parties acting in concert with them, the Company is mindful that only such number of shares are purchased, retained as treasury shares, cancelled or distributed such that the Rules will not be triggered. However, in the event that an obligation to undertake a mandatory offer should arise with respect to any parties resulting from the Proposed Share Buy-Back, the relevant parties shall make the necessary application to the Securities Commission for an exemption from undertaking a mandatory offer under the Rules before a mandatory offer is triggered.

#### 3.0 RATIONALE FOR THE PROPOSED SHARE BUY-BACK

The Proposed Share Buy-Back will enable GBAY to utilise any of its surplus financial resources, which is not immediately required for other uses, to purchase its own Shares from the market. With the share buy-back mandate being procured, the Company will be able to stabilise the supply and demand of GBAY Shares traded on Bursa Securities and thereby support its fundamental value, if required.

In addition, the Purchased Shares may be held as treasury shares and resold on Bursa Securities with the intention of realising a potential gain without affecting the total issued shares of the Company. Should any treasury shares be distributed as share dividends, this would serve to reward the shareholders of the Company.

The Proposed Share Buy-Back is not expected to have any potential material disadvantages to the Company and its shareholders, and it will be implemented only after taking into consideration, amongst others, the financial resources of GBAY, and of the resultant impact on the shareholders of the Company. The Board will be mindful of the best interests of the Company and its shareholders when undertaking the Proposed Share Buy-Back.

## Statement Accompanying Notice of Annual General Meeting (cont'd)

### SHARE BUY-BACK STATEMENT (CONT'D)

#### 4.0 POTENTIAL ADVANTAGES AND DISADVANTAGES OF THE PROPOSED SHARE BUY-BACK

##### 4.1 Advantages of the Proposed Share Buy-Back

- (i) The Proposed Share Buy-Back, if implemented, will allow the Company to take preventive measures against speculation which would in turn, stabilise the market price of GBAY Shares and hence, enhance investor's confidence.
- (ii) The Company would have the opportunity to realise potential capital gains if the Purchased Shares are resold at prices higher than the purchase prices and such proceeds may be subsequently utilised for working capital and investment opportunities arising in the future.
- (iii) The Purchased Shares (if retained as treasury shares) may serve as an alternative to reward the shareholders of the Company in the event the Company distributes the treasury shares as share dividends.

##### 4.2 Disadvantages of the Proposed Share Buy-Back

- (i) The Proposed Share Buy-Back will reduce the amount of resources available for distribution to the shareholders of the Company and may result in GBAY and its subsidiaries ("the Group") having to forego feasible investment opportunities that may surface in the future. However, the financial resources of the Group may increase if the Purchased Shares are resold at prices higher than the acquisition cost.
- (ii) The Proposed Share Buy-Back will reduce the trading liquidity of Shares in the open market as a result of a decrease in the number of outstanding Shares.

The Board does not expect the Proposed Share Buy-Back to result in any material disadvantage to the Company and its shareholders as it will be implemented only after taking into consideration that there is adequate cash flow to fund GBAY's working capital requirements and dividends to be paid to the shareholders prior to allocating the available resources for the Proposed Share Buy-Back. The Board, in exercising any decision to purchase any GBAY Shares will be mindful of the interests of the Company, the Group and the shareholders in implementing the Proposed Share Buy-Back.

#### 5.0 EFFECTS OF THE PROPOSED SHARE BUY-BACK

##### 5.1 Issued share capital

The effects of the Proposed Share Buy-Back on the Company's issued share capital will depend on whether the Purchased Shares are cancelled or retained as treasury shares.

In the event that the maximum number of GBAY Shares (of up to 10% of the latest total number of issued shares) authorised under the Proposed Share Buy-Back are purchased and retained as treasury shares, there would be no effect to the issued share capital of GBAY.

However, assuming that the maximum number of GBAY Shares (of up to 10% of the latest total number of issued shares) authorised under the Proposed Share Buy-Back are purchased and cancelled, the effects of the Proposed Share Buy-Back are set out below:-

## Statement Accompanying Notice of Annual General Meeting (cont'd)

### SHARE BUY-BACK STATEMENT (CONT'D)

#### 5.0 EFFECTS OF THE PROPOSED SHARE BUY-BACK (CONT'D)

##### 5.1 Issued share capital (cont'd)

	No of Shares
Issued share capital as at the LPD	81,355,138
Less: Maximum number of GBAY Shares that may be purchased and cancelled pursuant to the Proposed Share Buy-Back while maintaining the 25% public shareholdings spread requirement	(8,135,513)
Issued share capital	73,219,625

##### Note:-

Assuming no no change in shareholdings for shares held by Directors, Major Shareholders and Person Connected to Directors/Major Shareholders prior to the implementation of the Proposed Share Buy-Back

##### 5.2 NA per Share and gearing

The effects of the shares repurchase on the NA per Share of the GBAY is dependent on factors such as the number of GBAY Shares which the Company will buy-back, purchase price of the GBAY Shares at the time of the buy-back, the treatment of the Shares purchased and the funding cost, if any.

The Purchased Shares that are retained as treasury shares would decrease the consolidated NA by the acquisition cost of the treasury shares, as the treasury shares are required to be carried at cost and would offset against the equity. The acquisition costs for future shares buy-backs are unknown at this juncture. If the treasury shares are subsequently cancelled or distributed as share dividends, there will be no additional effect on the consolidated NA of GBAY.

In the event the Purchased Shares that are retained as treasury shares are resold in the open market on Bursa Securities, the consolidated NA of GBAY will be affected by the resale value of the Shares. In the event the resale value is higher than the cost, there would be a net increase in the consolidated NA of GBAY. On the contrary, in the event the cost is higher than the resale value, there would be a net decrease on the consolidated NA of the Company.

If the Purchased Shares are retained as treasury shares, cancelled and/or distributed as share dividends, the consolidated NA per Share will decrease if the purchase price of GBAY Shares exceeds the consolidated NA per Share, and if the consolidated NA per Share exceeds the purchase price of GBAY Shares, the consolidated NA per Share will increase. On the contrary, the converse effect would apply in the event the treasury shares are resold on Bursa Securities.

##### 5.3 Earnings and EPS

The effects of the Proposed Share Buy-Back on the earnings of the Group are dependent on the purchase price of GBAY Shares and the effective funding cost of such purchases or loss in interest income to the Group, if internally generated funds are utilised.

## Statement Accompanying Notice of Annual General Meeting (cont'd)

### SHARE BUY-BACK STATEMENT (CONT'D)

#### 5.0 EFFECTS OF THE PROPOSED SHARE BUY-BACK (CONT'D)

##### 5.3 Earnings and EPS (cont'd)

Furthermore, the Proposed Share Buy-Back, regardless if the Purchased Shares are maintained as treasury shares or cancelled, will result in a lower number of Shares being used for the purposes of computing the EPS. Hence, the Proposed Share Buy-Back will improve the EPS of GBAY, which in turn is expected to have a positive influence on the market price of GBAY Shares.

In the event the Purchased Shares which are retained as treasury shares and subsequently resold, the extent of the effect on the earnings of GBAY will depend on the actual selling price, the number of treasury shares resold and the effective gain or the interest savings arising from the exercise.

##### 5.4 Working capital

The Proposed Share Buy-Back will result in cash outflow, thereby reducing the working capital of the GBAY, the quantum of which is dependent on the purchase prices of the GBAY Shares and the number of GBAY Shares repurchased and the funding costs, if any. Nevertheless, the Board will take into consideration the interests of GBAY and its shareholders as well as assess the working capital requirements of GBAY of the Group prior to the Proposed Share Buy-Back.

##### 5.5 Dividends

The Proposed Share Buy-Back is not expected to have any material impact on the Board's decision in recommending future dividends. Nonetheless, the Proposed Share Buy-Back may have an impact on the Company's dividend quantum as it would reduce the cash available for dividend payment, which may otherwise be used for dividend payment. Notwithstanding the above, the GBAY Shares purchased which are held as treasury shares may be distributed as Share dividends to shareholders of the Company, if the Board decides to do so.

## Statement Accompanying Notice of Annual General Meeting (cont'd)

### SHARE BUY-BACK STATEMENT (CONT'D)

#### 5.0 EFFECTS OF THE PROPOSED SHARE BUY-BACK (CONT'D)

##### 5.6 Substantial shareholders and directors' shareholdings

For illustration purposes only, based on the Record of Substantial Shareholder as at the LPD and assuming the repurchase of GBAY Shares by the Company pursuant to the Proposed Share Buy-Back is carried out in full, the pro forma effects of such purchase on the shareholdings of the substantial shareholders and directors' of GBAY are as follows:-

	No. of GBAY Shares held							
	As at LPD <sup>(i)</sup>				After Proposed Shareholders' Mandate for Share Buy-Back assuming 10% of the ordinary shares are bought back and cancelled <sup>(ii)</sup>			
Directors	Direct	% <sup>(i)</sup>	Indirect	%	Direct	% <sup>(ii)</sup>	Indirect	%
Peter Ling Ee Kong	9,958,300	12.24	548,000	0.67	9,958,300	13.60	548,000	0.75
Pang Chong Yong	6,373,972	7.84	–	–	6,373,972	8.71	–	–
Mah Siew Seng	3,343,588	4.11	1,000,000	1.23	3,343,588	4.57	1,000,000	1.37
Law Mong Yong	1,836	0.00 <sup>#</sup>	–	–	1,836	0.00 <sup>#</sup>	–	–
Dato' Haji Ghazali B. Mat Ariff	–	–	–	–	–	–	–	–
Andrew Ling Yew Chung	300,000	0.37	–	–	300,000	0.41	–	–
Lim Tiong Heng	78,400	0.10	–	–	78,400	0.11	–	–
Jonathan Ross Choo Jiunjye	–	–	–	–	–	–	–	–
Datin Rafidah Abdul Jalil	–	–	–	–	–	–	–	–
Major / Substantial Shareholders								
Peter Ling Ee Kong	9,958,300	12.24	548,000	0.67	9,958,300	13.60	548,000	0.75
Pang Chong Yong	6,373,972	7.84	–	–	6,373,972	8.71	–	–
Mah Siew Seng	3,343,588	4.11	1,000,000	1.23	3,343,588	4.57	1,000,000	1.37
Brilliant Smart International Limited	6,465,048	7.95	–	–	6,465,048	8.83	–	–
KSL Capital Sdn Bhd	7,335,400	9.02	–	–	7,335,400	10.02	–	–
Liew Kit	4,000	0.00 <sup>#</sup>	7,335,400	9.02	4,000	0.01	7,335,400	10.02

## Statement Accompanying Notice of Annual General Meeting (cont'd)

### SHARE BUY-BACK STATEMENT (CONT'D)

#### 6.0 HISTORICAL SHARE PRICES

The monthly highest and lowest traded prices of GBAY Shares (adjusted retrospectively for the share consolidation) on Bursa Securities for the last 12 months from April 2023 to March 2024 are as follows:-

Year		Highest (RM)	Lowest (RM)
2023 -	April	0.72	0.65
	May	0.67	0.64
	June	0.70	0.65
	July	0.70	0.65
	August	0.68	0.65
	September	0.68	0.63
	October	0.68	0.63
	November	0.67	0.63
	December	0.64	0.63
2024 -	January	0.65	0.63
	February	0.64	0.62
	March	0.65	0.63

(Source: *finance.yahoo.com*)

#### 7.0 APPROVALS REQUIRED

The Proposed Share Buy-Back is subject to and conditional upon the shareholders' approval being obtained at the AGM of GBAY to be convened.

The Proposed Share Buy-Back is not conditional upon any other proposals undertaken or to be undertaken by the Company.

The voting on the resolution in relation to the Proposed Share Buy-Back at the 2nd AGM will be taken via poll.

#### 8.0 INTEREST OF DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED TO THEM

Save for the proportionate increase in the percentage of shareholding and/or voting rights of shareholders of the Company as a result of the Proposed Share Buy-Back in GBAY, none of the directors and/or major shareholders of GBAY and/or persons connected to them have any interests, whether direct or indirect, in the Proposed Share Buy-Back or resale of the treasury shares, if any.

#### 9.0 DIRECTORS' RECOMMENDATION

The Board, having considered all aspects of the Proposed Share Buy-Back, including the rationale and the effects of the Proposed Share Buy-Back, is of the Company. Accordingly, the Board recommends that you vote in favour of the ordinary resolution in respect of the Proposed Share Buy-Back to be tabled at the forthcoming 2nd AGM.

## Statement Accompanying Notice of Annual General Meeting (cont'd)

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### SHARE BUY-BACK STATEMENT (CONT'D)

#### 10.0 FURTHER INFORMATION

Shareholders are requested to refer to the further information of this statements below.

#### 10.1 DIRECTORS' RESPONSIBILITY STATEMENT

This Statement has been seen and approved by the Board and they collectively and individually accept full responsibility for the accuracy of the information given in this Statement. The Board confirms that, after making all reasonable enquiries and to the best of their knowledge and belief, there are no other facts the omission of which would make any statement herein misleading.

#### 10.2 DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of the Company at 12th Floor, Menara Symphony No. 5, Jalan Prof. Khoo Kay Kim 46200 Petaling Jaya Selangor during normal business hours between Mondays and Fridays (except public holidays) from the date of this Statement up to and including the date of the forthcoming 2nd AGM:-

- (a) the Constitution of GBAY;
- (b) the audited financial statements of GBAY for the past 2 financial years ended 31 December 2022 and 31 December 2023; and

This Statement is dated 26 April 2024.



# GREATER BAY HOLDINGS

**GREATER BAY HOLDINGS BERHAD**  
Registration No. 202201009799 (1455496-U)  
(Incorporated in Malaysia)

## PROXY FORM

CDS account no.	
No. of Shares held	

I/We, \_\_\_\_\_ \*(NRIC/Company No.) \_\_\_\_\_  
(Full Name in Block Letters)  
of \_\_\_\_\_  
(Address)  
being a Member/Members of Greater Bay Holdings Berhad here by appoint \_\_\_\_\_  
(NRIC) \_\_\_\_\_  
(Full Name in Block Letters)  
of \_\_\_\_\_  
(Address)  
or failing him/her \_\_\_\_\_ (NRIC) \_\_\_\_\_  
(Full Name in Block Letters)  
of \_\_\_\_\_  
(Address)

or failing whom, the Chairman of the meeting as \*my/our proxy to attend and vote for \*me/us and on \*my/our behalf at the Second Annual General Meeting ("AGM") of the Company to be held at Bangi Resort Hotel, Off Persiaran Bandar, 43650 Bandar Baru Bangi, Selangor Darul Ehsan on Thursday, 23 May 2024 at 2.30 p.m. and at any adjournment thereof on the following resolutions in the manner indicated below:-

		FOR	AGAINST
<b>Ordinary Resolution 1</b>	To approve the payment of Directors' Fees of RM324,000/- for the year ended 31 December 2023.		
<b>Ordinary Resolution 2</b>	To approve the payment of Directors' Benefit (excluding Directors' Fees) up to an amount of RM174,000/- from the conclusion of the Second Annual General Meeting until the next AGM of the Company.		
<b>Ordinary Resolution 3</b>	To re-elect Dato' Haji Ghazali Bin Mat Ariff as Director.		
<b>Ordinary Resolution 4</b>	To re-elect Peter Ling Ee Kong as Director.		
<b>Ordinary Resolution 5</b>	To re-elect Mah Siew Seng as Director.		
<b>Ordinary Resolution 6</b>	To re-elect Law Mong Yong as Director.		
<b>Ordinary Resolution 7</b>	To re-elect Pang Chong Yong as Director.		
<b>Ordinary Resolution 8</b>	To re-elect Lim Tiong Heng as Director.		
<b>Ordinary Resolution 9</b>	To re-elect Jonathan Ross Choo Jiunye as Director.		
<b>Ordinary Resolution 10</b>	To re-elect Datin Rafidah Binti Abdul Jalil as Director.		
<b>Ordinary Resolution 11</b>	To re-elect Andrew Ling Yew Chung as Director.		
<b>Ordinary Resolution 12</b>	To re-appoint Messrs PKF PLT as Auditors of the Company and to authorise the Directors to fix their remuneration.		
<b>Ordinary Resolution 13</b>	Authority to allot and issue shares and waiver of pre-emptive rights pursuant to the Companies Act 2016		
<b>Ordinary Resolution 14</b>	Proposed Share Buy-Back of up to 10% of the total number of issued shares of the Company		

(Please indicate with an 'X' in the appropriate spaces provided above on how you wish your votes to be cast. If you do not do so, the proxy will vote or abstain from voting at his discretion.)

The proposition of my holdings to be represented by my\* proxy/proxies are as follows:-

First Name Proxy \_\_\_\_\_ %  
Second Name Proxy \_\_\_\_\_ %  
100%  
=====

\* Strike out whichever is not desired.

Dated this ..... day of ..... 2024

.....  
Signature



1. A member of the Company entitled to attend and vote at this meeting may appoint a maximum of two proxies to vote in his stead. Where a member appoints two proxies, the appointment shall be invalid unless he specifies the proportions of his shareholdings to be represented by each proxy. A proxy may but need not be a member of the Company. If the proxy is not a member of the Company, he shall be any person and there shall be no restriction as to the qualification of the proxy.
2. Where a member is an authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991, it may appoint at least one proxy (but not more than two) in respect of each Securities Account it holds with ordinary shares of the Company standing to the credit of the said Securities Account.
3. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
4. An exempt authorised nominee refers to an authorised nominee defined under the Securities Industry (Central Depositories) Act 1991 ("SICDA") which is exempted from compliance with the provisions of subsection 25A(1) of SICDA.
5. The instrument appointing a proxy, in the case of an individual, shall be signed by the appointer or by his attorney duly authorised in writing, and in the case of a corporation, shall be either given under its common seal or under the hand of an officer or attorney duly authorised.
6. The instrument appointing a proxy must be deposited at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan not less than forty-eighth (48) hours before the time appointed for holding the meeting or any adjournment thereof.
7. Only members whose names appear in the Record of Depositors on 16 May 2024 shall be entitled to attend, speak and vote at the Annual General Meeting.
8. Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all the Resolutions set out in the Notice of the Second AGM will be put to vote by poll.

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AFFIX  
STAMP

**GREATER BAY HOLDINGS BERHAD**

Registration No. 202201009799 (1455496-U))  
(Incorporated in Malaysia)

Boardroom Share Registrars Sdn Bhd  
Ground Floor or 11th Floor Menara Symphony  
No. 5, Jalan Prof. Khoo Kay Kim  
Seksyen 13, 46200 Petaling Jaya Selangor.

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Fold This Flap For Sealing



**Greater Bay Holdings Berhad**

Registration No. 202201009799 (1455496-U)

Lot 2, Jalan P/2A, Kawasan MIEL, Bangi Industrial Estate, 43650 Bandar Baru Bangi  
Selangor Darul Ehsan, Malaysia

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[www.greaterbayholdings.com](http://www.greaterbayholdings.com)