CONTENTS

04-09 CORPORATE INFORMATION

• Corporate Profile
• Corporate Philosophy
• Objectives
• Organisational Structure
• Board Matters
• Management Team & In-House Working Groups

10-15 PERFORMANCE REVIEW

• Chairman’s Statement
• Management Update

16-41 OPERATIONS REVIEW

• Promote Trade & Enhance Market Access
• Enhance Use of Timbers
• Augment Raw Material Supply
• Represent Interest of the Industry
• Information Dissemination & Market Intelligence

42 FINANCIAL REVIEW

• Financial Information
CORPORATE INFORMATION

CORPORATE PROFILE

The Malaysian Timber Council (MTC) was established in January 1992 to promote the development and growth of the Malaysian timber industry. Incorporated as a company limited by guarantee under the Companies Act 1965, MTC is governed by a Board of Trustees whose members are appointed by the Minister of Primary Industries.

CORPORATE PHILOSOPHY

Vision

To be the lead organisation that develops the Malaysian timber industry into a world leader in the manufacture and trade of timber products.

Mission

To ensure the sustainability of the Malaysian timber industry by improving its competitiveness, enhancing market access and creating trade opportunities.

OBJECTIVES

• To promote the Malaysian timber trade and develop the market for timber products globally.
• To develop the timber industry by expanding the industry’s manufacturing technology base and value-adding its production line.
• To augment the supply of raw materials for the timber-processing industry.
• To provide information services to the timber industry.
• To enhance the global credibility of the Malaysian timber industry.
Regional offices report to MPD on marketing activities
The Chairman and Board of Trustees determine the Council’s policies. Members consist of a representative each from the five founding members of MTC, namely:

- Malaysian Wood Industries Association (MWIA)
- The Timber Exporters’ Association of Malaysia (TEAM)
- Malaysian Panel-Products Manufacturers’ Association (MPMA)
- Malaysian Wood Moulding and Joinery Council (MWMJC)
- Malaysian Furniture Council (MFC)

There is also a representative each from:

- Ministry of Primary Industries (MPI)
- Malaysian Timber Industry Board (MTIB)
- Association of Malaysian Bumiputra Timber and Furniture Entrepreneurs (PEKA)

Independent Trustees are also appointed from time to time at the discretion of the Minister of Primary Industries.

Dato’ Andrew Goh was appointed as an Independent Trustee effective 9 July 2019.

Dato’ Hj. Nor Akhirrudin Mahmud vacated his position as an Independent Trustee upon officially retiring from the Forestry Department Peninsular Malaysia on 26 April 2019. No replacement was made for his position.

Pn. Hjh. Norchahaya binti Hashim officially retired on 18 June 2019 and was replaced by En. Mohd Kheiruddin bin Mohd Rani effective 25 September 2019 as the representative from the Malaysian Timber Industry Board (MTIB).

Mr. Wong Kah Cane resigned from the Board of Trustees effective 1 November 2019 to take up the position of Deputy Chief Executive Officer of MTC.
Board Meetings

Seven Board Meetings were held during the year. These were the 168th to 172nd Board Meetings held in January, April, June, September and November, respectively, and two Special Board Meetings held in March and October.

Annual General Meeting

The 27th Annual General Meeting was held on 27 June 2019 and the following were passed:

- The Audited Financial Statements of MTC for the financial year ended 31 December 2018 and the Reports of the Trustees and Auditors.
- Chairman’s and Trustees’ fees, allowances and benefits for the financial year ended 31 December 2018.
- Messrs RSM Malaysia were appointed as Auditors of the Council at a remuneration to be fixed by the Board of Trustees.

Extraordinary General Meetings

Extraordinary General Meetings were held on 30 April 2019 and 10 December 2019 to discuss on proposed amendments to MTC’s Articles of Association.

Board Committees

Investment Management Committee (IMC)

The IMC was established in 1998 to oversee all investment-related matters for the MTC Endowment Fund. This requirement was stipulated by the Ministry of Finance (MOF) and the Ministry of Primary Industries (MPI) as MTC is managing funds provided by the government. The IMC ensures that the Endowment Fund is invested according to guidelines and asset allocations issued by the MOF. It also reviews the fund’s performance and makes appropriate recommendations to the MTC Board on appointments and termination of fund managers. The Endowment Fund’s performance is submitted to both MPI and MOF on a quarterly basis.

Members of the IMC in 2019 were:

- Dato’ Low Kian Chuan, MTC - Chairman
- Mr. Ravi Muthayah, MPI
- Pn. Marlina Mohd. Lazim, MOF

In 2019, the IMC met twice to discuss issues related to MTC investment-related matters.

Market Development And Promotion Committee (MDPC)

The MDPC is tasked to provide policy guidance and strategic directions to improve the effectiveness of MTC’s market development and promotional programmes and activities.

Members of the MDPC in 2019 were:

- Mr. Goh Chee Yew, MWIA - Chairman
- En. Mad Zaidi Mohd Karli, MPI
- En. Mohd Kheiruddin Mohd Rani, MTIB
- Pn. Rusiah Mohamed, MATRADE
- Datuk Chua Hock Gee, MPMA
- Mr. Lee Leh Yew, TEAM
- Mr. Simon Lim, MWMJC
- Mr. Chua Chun Chai, MFC
- Tn. Hj. Hanafee Hj. Yusoff, PEKA
- Mr. Richard Yu, MTC
- Ms. Alexis Chang, MTC

The MDPC met three times in 2019.

Several Expert Groups operate under the MDPC. The activities of the Expert Groups in 2019 are further elaborated under the section “Promote Trade & Enhance Market Access”.

Annual General Meeting

The 27th Annual General Meeting was held on 27 June 2019 and the following were passed:

- The Audited Financial Statements of MTC for the financial year ended 31 December 2018 and the Reports of the Trustees and Auditors.
- Chairman’s and Trustees’ fees, allowances and benefits for the financial year ended 31 December 2018.
- Messrs RSM Malaysia were appointed as Auditors of the Council at a remuneration to be fixed by the Board of Trustees.

Extraordinary General Meetings

Extraordinary General Meetings were held on 30 April 2019 and 10 December 2019 to discuss on proposed amendments to MTC’s Articles of Association.

Board Committees

Investment Management Committee (IMC)

The IMC was established in 1998 to oversee all investment-related matters for the MTC Endowment Fund. This requirement was stipulated by the Ministry of Finance (MOF) and the Ministry of Primary Industries (MPI) as MTC is managing funds provided by the government. The IMC ensures that the Endowment Fund is invested according to guidelines and asset allocations issued by the MOF. It also reviews the fund’s performance and makes appropriate recommendations to the MTC Board on appointments and termination of fund managers. The Endowment Fund’s performance is submitted to both MPI and MOF on a quarterly basis.

Members of the IMC in 2019 were:

- Dato’ Low Kian Chuan, MTC - Chairman
- Mr. Ravi Muthayah, MPI
- Pn. Marlina Mohd. Lazim, MOF

In 2019, the IMC met twice to discuss issues related to MTC investment-related matters.

Market Development And Promotion Committee (MDPC)

The MDPC is tasked to provide policy guidance and strategic directions to improve the effectiveness of MTC’s market development and promotional programmes and activities.

Members of the MDPC in 2019 were:

- Mr. Goh Chee Yew, MWIA - Chairman
- En. Mad Zaidi Mohd Karli, MPI
- En. Mohd Kheiruddin Mohd Rani, MTIB
- Pn. Rusiah Mohamed, MATRADE
- Datuk Chua Hock Gee, MPMA
- Mr. Lee Leh Yew, TEAM
- Mr. Simon Lim, MWMJC
- Mr. Chua Chun Chai, MFC
- Tn. Hj. Hanafee Hj. Yusoff, PEKA
- Mr. Richard Yu, MTC
- Ms. Alexis Chang, MTC

The MDPC met three times in 2019.

Several Expert Groups operate under the MDPC. The activities of the Expert Groups in 2019 are further elaborated under the section “Promote Trade & Enhance Market Access”.

Board Meetings

Seven Board Meetings were held during the year. These were the 168th to 172nd Board Meetings held in January, April, June, September and November, respectively, and two Special Board Meetings held in March and October.

Annual General Meeting

The 27th Annual General Meeting was held on 27 June 2019 and the following were passed:

- The Audited Financial Statements of MTC for the financial year ended 31 December 2018 and the Reports of the Trustees and Auditors.
- Chairman’s and Trustees’ fees, allowances and benefits for the financial year ended 31 December 2018.
- Messrs RSM Malaysia were appointed as Auditors of the Council at a remuneration to be fixed by the Board of Trustees.

Extraordinary General Meetings

Extraordinary General Meetings were held on 30 April 2019 and 10 December 2019 to discuss on proposed amendments to MTC’s Articles of Association.

Board Committees

Investment Management Committee (IMC)

The IMC was established in 1998 to oversee all investment-related matters for the MTC Endowment Fund. This requirement was stipulated by the Ministry of Finance (MOF) and the Ministry of Primary Industries (MPI) as MTC is managing funds provided by the government. The IMC ensures that the Endowment Fund is invested according to guidelines and asset allocations issued by the MOF. It also reviews the fund’s performance and makes appropriate recommendations to the MTC Board on appointments and termination of fund managers. The Endowment Fund’s performance is submitted to both MPI and MOF on a quarterly basis.

Members of the IMC in 2019 were:

- Dato’ Low Kian Chuan, MTC - Chairman
- Mr. Ravi Muthayah, MPI
- Pn. Marlina Mohd. Lazim, MOF

In 2019, the IMC met twice to discuss issues related to MTC investment-related matters.

Market Development And Promotion Committee (MDPC)

The MDPC is tasked to provide policy guidance and strategic directions to improve the effectiveness of MTC’s market development and promotional programmes and activities.

Members of the MDPC in 2019 were:

- Mr. Goh Chee Yew, MWIA - Chairman
- En. Mad Zaidi Mohd Karli, MPI
- En. Mohd Kheiruddin Mohd Rani, MTIB
- Pn. Rusiah Mohamed, MATRADE
- Datuk Chua Hock Gee, MPMA
- Mr. Lee Leh Yew, TEAM
- Mr. Simon Lim, MWMJC
- Mr. Chua Chun Chai, MFC
- Tn. Hj. Hanafee Hj. Yusoff, PEKA
- Mr. Richard Yu, MTC
- Ms. Alexis Chang, MTC

The MDPC met three times in 2019.

Several Expert Groups operate under the MDPC. The activities of the Expert Groups in 2019 are further elaborated under the section “Promote Trade & Enhance Market Access”. 
**Public Affairs and Corporate Communications Committee (PACCC)**

The PACCC provides guidance on policy matters and policy directions to the MTC Board on public affairs and corporate communications matters.

Members of the PACCC in 2019 were:

- Mr. Simon Lim, MWMJC - Chairman (up to June 2019)
- En. Ahmad Suradi Adnan, PEKA (Co-opted)
- Tn. Hj. Hanafee Hj. Yusoff, PEKA – Chairman
- Mr. Richard Yu, MTC (from June 2019)
- Pn. Noraihan Abdul Rahman, MTC
- Mr. Chua Chun Chai, MFC
- Pn. Hamidah Abdullah, MTC

The PACCC held two meetings in 2019 to determine policy guidelines and recommendations with regard to promoting the Malaysian timber industry.

---

**Finance, Administration and Human Resource Committee (FAHRC)**

The FAHRC provides guidance on policy matters and policy directions to the MTC Board on finance and human resource matters.

Members of the FAHRC in 2019 were:

- Datuk Chua Hock Gee, MPMA - Chairman
- Mr. Goh Chee Yew, MWIA
- En. Mad Zaidi Mohd Karli, MPI
- Dato' Hj. Nor Akhirrudin Mahmud, FDPM
- Mr. Chin Lee Yen, MWMJC (Co-opted)
- Mr. Simon Lim, MWMJC – Chairman (from June 2019)
- Mr. Richard Yu, MTC
- Pn. Hjh. Norchahaya Hashim, MTIB
- Datuk Wira Sheikh Othman Rahman, MPMA (Co-opted)
- Dr. Eric Ng, MTC
- Pn. Hjh. Norchahaya Hashim, MTIB
- Pn. Hamidah Abdullah, MTC

The FAHRC met once in 2019. The committee was renamed as Finance and Human Resource Committee in June 2019.

---

**Internal Audit Committee (IAC)**

The IAC was established in 2013 to safeguard the assets of MTC from the risk of fraud and/or corporate malfeasance and unnecessary/unethical expenditure as well as to enhance good corporate governance.

Members of the IAC in 2019 were:

- Mr. Wong Kah Cane, Chairman
- Mr. Ravi Muthayah, MPI
- Pn. Hjh. Norchahaya Hashim, MTIB
- Mr. Su Lim (Co-opted)

The IAC met once in 2019 to discuss issues related to MTC operational matters.

---

**Raw Materials and Industry Development Committee (RMIDC)**

The RMIDC provides guidance on policy matters and policy directions on raw materials and industry development matters.

Members of the RMIDC in 2019 were:

- Mr. Lee Leh Yew, TEAM – Chairman
- En. Mad Zaidi Mohd Karli, MPI
- Mr. Goh Chee Yew, MWIA
- Pn. Hjh. Norchahaya Hashim, MTIB
- Tn. Hj. Hanafiee Hj. Yusoff, PEKA
- Datuk Chua Hock Gee, MPMA
- Mr. Chua Chun Chai, MFC
- Dato’ Hj. Nor Akhirrudin Mahmud, FDPM
- Mr. Chua Chun Chai, MFC
- Mr. Richard Yu, MTC
- Dr. Eric Ng, MTC
- Pn. Hamidah Abdullah, MTC

The RMIDC convened two meetings in 2019 to discuss various issues pertaining to augmentation of raw material supply and industry development programmes.

---

**Public Affairs and Corporate Communications Committee (PACCC)**

The PACCC provides guidance on policy matters and policy directions to the MTC Board on public affairs and corporate communications matters.

Members of the PACCC in 2019 were:

- Mr. Simon Lim, MWMJC - Chairman (up to June 2019)
- En. Ahmad Suradi Adnan, PEKA (Co-opted)
- Tn. Hj. Hanafiee Hj. Yusoff, PEKA – Chairman (from June 2019)
- Mr. Chua Chun Chai, MFC
- Pn. Hamidah Abdullah, MTC

The PACCC held two meetings in 2019 to determine policy guidelines and recommendations with regard to promoting the Malaysian timber industry.
Four In-House Working Groups (IHWG) have been established to ensure proper organisation-wide consultation on and for the smooth running of specific aspects of MTC’s operations. They are as follows:

**IHWG on External Sourcing of Timber Raw Materials**

The IHWG on External Sourcing of Timber Raw Materials is responsible for the verification and approval of applications by companies for timber raw material import assistance.

**IHWG on Financial Incentive for Purchase of Machinery**

The IHWG on Financial Incentive for Purchase of Machinery is responsible for the verification and approval of applications by companies for financial incentive for purchase of machinery.

**IHWG on Communications**

The IHWG on Communications is tasked with providing a cohesive and integrated approach to MTC’s communications’ needs, both print and electronic.

**IHWG on Human Resource**

The IHWG on Human Resource is responsible for human resource management and planning such as staffing, training, career progression, reward management, and employee relationship and welfare matters.
PERFORMANCE REVIEW
CHAIRMAN’S STATEMENT

On behalf of MTC Board of Trustees, I am pleased to present MTC’s Annual Report and Financial Information for the year ended 31 December 2019.

For the year 2019, overall global growth recorded its weakest pace since the global financial crisis a decade ago. Weighing on business sentiment and activities globally were increasing trade barriers and associated uncertainties. In the Malaysian perspective, while private consumption has remained resilient, overall economic activity too had been weighed down due to softer-than-expected investment growth and weakening export. According to the World Bank, the weakness in the external sector is likely to persist over the near term, hence softening global demand and constraining export growth.

In the timber sector, global consumption in 2019 saw only a 0.3 per cent increase, the lowest rate in the past decade. According to published statistics, the average annual growth rate of wood consumption in the past 20 years was 2.2 per cent. In recent years, the growth momentum has gradually weakened and is approaching to the inflection point of negative growth. Meanwhile, the continuous increase in supply and weak demand growth in recent years has resulted in inventories in almost all major timber importing countries in 2019 being significantly higher than average.

Despite such unfavourable situations, Malaysia’s timber products exports in 2019 grew 1.04 per cent with receipts totaling RM22.5 billion compared to RM22.3 billion year on year. However, except for wooden furniture and wooden frames which registered export gains, all other major product sectors saw declines in export. Wooden furniture remained the largest contributor with RM9.1 billion worth of exports, improving its performance by 17.4 per cent, while wooden frames registered RM127 million in export sales, a 2.7 percent increase year on year. On the deficit side, panel products were the hardest hit with exports declining between 23.9-43.6 per cent compared to the year before.

As a trade promotion organisation tasked to assist the industry in facing market challenges and expand its global outreach, MTC had executed a wide range of activities and programmes, of which I must highlight the very successful inaugural Malaysian Wood Expo (MWE) 2019. The exhibition chalked up sales of about RM140 million when we had only targeted RM25 million. I wish to say a big “THANK YOU!” to all our visitors, buyers and trade visitors as well as our industry players whose active participation had contributed to making MWE 2019 a roaring success.

On MTC’s operations, we had strengthened the management team with the appointment of Mr. Wong Kah Cane as Deputy Chief Executive Officer effective 1 November 2019. To better facilitate trade relations in the European region, MTC in April 2019 moved its regional office from London to Rotterdam, The Netherlands.

MTC has positioned itself as a think tank for the timber industry to urge industry players to, inter alia:

• change their mindset as it can no longer be “business as usual” to develop and grow in this industry such as having a succession plan that will attract the younger generation to want a career in the timber industry; and
• continuously explore new technologies and innovate to face the ever-changing business environment and to move towards Industrial Revolution 4.0.

These represent part of MTC’s on-going transformation process to go beyond the comfort zone and achieve further breakthroughs. Kick-started with an MTC Industry Retreat held in January 2019, the process comes with the ultimate aim of transforming MTC into an organisation that is held in high esteem by the local as well as international timber fraternity. MTC has a good team, but we can be better.

Thank you.

Dato’ Low Kian Chuan
Chairman
In line with the task entrusted by the Ministry to take the lead in trade promotion and marketing of timber products and wooden furniture globally, MTC has over the years organised the participation of Malaysian timber companies in timber and furniture pavilions in renowned international trade fairs.

For 2019, MTC organised two pavilions, one each for timber and furniture. The timber pavilion was in DelhiWood, India from 13-16 March while the furniture pavilion was in Furniture China, Shanghai from 9-12 September.

MTC also organised the inaugural Malaysian Wood Expo (MWE) in Kuala Lumpur from 19-21 November. The MWE 2019, the first coming together of top exhibitors in this part of the world, was jointly organised by MTC and Panels & Furniture Group of Wood Magazines.
Besides these, MTC has also been promoting the Malaysian timber-based industry and products through marketplace promotional booths in targeted international trade exhibitions in various countries.

For 2019, MTC participated in a total of 20 international fairs including the Malaysian International Furniture Fair and Export Furniture Exhibition (Malaysia), Buildex Vancouver (Canada), National Wood Flooring Association Expo (USA), Korea Build (South Korea), Interzum Guangzhou (China), Japan Build Osaka (Japan), Bouwbeurs (The Netherlands), Batimat (France), Dubai Woodshow (UAE), Delhiboom (India) and Sri Lanka Wood International Expo (Sri Lanka).

To strengthen Malaysia's presence in the US furniture market, MTC organised a marketing mission to the US from 17-24 October 2019 in conjunction with the High Point Fall Market.

These activities were organised and coordinated by MTC personnel from MTC HQ in Kuala Lumpur as well as our regional offices covering Europe, Middle East and Africa as well as East and South Asia.

Besides market development and promotional programmes, MTC also organised a series of talks, seminars as well as conferences such as the second edition of MTC’s signature event, the Malaysian Timber Conference themed ‘The Future is Now’, held on 25 July in Kuala Lumpur.

MTC also organised a Technology Acquisition and Study Mission to Guangzhou, China from 25-30 March to highlight some of the latest developments in the woodworking and wood processing technologies to Malaysian wood products manufacturers.

A Resource and Business Mission to Sweden and Finland for Malaysian wood-based manufacturers was also mounted from 11-18 August to source for Spruce and Pine.

Several assistance programmes continued to be carried out by MTC such as the Import Assistance Programme which comprises the Direct Sourcing Programme, Import Assistance Programme for Planting Materials, Industrial Testing Programme and Mission Participation Incentive.
Other industry assistance programmes are the Mechanisation & Automation and Retrofitting Programme, Financial Incentive for Purchase of Machinery, Financial Incentive for Purchase of Air Pollution Control Equipment and Financial Incentive for Attending Competency Course in Compliance with Clean Air Regulations 2014.

The second edition of MTC’s Overseas Suppliers-Malaysian Importers/Manufacturers Exchange Programme was organised on 20 November in conjunction with MWE 2019. Through this business-to-business matching event, the Malaysian timber companies had the opportunity to meet with timber suppliers.
from nine countries, namely, Chile, New Zealand, Canada, France, Romania, Sweden, USA, Gabon and Ukraine.

Also in conjunction with MWE 2019, MTC collaborated with MATRADE to organise an Incoming Buying Mission where 93 Malaysian timber companies met with 64 foreign buyers from 14 countries. The mission generated total sales of more than RM118 million.

In line with MTC’s objective to provide an opportunity for members of the local and foreign media to witness Malaysia’s efforts in implementing sustainable forest management as well as the sustainability and robustness of the Malaysian timber-based manufacturing industry, two familiarisation programmes were organised in 2019.

MTC also participated in three exhibitions held locally as efforts to raise MTC’s profile as well as create awareness among the general public of Malaysia’s sustainable forestry practices, sustainable living and the green credentials of timber.

Regular publications and collaterals were also available to provide information on the latest updates in the Malaysian forestry and timber industry as well as on green development in Malaysia. This included the production and launch of an e-guidebook entitled ‘Schedule of Maintenance for Timber in Construction’.

Sarawak Timber and SMEs Expo 2019
2019 Familiarisation Programme for Foreign Journalists and Trade Representatives

Project Iraq 2019
PROMOTE TRADE & ENHANCE MARKET ACCESS

MTC, in partnership with Panels & Furniture Group, organised its first international wood and woodworking machinery event - the Malaysian Wood Expo (MWE) 2019 at PWTC, Kuala Lumpur.

The expo, held from 19-21 November 2019, attracted 135 renowned exhibitors from 22 countries and over 3,000 visitors with total sales of about RM140 million.

Spanning across 8,000 square metres, exhibitors showcased wood material products, machinery, tools, tooling equipment, software for woodworking and services. Three country pavilions namely France, New Zealand and Chile were also present at MWE.

Malaysian Wood Expo 2019

In conjunction with MWE 2019, MTC organised two business matching sessions – the Incoming Buying Mission (IBM) and the Overseas Suppliers-Malaysian Importers/Manufacturers Exchange Programme (OSE) to facilitate and boost business collaboration.

IBM was conducted in collaboration with MATRADE and generated estimated sales of RM118.93 million. More than 470 meetings were scheduled for 64 foreign buyers from 14 countries with 93 Malaysian suppliers.

The OSE facilitated the augmentation of raw materials from nine countries - New Zealand, Chile, Gabon, France, Romania, Sweden, Ukraine, Canada and the United States. A total of 55 companies placed orders for raw materials worth RM6.10 million under this Programme.

MTC’s Financial Incentive for Purchase of Machinery Programme (FIPM) also served as a major boost for buyers as 86 Malaysian companies purchased machinery worth RM20.77 million.

MTC also organised a series of pocket talks where industry experts shared their insights to packed turnouts on market trends, e-trade, timber products and timber grading rules, among others.
Participation in Trade Fairs

MTC’s participation in international trade fairs is one of the most cost-efficient ways for promoting Malaysian timber products and strengthening networking, apart from gathering market intelligence, generating trade enquiries and promoting Malaysia’s sustainable forestry management policies. Be it through the setting up of MTC Malaysian timber or furniture pavilions or MTC marketplace promotion exhibition booths in selected market places, MTC’s participation in trade fairs is usually combined with a market visit or survey, which often involves meetings with local companies and timber-based associations. Trade enquiries and intelligence gathered through these activities are passed on to the members of the Malaysian timber industry through their associations or debriefing sessions.

MTC Malaysian Timber/Furniture Pavilions

In 2019, MTC organised the participation of industry members in the following trade fairs, and reports were prepared and disseminated to the industry members:

- **DelhiWood**
  - India, 13-16 March
  - 2 Companies
  - RM0.5m Estimated Sales

- **Furniture China**
  - Shanghai, China, 9-12 September
  - 19 Companies
  - RM28.6m Estimated Sales
MTC Marketplace Promotion through Trade Fairs

In 2019, MTC set up exhibition booths in the following trade fairs for marketplace promotion:

- Bouwbeurs, Utrecht, The Netherlands 4-8 February (MTC shared a timber pavilion with six companies and agencies)
- Buildex Vancouver, Canada 13-14 February
- MIFF, Kuala Lumpur, Malaysia 8-11 March
- EFE, Kuala Lumpur Malaysia 9-12 March
- National Wood Flooring Association (NWFA) Expo, Texas, USA 1-3 May

- Dubai WoodShow, Dubai, UAE 12-14 March
- Gulf Construction Expo Bahrain, Manama, Bahrain 23-25 April
- Project Iraq, Erbil, Iraq 30 September-3 October
Korea Build, Goyang, South Korea
20-24 February

Interzum Guangzhou, Guangzhou, China
28-31 March

17th China International Green Building Decoration Materials, Chongqing, China
10-12 May

China Furniture Intelligent Manufacturing Supply and Demand, Shunde, China
11 – 13 August

Furniture China, Shanghai, China
9 -12 September

Japan Build Osaka, Osaka, Japan
25-27 September

Fenestration BAU, Shanghai, China
5-8 November

China International Import Expo, Shanghai, China
5-10 November

(MTC shared a promotional counter with three agencies.)
MTC SOUTH ASIA

3 Trade Fairs

58 Trade Enquiries Received

- Batimat, Paris, France
  4-8 November

- Delhiwood, Greater Noida, India
  13-16 March

- Bangladesh International Wood Expo, Dhaka, Bangladesh
  20-22 June

- Sri Lanka Wood Expo, Colombo, Sri Lanka
  6-8 September

MTC EUROPE

1 Trade Fairs

24 Trade Enquiries Received

- Batimat, Paris, France
  4-8 November
Market Visits & Surveys

MTC officers from HQ and Regional Offices carry out regular market visits and surveys, which are important for intelligence gathering, particularly on the latest innovations and trends for timber products and building materials.

In 2019, MTC undertook 38 market visits in the following countries: Australia, Austria, Bahrain, Bangladesh, Belgium, Canada, China, Czech Republic, France, Germany, Greece, Hungary, India, Indonesia, Iraq, Italy, Kuwait, Lebanon, Maldives, Myanmar, Netherlands, Philippines, Poland, Spain, Sri Lanka, Thailand, UK, USA and Vietnam. Findings from these visits were disseminated to the industry either through debriefing sessions or the timber-based associations.

Officers of MTC HQ and Regional Offices also attended relevant trade-based seminars and briefings in their respective areas of operations. Findings from attendance at such forums were also channeled to the industry.

Missions

MTC organised one marketing mission in 2019:

* Marketing Mission to USA in conjunction with High Point Fall Market, High Point, North Carolina 17-24 October

MTC provided assistance and participated in MWIA’s B2B Mission to Qingdao, China from 13-18 May and MWMJC’s Lamscants Mission to Shanghai and Shandong, China from 15-19 July.
Secretary-General of MPI's Working Visit to China

In conjunction with Furniture China 2019, the Secretary-General of MPI led a working visit (10-13 September) to Shanghai, China. The delegation comprised MTC Chairman and CEO as well as four MTC Trustees. The working visit was organised in collaboration with Malaysian Palm Oil Board.

MTC Financial Incentives for Participation/Visit in International Trade Fairs

MTC provided financial incentives to furniture industry members who participated in Malaysian International Furniture Fair (MIFF) and Export Furniture Exhibition (EFE) in March 2019:

<table>
<thead>
<tr>
<th>Trade Fair</th>
<th>No. of Participants</th>
<th>Estimated Sales (RM Million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>MIFF &amp; EFE, Malaysia</td>
<td>27 companies</td>
<td>44.08</td>
</tr>
</tbody>
</table>

MTC provided incentives to industry members who visited the following International Trade Fairs participated by MTC in 2019:

<table>
<thead>
<tr>
<th>Trade Fair</th>
<th>No. of Participants</th>
</tr>
</thead>
<tbody>
<tr>
<td>NWFA Expo</td>
<td>1</td>
</tr>
<tr>
<td>Bangladesh International Wood Expo</td>
<td>1</td>
</tr>
</tbody>
</table>
Market Development & Promotion Committee (MDPC)

The MDPC is a Board Committee and its functions include reviewing Malaysia’s markets for timber products and formulating marketing strategies for specific markets based on research and market intelligence. Expert Groups are created under the auspices of MDPC to promote specific timber-based products as well as focus on strategic regions. The Expert Groups that held meetings in 2019 were:

- Expert Group on East Asia
- Expert Group on Furniture
- Expert Group on Meranti Timber and Related Products

Malaysian Timber Conference 2019

MTC successfully organised the conference on 25 July 2019, the opening ceremony of which was officiated by the Minister of Primary Industries. A total of 11 papers with topics highlighting global economic scenarios, timber trade and technology related to the supply of raw materials were presented.

The Conference with its theme 'The Future Is Now' was attended by 356 participants.

The Deputy Minister of Primary Industries gave his closing keynote entitled ‘Nurturing Next Generation Leaders’. He also unveiled next year's conference theme, ‘Business Unusual’.

Market Correspondents

To fully take advantage of market opportunities, MTC has on a need basis, engaged market correspondents for selected major markets, especially where it is not cost efficient for MTC to set up full-fledged representative offices, or where existing MTC staff do not have the language expertise to operate in those markets. Market intelligence received through the correspondents’ reports is directly disseminated to the industry members.

The market correspondent engaged by MTC in 2019 was as follows:

<table>
<thead>
<tr>
<th>Country / Region of Coverage</th>
<th>Market Correspondent</th>
</tr>
</thead>
<tbody>
<tr>
<td>South Africa and Mauritius</td>
<td>Mr. Georges Koo</td>
</tr>
</tbody>
</table>

The quarterly market updates on these two countries submitted by Mr. Georges Koo were disseminated to the timber associations.
## Organising Events/Meetings/Presentations/Briefings

A summary of the major events organised by MTC in 2019 is as follows:

<table>
<thead>
<tr>
<th>Event</th>
<th>Date</th>
<th>No. of Participants</th>
</tr>
</thead>
<tbody>
<tr>
<td>MTC Timber Industry Retreat, Avani Sepang Gold Coast Resort</td>
<td>23-25 January</td>
<td>96</td>
</tr>
<tr>
<td>MTC Industry Catch-Up Session: Middle East</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Muar</td>
<td>19 March</td>
<td>11</td>
</tr>
<tr>
<td>• MTC HQ</td>
<td>20 March</td>
<td>35</td>
</tr>
<tr>
<td>• Seberang Jaya</td>
<td>21 March</td>
<td>30</td>
</tr>
<tr>
<td>MTC Industry Catch-Up Session: East Asia</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Muar</td>
<td>16 April</td>
<td>21</td>
</tr>
<tr>
<td>• Batu Pahat</td>
<td>16 April</td>
<td>20</td>
</tr>
<tr>
<td>• MTC HQ</td>
<td>17 April</td>
<td>25</td>
</tr>
<tr>
<td>• Seberang Jaya</td>
<td>18 April</td>
<td>24</td>
</tr>
<tr>
<td>MTC Industry Catch-Up Session: South Asia</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Muar</td>
<td>7 May</td>
<td>32</td>
</tr>
<tr>
<td>• Batu Pahat</td>
<td>7 May</td>
<td>18</td>
</tr>
<tr>
<td>• MTC HQ</td>
<td>8 May</td>
<td>18</td>
</tr>
<tr>
<td>• Seberang Jaya</td>
<td>9 May</td>
<td>23</td>
</tr>
<tr>
<td>MTC Outreach to Stakeholders</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• MWMJC</td>
<td>29 March</td>
<td>10</td>
</tr>
<tr>
<td>• PEKA</td>
<td>9 April</td>
<td>7</td>
</tr>
<tr>
<td>• PFTIA</td>
<td>18 April</td>
<td>10</td>
</tr>
<tr>
<td>• TEAM</td>
<td>29 April</td>
<td>13</td>
</tr>
<tr>
<td>• KSFA</td>
<td>29 May</td>
<td>18</td>
</tr>
<tr>
<td>• MFA</td>
<td>10 June</td>
<td>8</td>
</tr>
</tbody>
</table>
MTC Outreach to Stakeholders

- TWIA       29 July   31
- MFC        16 August  8
- MWIA        27 August  18
- MPMA       14 October  10
- JWIA        31 October  13
- PTTA       2 December  12

Meeting on EU Timber Regulation
12 April   10

MTC E-Commerce Seminar: Bring Your Business Online
24 April   50

Invest Sabah
1-4 May   22

MTC Meeting on Country Overview to Aid Implementation of the EUTR by UNEP-WCMC
31 July   31
26 August   21
25 September   25

Meeting with PEFC International
25 September   28

Trade Visitors and Organisations

Apart from attendance at official meetings and events, MTC also receives trade visitors. In 2019, MTC HQ and its Regional Offices in Europe, Middle East & Africa and South Asia met with and/or arranged business meetings for 57 trade visitors and organisations including the MTIB, Malaysian company representatives and importers from Japan, India, UAE, Bahrain, Egypt, Turkey, Saudi Arabia, Forest Economy Research Institute of Japan, Japan Wood Products Exporters Association, and Hong Kong.

MTC East Asia also carried out online promotion and advertising in its official WeChat account, which had Malaysian and Chinese timber industry members as participants.

Trade Enquiries

The following trade enquiries were received by MTC HQ and Regional Offices in 2019:

<table>
<thead>
<tr>
<th>Received by</th>
<th>No. of Enquiries</th>
</tr>
</thead>
<tbody>
<tr>
<td>MTC HQ</td>
<td>59</td>
</tr>
<tr>
<td>MTC Middle East &amp; Africa</td>
<td>30</td>
</tr>
<tr>
<td>MTC East Asia</td>
<td>34</td>
</tr>
<tr>
<td>MTC South Asia</td>
<td>22</td>
</tr>
<tr>
<td>MTC Europe</td>
<td>29</td>
</tr>
</tbody>
</table>

All enquiries were attended to and sent to the timber associations for onward dissemination to their members.
ENHANCE USE OF TIMBERS

Organising of Technical Seminars/Workshops/Technology Missions/Study Visits

Technology Acquisition and Study Missions are among the avenues for the Council to collect information on, or expose SMIs to the latest product development, new technology in woodworking machinery and various markets’ technical requirements. MTC’s good relations with its counterparts in many different regions has enabled the Council to organise many such visits over the years.

Technical seminars, workshops, conferences, briefings and presentations are held regularly to update industry members on government regulations relating to the timber-based manufacturing sector, new processing technology and products as well as to promote the wider use of timber and timber products in the building construction sector. These events are either organised by MTC alone or in collaboration with relevant government agencies and timber based organisations. Selected speakers are invited to share their knowledge and expertise during such events.

A summary of related activities for 2019 is as follows:

<table>
<thead>
<tr>
<th>Programmes</th>
<th>No. of Enquiries</th>
</tr>
</thead>
<tbody>
<tr>
<td>Technology Acquisition and Study Mission to China (25-30 March)</td>
<td>14 industry members from 14 companies and 1 representative from WISDEC Sabah, MTIB</td>
</tr>
<tr>
<td>MTC’s Technical Seminar, Batu Pahat, Johor (14 May)</td>
<td>37 industry members from 23 companies</td>
</tr>
<tr>
<td>• Procedures and Requirements for the Import of Timber Products</td>
<td></td>
</tr>
<tr>
<td>• The First Step in Industry 4.0 Journey: Mechanisation &amp; Automation (M&amp;A) and Retrofitting</td>
<td></td>
</tr>
<tr>
<td>• Soft Financing Schemes</td>
<td></td>
</tr>
<tr>
<td>MTC’s Technical Seminar, MTC HQ (3 July)</td>
<td>49 industry members from 36 companies</td>
</tr>
<tr>
<td>• Procedures and Requirements for the Import of Timber Products</td>
<td></td>
</tr>
<tr>
<td>• The First Step in Industry 4.0 Journey: Mechanisation &amp; Automation (M&amp;A) and Retrofitting</td>
<td></td>
</tr>
<tr>
<td>• Soft Financing Schemes</td>
<td></td>
</tr>
</tbody>
</table>
MTC’s Technical Seminar, Muar, Johor (29 August)
- The First Step in Industry 4.0 Journey: Mechanisation & Automation (M&A) and Retrofitting
- Readiness Assessment Industry4WRD (Myi4.0-RA) and Productivity Improvement for Enterprise (SPPE) Scheme
- Government Financial Assistance for Malaysian Companies
- BMW Financial Solutions

No. of Enquiries: 43 industry members from 29 companies

Guided Tour to MWE in Conjunction with e-Guidebook Launching, PWTC, Kuala Lumpur (20 November)

7 representatives from JKR, PAM, DBKL, MIID, MPSJ and private company

MTC’s Technical Seminar, Seberang Jaya, Penang (12 December)
- The First Step in Industry 4.0 Journey: Mechanisation & Automation (M&A) and Retrofitting
- Readiness Assessment Industry4WRD (Myi4.0-RA) and Productivity Improvement for Enterprise (SPPE) Scheme
- Government Financial Assistance for Malaysian Companies
- BMW Financial Solutions

No. of Enquiries: 27 industry members from 19 companies

MTC Technical Projects for the Industry

MTC has been involved in many technical projects over the years. In 2019, the technical project carried out was as follows:

- 5 companies registered for M&A
- 5 companies registered for Retrofitting
- 7 companies assessed
- 7 manufacturers participated in the M&A and Retrofitting Programme (3 in furniture sector, 4 in mouldings & BJC sector)
### Participation in Technical Projects/Working Groups/Committees/Conferences/Meetings/Seminars

MTC has been involved in many technical projects in collaboration with various agencies. MTC also regularly attends relevant conferences, forums and seminars to obtain updates on technical matters/requirements that could impact upon operations and market access for Malaysian manufacturers as well as to provide views and stance in such fora as appropriate. In 2019, the technical projects and more significant meetings that MTC participated in were as follows:

<table>
<thead>
<tr>
<th>Technical Project / Working Groups / Committees / Conferences / Meetings</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Meeting on Export of Rubberwood Sawntimber</td>
<td>28 January &amp; 23 April</td>
</tr>
<tr>
<td>MIFF Furniture Design Competition</td>
<td>29 January</td>
</tr>
<tr>
<td>National Committee on Oil Palm Trunk (OPT) Development</td>
<td>29 January &amp; 25 February</td>
</tr>
<tr>
<td>Mesyuarat Pengimportan Papan Lapis dari China dan Vietnam</td>
<td>12 February</td>
</tr>
<tr>
<td>Annual Dialogue Timber Industry Forum with Forestry Department Peninsular Malaysia</td>
<td>19 February</td>
</tr>
<tr>
<td>KL and Selangor Furniture Association Workshop 2019 on ‘Grant, Incentives &amp; Financial Assistance’</td>
<td>27 February</td>
</tr>
<tr>
<td>Task Force Committee on Importation of Plywood</td>
<td>6 March, 10 April, 15 May, 22 July &amp; 15 October</td>
</tr>
<tr>
<td>MIFF Industry Seminar Series</td>
<td>9 March</td>
</tr>
<tr>
<td>MPI Recce Visit to Sabah</td>
<td>12-13 March</td>
</tr>
<tr>
<td>MPMA-FRIM MoU-signing to mass produce Eucalyptus tissue culture seedlings for forest plantation</td>
<td>12 March</td>
</tr>
<tr>
<td>MTIB meeting on proposal by TEAM and MWMJC to establish timber fumigation centre</td>
<td>13 March</td>
</tr>
<tr>
<td>MWIA Working Group for Sawmilling</td>
<td>18 March</td>
</tr>
<tr>
<td>Mesyuarat Membincangkan Remedi Perdagangan Industri Papan Lapis</td>
<td>10 April &amp; 22 July</td>
</tr>
<tr>
<td>Mesyuarat Jawatankuasa Khas Bagi Menangani Kempen Antipersaingan Pasaran Produk Komoditi Bilangan 1 Tahun 2019</td>
<td>17 April</td>
</tr>
<tr>
<td>Mesyuarat Penyelarasan Program Penanaman Semula Hutan</td>
<td>24 April &amp; 24 May</td>
</tr>
<tr>
<td>MPMA - Initiating a Safeguard Investigation on Plywood</td>
<td>15 May</td>
</tr>
<tr>
<td>Perbincangan Cadangan Hubungan Kerjasama Mengenai Program Perhutanan Sosial</td>
<td>17 May</td>
</tr>
<tr>
<td>Meeting on ISO Balloting under ISO/TC 89 Wood-based Panels</td>
<td>27 May</td>
</tr>
<tr>
<td>Event</td>
<td>Date</td>
</tr>
<tr>
<td>----------------------------------------------------------------------</td>
<td>--------------------</td>
</tr>
<tr>
<td>Jawatankuasa Kerja Kemudahan Pemiayaan Kewangan dan Insurans Industri Perkayuan Malaysia</td>
<td>26 June</td>
</tr>
<tr>
<td>MTIB meeting on 'Incompliance of Imported Timber Raw Materials'</td>
<td>15 July</td>
</tr>
<tr>
<td>MTIB Retreat on Strategic Plan and Way Forward for Forest Plantation Development Programme</td>
<td>18-21 July</td>
</tr>
<tr>
<td>Mesyuarat Jawatankuasa Teknikal Pembangunan Ladang Hutan</td>
<td>26 July</td>
</tr>
<tr>
<td>National Consultation on Technical Regulation on Formaldehyde Emission Limit from Wood-Based Panel Products</td>
<td>29 July</td>
</tr>
<tr>
<td>12th Malaysia Plan (2021-2025), Commodity Industry Technical Working Group</td>
<td>1, 8, 22 and 23 August</td>
</tr>
<tr>
<td>1st Project Steering Committee (PSC) Meeting Forest Rehabilitation of Orang Utan Habitat at Lower Kawaq, Ulu Segama Forest Reserve</td>
<td>5 August</td>
</tr>
<tr>
<td>Meeting and Stakeholder Consultation: Focus Group (Market Access and Trade Barrier), Technical Working Group (TWG) on Commodity Industry</td>
<td>28-29 August</td>
</tr>
<tr>
<td>NCCIM National Economic Forum 2019</td>
<td>29 August</td>
</tr>
<tr>
<td>MITI Consultative Dialogue 2019</td>
<td>12 &amp; 19 September, 15 &amp; 16 October</td>
</tr>
<tr>
<td>Mesyuarat Pembangunan Standards Bagi Semakan Semula MS 1787 – 1 (Determination of Dimensions of Panels dan MS 1787 – 2 Sampling and Cutting of Test Pieces)</td>
<td>18 – 20 September</td>
</tr>
<tr>
<td>11th Executive Forest Policy Course: Asia Pacific Forests and Forestry in 2030 and Beyond</td>
<td>18 – 27 September</td>
</tr>
<tr>
<td>MTCC 20th Anniversary Conference</td>
<td>24 September</td>
</tr>
<tr>
<td>FMM Industry 4.0 Conference</td>
<td>26 September</td>
</tr>
<tr>
<td>Forum on Circular Economy and Energy</td>
<td>9 October</td>
</tr>
<tr>
<td>Meeting on the direction &amp; framework of the New Industrial Master Plan</td>
<td>25 October</td>
</tr>
<tr>
<td>SMATOF in Changwon, South Korea</td>
<td>28 – 31 October</td>
</tr>
<tr>
<td>Taklimat Hasil Bancian Industri Perkayuan Negara, Bangi Resort Hotel</td>
<td>6 November</td>
</tr>
<tr>
<td>MFC Brainstorming Retreat</td>
<td>15 &amp; 16 November</td>
</tr>
<tr>
<td>MTA Visit to Eucalyptus Plantation in Nanning in conjunction with CAEXPO</td>
<td>23 – 26 November</td>
</tr>
<tr>
<td>Mesyuarat National Standards Committee Berkenaan Kayu, Produk Kayu dan Struktur Kayu</td>
<td>19 December</td>
</tr>
</tbody>
</table>
Financial Incentive for Purchase of Machinery (FIPM)

FIPM is an MTC financial incentive programme for the purchase of machinery to encourage SMEs of the timber industry in Peninsular Malaysia to adopt the latest technology in mechanisation/automation in achieving the following:
- Sawmilling and manufacturing of value-added wood-based products of consistent quality
- Improving productivity; and/or
- Reducing labour dependency

For FIPM 2019, MTC received 69 applications from 63. Of the 69 applications, four applications were rejected. As at 31 December 2019, 79 due diligence audit (DDA) visits were conducted on 60 companies.

The FIPM Inhouse Working Group convened seven meetings in 2019 to evaluate and approve the following:
- The applications for FIPM 2019 by Applying Companies that have been audited under the First Due Diligence Audit; and
- Applying Companies to be approved for reimbursement (i.e. have been audited under the Second Due Diligence Audit).

A special FIPM was introduced to provide partial reimbursement of the machine price and freight charges for the purchase of machinery made at Malaysian Wood Expo (MWE) 2019. Figures from Sales Contracts submitted to MTC during MWE 2019 showed confirmed sales of RM23,890,091.60 from 95 companies. As at 31 December 2019, MTC received completed applications from 58 companies for the Special FIPM.

Financial Incentive for Purchase of Air Pollution Control (APC) Equipment

This MTC financial incentive programme announced on 13 May 2019 is to encourage and assist SMEs in the timber industry in Peninsular Malaysia to comply with CAR 2014. A budget allocation of RM1 million was set aside to provide partial reimbursement of the cost of purchasing APC equipment. The financial incentive provided is on a first-come, first-served basis, until the budgeted allocation is completely utilised in the particular year.

As at 31 December 2019, MTC received one application. Reimbursement to the applying company was approved during the 7th Inhouse Working Group Meeting on 20 December 2019.

Financial Incentive for Attending Competency Course in Compliance with Clean Air Regulations 2014 (CAR 2014)

This MTC financial incentive was implemented on 13 May 2019 to encourage SMEs to send their staff to attend Competency Course(s) in compliance with the Clean Air Regulations 2014 (CAR 2014).

Each company is required to have a competent person stationed at each factory to handle Air Pollution Control (APC) Equipment. The designated staff is required to attend Competency Course(s) conducted by certified training provider(s), go through the certification process and comply with all the requirements before he/she is certified as a competent person. Competency Courses relevant to the timber industry are as follows:

Competency Course
- Certified Environmental Professional in Bag Filter Operation
- Certified Environmental Professional in Scrubber Operation

As of 31 December 2019, reimbursements were made to three applying companies which were approved during the 6th Inhouse Working Group Meeting on 3 October 2019.
AUGMENT RAW MATERIAL SUPPLY

MTC Resource and Business Mission to Finland and Sweden

MTC organised a Resource and Business Mission to Finland and Sweden to source for timber raw materials such as Pine and Spruce from natural and plantation forests. Led by MTC Trustee, Mr. Simon Lim, the mission saw the participation of five industry members from five companies representing the wooden picture frames, wooden packaging materials, garden furniture, furniture components, sawntimber and mouldings sub-sectors. The mission, held from 11-18 August 2019, was also aimed at enhancing networking between timber industry members of both countries apart from participating in factory visits to get familiarised with the Nordic Grading Rules as well as their trading practices.

IAP’s Direct Sourcing Programme (DSP) 2019

The total budget allocation for MTC’s IAP 2019 was RM6 million and reimbursement to approved companies was on a first-come, first-served basis. Under IAP’s DSP 2019, a total of RM2,118,310.38 was disbursed to 78 participating companies out of 94 companies approved to participate in the programme. Of the 94 companies, 14 companies were new participants and seven were non-SMEs.

IAP for Planting Materials (Seedlings/Plantlets)

MTC approved one application to participate in the programme in 2019. A summary of the approved species and disbursement is given below:

<table>
<thead>
<tr>
<th>Association of Importing Company</th>
<th>Species Origin</th>
<th>Amount Disbursed (RM)</th>
</tr>
</thead>
<tbody>
<tr>
<td>MWIA</td>
<td>Eucalyptus (Eucalyptus urophylla) China</td>
<td>23,448.29</td>
</tr>
</tbody>
</table>

MTC visited the Eucalyptus plantation in Gunung Besout Forest Reserve on 11 July 2019.

IAP’s Industrial Testing Programme (ITP)

MTC approved two companies to participate in the programme in 2019. A summary of the approved species is given below:

<table>
<thead>
<tr>
<th>Company</th>
<th>Association</th>
<th>Sector</th>
<th>Approved</th>
<th>Country of Origin</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gunung Seraya Wood Products Sdn Bhd</td>
<td>MWMJC</td>
<td>Mouldings</td>
<td>Blackbutt (Eucalyptus pilularis)</td>
<td>Australia</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Northern Red Oak (Quercus rubra)</td>
<td>USA</td>
</tr>
<tr>
<td>TS Tee Wood Industry Sdn Bhd</td>
<td>MWIA</td>
<td>Casket</td>
<td>Southern Yellow Pine (Pinus echinata)</td>
<td>USA</td>
</tr>
</tbody>
</table>
Enhancement to Import Assistance Programme (IAP) Portal

The MTC Raw Material Import Assistance Programme (IAP) Portal was created to provide assistance to timber manufacturers to import, supplement or augment the supply of raw materials.

A discussion with TMS Software Sdn Bhd (TMS) was held on 9 July 2019 to deliberate on the enhancement of the existing IAP portal as follows:

• Online application and reimbursement of Financial Incentive for Purchase of Machinery.
• To make available past records of the industry members that participated in IAP and FIPM.
• To capture information on export activities (i.e. volume, value and destinations) of the applying companies in order to identify the multiplier effects on imported raw materials/new machines purchased.

A detailed requirement study was conducted in October 2019 and a Functional Specification Document (FSD) for FIPM was submitted to MTC in November 2019. The FSD was reviewed and amended in December 2019.

IAP Audit Visits 2019

A total of 20 factories were audited during 2019 in the Central, Northern and Southern regions.

Overseas Suppliers–Malaysian Importers/Manufacturers Exchange Programme

MTC organised its 2nd MTC’s Overseas Suppliers-Malaysian Importers/Manufacturers Exchange Programme on 20 November 2019 in conjunction with the Malaysian Wood Expo 2019. The programme was participated by 28 overseas suppliers and 55 representatives from 55 local companies. The total sum of confirmed and potential sales was RM6,102,360.

MTC together with Muar Furniture Association and Batu Pahat Furniture Association organised a New Zealand Trade Enterprise (NZTE) Business Meeting at Wisma MFA, which was attended by 11 participants from 10 companies. MTC also organised two factory visits for the NZTE delegation.
Bumiputera Development

To encourage Bumiputera timber companies to further enhance their businesses overseas as well as to acquire technical knowledge and technological advancement, various forms of assistance are provided by MTC towards this purpose. A summary of Bumiputera timber companies’ participation in MTC’s activities and events in 2019 is as follows:

**EVENTS**

- MTC Timber Industry Retreat
  - 23-25 January
- MTC Industry Catch-Up Session: Middle East
  - 20 March
- MTC Technology Acquisition and Study Mission to China
  - 25-30 March
- MTC’s Mechanisation and Automation (M&A) and Retrofitting Programme
  - 26 March
- MTC Outreach to Stakeholders
  - PEKA (9 April)
  - TWIA (29 July)
  - MWIA (27 August)
- MTC E-Commerce Seminar: Bring Your Business Online
  - 24 April
- Invest Sabah
  - 1-4 May
- Malaysian Timber Conference 2019
  - 25 July

**TRADE FAIR**

- EFE
  - 9-12 March

Consultant Study on Bumiputera Participation in the Timber Industry in Peninsular Malaysia

MTC has engaged the services of Socio-Economic Research Centre (SERC) to undertake a Study on Bumiputera Participation in the Timber Industry in Peninsular Malaysia.

The study included primary and secondary research, including face-to-face interviews with Bumiputera entrepreneurs (micro and medium-sized companies) as well as conducting discussions with MTIB, MTC, PEKA, MFC, FITEC, MITI, MIDA, SME Corp and Unit Peneraju Agenda Bumiputera (TERAJU).

The study was completed in early June 2019 and copies of the report were submitted to MPI on 18 June 2019. A briefing on the study to the Deputy Minister of Primary Industries was conducted by SERC on 26 June 2019.
Green Issue Management

Proactive Measures

MTC’s proactive measures involve consistent engagement with relevant stakeholders, particularly in Europe. This forms the crux of MTC’s work to manage issues that have a direct bearing on the Malaysian timber industry. Meetings are regularly held with representatives from, amongst others:

- Malaysian Embassies in Europe
- Relevant European Government Ministries and member state federations
- European Commission Directorate-Generals for Environment, Enterprise and Market
- Programme for the Endorsement of Forest Certification (PEFC International) and PEFC National Schemes particularly PEFC UK, PEFC Netherlands and PEFC Germany.

The issues monitored and proactively managed to safeguard Malaysia’s image include the following:

- Monitoring of media reports on illegal logging and deforestation
- Monitoring reports pertaining to Reducing Emissions from Deforestation and Forest Degradation in Developing Countries (REDD, REDD+)
- Activities of ENGOs and subject matters that they focus on
- The EU Timber Regulation (EUTR)
- Continuously working with industry stakeholders in Malaysia and the EU on the utilisation of the Peninsular Malaysia Timber Legality Assurance System (MYTLAS Peninsular Malaysia)
- The EU Forest Law Enforcement, Governance and Trade (FLEGT) Voluntary Partnership Agreements (VPAs)
- Timber procurement policies of individual European countries (TPAC/SMK)
- Transparency International’s Corruption Perception index (CPI)
- IUCN Red List of Endangered Species.

Reactive Measures

MTC’s monitoring and reactive measures are conducted by MTC HQ and its regional offices, particularly MTC Europe. Issues monitored are not limited to forestry and timber-related matters. Matters that have an indirect bearing on the Malaysian timber industry, like allegations of forest clearing for the establishment of oil palm plantations and the debate on biofuel and climate change are also actively monitored, be it in print, broadcast or electronic media. MTC constantly kept MPI and other relevant ministries and agencies abreast of developments in Europe and elsewhere. Where necessary, information is channeled to agencies like the MTIB, MTCC, Malaysian timber-based associations and related entities like the Malaysian Palm Oil Council and Malaysian Palm Oil Certification Council.

The following specific subject matters have been closely monitored by MTC in the general and trade-based media:

- Illegal logging and related international trade in illegal timber products
- Legislative efforts on restricting the timber trade
- Biofuel, forest conversion and climate change
- Environmental NGOs’ activities
- EU FLEGT-VPA
- EU Timber Regulation (EUTR)
- Transparency International’s Corruption Perception Index
- IUCN Red List of Endangered Species
- Responsible Purchasing Policies by the Timber Trade Federations / Associations of the UK, The Netherlands, France, Germany, Italy and Belgium
- Politics of countries with influential ‘green’ parties
As part of its monitoring efforts, MTC also participated in 30 relevant meetings, conferences and dialogues in 2019. A summary of these events, held in Malaysia, Chile, China, Indonesia and Togo, is as follows:

- Preparatory Meeting for the 14th ASEAN Working Group on Forest Management (19 April)
- 15th Meeting of ASEAN Working Group on Forest Management & ASEAN Technical Exchange Meeting on a Proposed Regional Mechanism for a Mutual Recognition of Arrangement for Legality (11 January & 15 March)
- 4th Meeting of the Standards Review Committee for the Review of Malaysian Criteria and Indicators for Forest Management Certification (Natural Forest) (18-21 February)
- 15th Meeting of the APEC Experts Group on Illegal Logging and Associated Trade (EGILAT15) (23-27 February)
- Meeting on Rising Issues from Public Consultation on a Proposed List of Prohibited Tree Species in Nordic Ecolabelling Criteria (7 March)
- 11th Meeting of Malaysia-Australia Agricultural Cooperation Working Group and the 8th Meeting of the Forestry and Timber Technical Working Group (18-19 March)
- 15th Meeting of the ASEAN Working Group on Forest Management and ASEAN Technical Exchange Meeting on a Proposed Regional Mechanism for a Mutual Recognition Arrangement for Legality of Timber (22-26 April)
- Sesi Perbincangan Hala Tuju Rundingan Forest Law Enforcement, Governance and Trade Voluntary Partnership Agreement (FLEGT-VPA) Antara Malaysia dan Kesatuan Eropah (1 July)
- Regional Consultation on Enquiry Draft of the Malaysian Criteria and Indicators for Forest Management Certification (9 July)
- Sesi Perbincangan Mengenai Laporan Timber Legality Risk Assessment Malaysia (Peninsular) oleh National Economy and People Connected (NEPCon) (11 July)
- 16th APEC Experts Group on Illegal Logging and Associated Trade Meeting (EGILAT 16) (16 – 17 August)
- Mesyuarat Kumpulan Kerja Pakar Mengenai Insiatif Heart of Borneo (HoB) 2019 (20 September)
- Briefing and Discussion Session on Road Ecology, Transportation Infrastructure and Wildlife Conservation by Association of Consulting Engineers Malaysia (17 October)
- 55th Session of the International Tropical Timber Council and Associated Sessions of the Committees (2-7 December)
- 5th Meeting of Standards Review Committee for Malaysian Criteria and Indicator [Natural Forest] (9-11 December)
INFORMATION DISSEMINATION AND MARKET INTELLIGENCE

MTC 2019 Familiarisation Programme for Local Journalists

The 2019 Familiarisation Programme for Local Journalists was organised from 22-25 July to coincide with the Malaysian Timber Conference 2019, which was held on 25 July. Nine participants from seven media titles participated in the programme, as follows:

- Bernama News Channel – En. Muhammad Alif and En. Haminuddin Muhamad
- Bernama Wires – Pn. Siti Noor Afera
- SunBiz – En. Amir Imran
- B&I Magazine – Mr. Eric Tan & Ms. Selina Messner
- Asian Timber – Pn. Noor Rashidah Omar
- Furnish Now – Ms. Joanna Lee
- Nanyang Siang Pau – Ms. Leong Fee Fang

A total of 11 news items including one TV interview were published/aired.

MTC 2019 Familiarisation Programme for Foreign Journalists and Trade Representatives

The MTC 2019 Familiarisation Programme for Foreign Journalists and Trade Representatives was held from 18-24 November to coincide with the Malaysian Wood Expo 2019. Seven representatives from the following foreign media houses and organisations participated in the programme:

- Australian Forests and Timber News, Australia - Mr. Philip Hopkins
- Centrum Hout, The Netherlands - Ms. Berdien van Overeem
- Wood Southern Africa & Timber Times, South Africa - Ms. Joy Crane
- China Timber & Wood Products Distribution Association, China - Ms. Yang Junyi
- Structural Timber, UK - Mr. Gary Ramsay
- Woodzon, India - Mr. Rinosh Kurian
- Gagu, South Korea - Mr. Justin Hong

Daily Express, Sabah, Malaysia also sent their journalist, Mr. David Thien to join the programme in Sabah from 21-24 November. A total of five articles, arising from the programme, were written by the participants of the programme as of 31 December 2019.
Corporate Communications

In 2019, MTC advertised in selected trade magazines and journals, which included Asian Timber, Building & Investment, Timber IQ South Africa, WoodNews, Timber & Forestry Australia, Furniture Today, and Timber Design & Technology. Other media relations work was based on the issuance of press releases on MTC’s activities and achievements, placement of articles on MTC and the timber industry as well as posting of relevant information on various social media platforms, as follows:

### MAINSTREAM MEDIA
- 7 press releases
- 8 media interviews
- 169 articles in the mainstream and online media
- 8 media broadcasts

### TRADE MAGAZINES & E-JOURNALS
- 50 advertisements
- 34 articles
- 40 articles published in specialist trade magazines and/or e-publications and journals (local and foreign)

### SOCIAL MEDIA PLATFORMS
- 1,163 postings on Facebook, Instagram, Twitter, Pinterest, LinkedIn, and YouTube
- 2,751 page likes on Facebook
- 507 followers on Instagram
- 300 followers on Twitter
- 35 followers on Pinterest
- 190 followers on LinkedIn
- 2 subscribers on YouTube

**Resource Centre**

The number of books catalogued in the Resource Centre totaled 1,024 as of 31 December 2019. All the books have been catalogued according to the Library of Congress classification. In addition, 162 CDs, 300 videos of different titles and product brochures acquired from furniture and/or woodworking companies, adhesive and other finishing material suppliers, and machinery manufacturers are also catalogued in the Resource Centre.

As of 31 December 2019, the following have been uploaded on the MTC Library Management System:
- 1,209 MTC reports
- 19,740 photos
- 12,155 news clippings
**Awareness Programme**

In efforts to raise MTC’s profile and create awareness of Malaysia’s sustainable forestry practices, sustainable living and the green credentials of timber among the general public, MTC participated in the following activities in 2019:

**Activity/Event** | **Venue & Dates**
--- | ---
Sarawak Timber & SMEs Expo | Borneo Convention Centre, Kuching, Sarawak
International Greentech & Eco-Products Exhibition and Conference (IGEM) | Kuala Lumpur Convention Centre, Kuala Lumpur, 9-10 October
Putrajaya Open Day | Federal Territory of Putrajaya, 5 October

**Publications and Collaterals**

Regular collaterals and publications include Timber Malaysia, the Council’s mouthpiece published quarterly on news about MTC, the Malaysian forestry/timber industry and the green development in Malaysia. A summary of the publications and collaterals published by MTC in 2019 is as follows:

- Timber Malaysia (Quarterly) – 3 issues
  Note: Quarter 3 and Quarter 4 2019 issues were merged into a bumper issue
- 2019 MTC Programmes & Services (brochure)
- MTC Annual Report 2018
- MTC Calendar 2020
- MTC Business Planner 2020
- MTC Corporate Brochure (Updated version)

Selected MTC publications are put up for sale during MTC functions, participation at exhibitions, via email and walk-ins. Besides which, MTC has also entered into agreement with FRIM to display and sell selected MTC publications at their bookshop. In 2019, a total of 67 copies of MTC publications of various titles were purchased.
MTC Website

MTC’s website attracted an average of 2,460 users per month in 2019 with an average of 2.18 minutes per visitor. The top three foreign visitors were those from United States, India and United Kingdom. It has been noted that the most visited sections on the website are ‘Locate Us’, ‘Trade Information’ and ‘Management Team’. The ‘Member Section’ was frequently updated with various reports prepared by MTC HQ and Regional Offices.

Technical Information Services

As part of its services to the industry, MTC also produces technical publications such as technical guidebooks and brochures. For 2019, the following technical publications were published:

<table>
<thead>
<tr>
<th>Description / Title</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>MTC Guidebook on Incentives for the Wood-based Sector</td>
<td>• The guidebook provides information on incentives given by government agencies, banks and other institutions for the Malaysian wood-based industry. • The e-copy of the guidebook was uploaded on MTC’s website in April. • The Highlights of the Incentives for the Wood-based Sector was uploaded onto MTC’s website on 19 December 2019.</td>
</tr>
<tr>
<td>E-Guidebook on Schedule of Maintenance for Timber in Construction</td>
<td>• This e-book aims to guide end-users with relevant information and technical guidelines on the maintenance of timber structures including appropriate finishing systems, preservative treatments and schedule of inspection to extend the lifespan of timber structures. • The e-Guidebook was launched during MWE 2019.</td>
</tr>
</tbody>
</table>
## Market Information Services

Market intelligence reports and strategic analysis on market development prepared for internal reference and usage during 2019 included the following:

<table>
<thead>
<tr>
<th>Description / Title</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Statistics for MIFF and EFE 2019</td>
<td>• Malaysia’s Top 20 Major Export Destinations of Wooden Furniture (2014-2018)</td>
</tr>
<tr>
<td>Statistics for MTC Industry Catch-up Sessions 2019 on Middle East, East Asia and South Asia</td>
<td>• Malaysia’s Import and Export of Major Timber Products to Kuwait, UAE, Yemen, Saudi Arab, Jordan, Iran, Turkey, Egypt, Japan, South Korea, China, Bangladesh, India, Maldives, Nepal, Pakistan and Sri Lanka (2014-2018).</td>
</tr>
<tr>
<td>Statistics for MTC Industry Catch-up Sessions 2019 on Middle East, East Asia and South Asia</td>
<td>• Projection of Malaysia’s timber product export in 2019.</td>
</tr>
<tr>
<td>Statistics for rising issues from public consultation on a Proposed List of Prohibited Tree Species in Nordic Ecolabelling Criteria</td>
<td>• Malaysia’s Import and Export of Major Timber Products to Denmark, Finland, Iceland, Sweden and Norway (2014-2018).</td>
</tr>
<tr>
<td>Country Statistics</td>
<td>• Import and Export of Major Timber Products for China, India, Germany, Philippines and US.</td>
</tr>
<tr>
<td>Product Statistics</td>
<td>• Malaysia’s Import and Export of Major Timber Products to Japan, US, India, South Korea and China (2016-2018).</td>
</tr>
<tr>
<td>Timber Market Analysis</td>
<td>• Major Export Destinations of Malaysia’s Top 10 Timber Products (January-November 2017/2018).</td>
</tr>
<tr>
<td>Statistics for MTC Budget 2020 Exercise</td>
<td>• MTC’s Budget Distributions by Region and Product.</td>
</tr>
<tr>
<td>Statistics for MTC Budget 2020 Exercise</td>
<td>• Malaysia’s Export Performance and Ranking by Region.</td>
</tr>
<tr>
<td>Statistics for MTC Budget 2020 Exercise</td>
<td>• Malaysia’s Export Performance vs. GDP and Forex.</td>
</tr>
<tr>
<td>Statistics for MTC Rotterdam (Market Visit)</td>
<td>• Malaysia’s Import and Export of Major Timber Products to Belgium, Czech Republic, France, Germany, Hungary, Netherlands, Poland, Spain and UK (2014-2018).</td>
</tr>
<tr>
<td>Statistics for 2019 MTC Familiarisation Programme for Foreign Journalists and Trade Representatives</td>
<td>• Malaysia’s Export of Timber Products to Netherlands, Australia, South Africa, China, UK, India and South Korea.</td>
</tr>
</tbody>
</table>
MTC HITS HIGH NOTE WITH EXPO SUCCESS

Write By: aditya Published In: International Update Created Date: 2019-11-20 Hits: 187 Comments: 0

12/3/2019 MTC HITS HIGH NOTE WITH EXPO SUCCESS

MTC in the News

"We are extremely happy with the outcome of the Malaysian Wood Expo. It was a commercial success with brisk sales, literally. The trade visitors were from France, New Zealand, South Africa, India, Singapore and Maldives. Most of the exhibitors were from Germany, Italy, Australia, France, Belgium, Gabon, China, Chile, New Zealand, Taiwan and Singapore. Held at the Putra World Trade Centre from 19-21 November, MWE was the first international wood and woodworking machinery event in Malaysia.

"While the initial target of RM25 million was surpassed with sales of about RM140 million, Malaysian Timber Council added another feather to its illustrious cap with the debut of its Malaysian Wood Expo 2019, an international wood and woodworking machinery event organized by MTC in partnership with Parenas Furniture Group. The three-day expo attracted 135 renowned exhibitors from 22 countries and over 3,000 visitors. The expo served as a pivotal convergence point for every segment of players from the timber industry.

"Spanning across 8,000 square metres, the exhibitors showcased a wide range of products such as tropical hardwoods, temperate softwoods, wooden flooring, sawtimber, wooden pallets, door and door frames, cutting tools, abrasives, adhesives, coatings, combined machines, dust collecting equipment, edge banding materials and machines, handling equipment as well as timber, woodworking and furniture production software.

"Most of the exhibitions were from Germany, Italy, Australia, France, Belgium, Gabon, China, Chile, New Zealand, Taiwan and Singapore while the trade visitors were from France, New Zealand, South Africa, India, Singapore and Maldives.

"We are extremely happy with the outcome of the Malaysian Wood Expo. It was a commercial success with brisk sales, literally. The trade visitors were from France, New Zealand, South Africa, India, Singapore and Maldives. Held at the Putra World Trade Centre from 19-21 November, MWE was the first international wood and woodworking machinery event organized by MTC in partnership with Parenas Furniture Group. The three-day expo attracted 135 renowned exhibitors from 22 countries and more than 3,000 visitors. The expo served as a pivotal convergence point for every segment of players from the timber industry.

"Spanning across 8,000 square metres, the exhibitors showcased a wide range of products such as tropical hardwoods, temperate softwoods, wooden flooring, sawtimber, wooden pallets, door and door frames, cutting tools, abrasives, adhesives, coatings, combined machines, dust collecting equipment, edge banding materials, machines, handling equipment as well as timber, woodworking and furniture production software.

"Most of the exhibitions were from Germany, Italy, Australia, France, Belgium, Gabon, China, Chile, New Zealand, Taiwan and Singapore while the trade visitors were from France, New Zealand, South Africa, India, Singapore and Maldives.

"We are actually amazed by the volume of business we have generated. We have sold all our machinery that were brought to MWE," said MTC Chairman Dato’ Low Kian Chuan, MTC Board of Trustees and MTC CEO Mr Richard Yu. Among the dignitaries who also visited the expo was Deputy Minister of Primary Industries YB Pn Wong Kah Cane and deputy CEO of the Malaysian Timber Council Mr Richard Yu. Among the dignitaries who also visited the expo was Deputy Minister of Primary Industries YB Pn Wong Kah Cane and deputy CEO of the Malaysian Timber Council Mr Richard Yu. Among the dignitaries who also visited the expo was Deputy Minister of Primary Industries YB Pn Wong Kah Cane and deputy CEO of the Malaysian Timber Council Mr Richard Yu.

"Inaugural trade event in KL chalks up $33.5m in sales

"The Overseas Suppliers-Malaysian Importers/Manufacturers Exchange Program facilitated the augmentation of raw materials from overseas, which is creating a huge demand for Malaysian timber-based products," MTC chairman Dato’ Low Kian Chuan said.

Malaysian Wood Expo ‘sell out’ for international machinery exhibitors

Inaugural trade event in KL chalks up $33.5m in sales

It was an all-round success for the Malaysian Timber Council (MTC) as it chalked up sales of about US$33.5 million at the inaugural Malaysian Wood Expo this month.

"We are actually amazed by the volume of business we have generated. We have sold all our machinery that were brought to MWE," said MTC Chairman Dato’ Low Kian Chuan, MTC Board of Trustees and MTC CEO Mr Richard Yu. Among the dignitaries who also visited the expo was Deputy Minister of Primary Industries YB Pn Wong Kah Cane and deputy CEO of the Malaysian Timber Council Mr Richard Yu. Among the dignitaries who also visited the expo was Deputy Minister of Primary Industries YB Pn Wong Kah Cane and deputy CEO of the Malaysian Timber Council Mr Richard Yu.

Malaysia Wood Expo 2019, an international wood and woodworking machinery event.

The Overseas Suppliers-Malaysian Importers/Manufacturers Exchange Program facilitated the augmentation of raw materials from overseas, which is creating a huge demand for Malaysian timber-based products," MTC chairman Dato’ Low Kian Chuan said.

With sales of about RM140 million, Malaysian Timber Council added another feather to its illustrious cap with the debut of its Malaysian Wood Expo 2019, an international wood and woodworking machinery event.

KUALA LUMPUR (26 NOVEMBER 2019): It was an all-round success for the Malaysian Timber Council as it chalked up sales of about RM140 million when it had only targeted RM50 million at its inaugural exhibition – the Malaysian Wood Expo (MWE) 2019.

"We are actually amazed by the volume of business we have generated. We have sold all our machinery that were brought to MWE," said MTC Chairman Dato’ Low Kian Chuan, MTC Board of Trustees and MTC CEO Mr Richard Yu. Among the dignitaries who also visited the expo was Deputy Minister of Primary Industries YB Pn Wong Kah Cane and deputy CEO of the Malaysian Timber Council Mr Richard Yu. Among the dignitaries who also visited the expo was Deputy Minister of Primary Industries YB Pn Wong Kah Cane and deputy CEO of the Malaysian Timber Council Mr Richard Yu.

Inaugural trade event in KL chalks up $33.5m in sales

"We are actually amazed by the volume of business we have generated. We have sold all our machinery that were brought to MWE," said MTC Chairman Dato’ Low Kian Chuan, MTC Board of Trustees and MTC CEO Mr Richard Yu. Among the dignitaries who also visited the expo was Deputy Minister of Primary Industries YB Pn Wong Kah Cane and deputy CEO of the Malaysian Timber Council Mr Richard Yu. Among the dignitaries who also visited the expo was Deputy Minister of Primary Industries YB Pn Wong Kah Cane and deputy CEO of the Malaysian Timber Council Mr Richard Yu.

Malaysian Wood Expo 2019, an international wood and woodworking machinery event. 11

With sales of about RM140 million, Malaysian Timber Council added another feather to its illustrious cap with the debut of its Malaysian Wood Expo 2019, an international wood and woodworking machinery event.

KUALA LUMPUR (26 NOVEMBER 2019): It was an all-round success for the Malaysian Timber Council as it chalked up sales of about RM140 million when it had only targeted RM50 million at its inaugural exhibition – the Malaysian Wood Expo (MWE) 2019.

"We are actually amazed by the volume of business we have generated. We have sold all our machinery that were brought to MWE," said MTC Chairman Dato’ Low Kian Chuan, MTC Board of Trustees and MTC CEO Mr Richard Yu. Among the dignitaries who also visited the expo was Deputy Minister of Primary Industries YB Pn Wong Kah Cane and deputy CEO of the Malaysian Timber Council Mr Richard Yu. Among the dignitaries who also visited the expo was Deputy Minister of Primary Industries YB Pn Wong Kah Cane and deputy CEO of the Malaysian Timber Council Mr Richard Yu.

Inaugural trade event in KL chalks up $33.5m in sales

"We are actually amazed by the volume of business we have generated. We have sold all our machinery that were brought to MWE," said MTC Chairman Dato’ Low Kian Chuan, MTC Board of Trustees and MTC CEO Mr Richard Yu. Among the dignitaries who also visited the expo was Deputy Minister of Primary Industries YB Pn Wong Kah Cane and deputy CEO of the Malaysian Timber Council Mr Richard Yu. Among the dignitaries who also visited the expo was Deputy Minister of Primary Industries YB Pn Wong Kah Cane and deputy CEO of the Malaysian Timber Council Mr Richard Yu.

Malaysian Wood Expo 2019, an international wood and woodworking machinery event. 11

With sales of about RM140 million, Malaysian Timber Council added another feather to its illustrious cap with the debut of its Malaysian Wood Expo 2019, an international wood and woodworking machinery event.

KUALA LUMPUR (26 NOVEMBER 2019): It was an all-round success for the Malaysian Timber Council as it chalked up sales of about RM140 million when it had only targeted RM50 million at its inaugural exhibition – the Malaysian Wood Expo (MWE) 2019.

"We are actually amazed by the volume of business we have generated. We have sold all our machinery that were brought to MWE," said MTC Chairman Dato’ Low Kian Chuan, MTC Board of Trustees and MTC CEO Mr Richard Yu. Among the dignitaries who also visited the expo was Deputy Minister of Primary Industries YB Pn Wong Kah Cane and deputy CEO of the Malaysian Timber Council Mr Richard Yu. Among the dignitaries who also visited the expo was Deputy Minister of Primary Industries YB Pn Wong Kah Cane and deputy CEO of the Malaysian Timber Council Mr Richard Yu.
## FINANCIAL INFORMATION

### BALANCE SHEET AS AT 31 DECEMBER

<table>
<thead>
<tr>
<th></th>
<th>2019 (RM '000)</th>
<th>2018 (RM '000)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>NON-CURRENT ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property and equipment</td>
<td>16,407</td>
<td>17,838</td>
</tr>
<tr>
<td>Investment properties</td>
<td>16,084</td>
<td>16,546</td>
</tr>
<tr>
<td>Endowment Fund assets</td>
<td>9,915</td>
<td>10,130</td>
</tr>
<tr>
<td><strong>TOTAL NON-CURRENT ASSETS</strong></td>
<td><strong>42,406</strong></td>
<td><strong>44,514</strong></td>
</tr>
<tr>
<td><strong>CURRENT ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investments</td>
<td>278,640</td>
<td>296,008</td>
</tr>
<tr>
<td>Other receivables</td>
<td>46,272</td>
<td>17,552</td>
</tr>
<tr>
<td>Current tax asset</td>
<td>99</td>
<td>881</td>
</tr>
<tr>
<td>Cash and bank balances</td>
<td>62,061</td>
<td>54,906</td>
</tr>
<tr>
<td>Endowment Fund assets</td>
<td>459,653</td>
<td>459,145</td>
</tr>
<tr>
<td><strong>Total current assets</strong></td>
<td><strong>846,725</strong></td>
<td><strong>828,492</strong></td>
</tr>
<tr>
<td><strong>CURRENT LIABILITIES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other payables and accruals</td>
<td>11,716</td>
<td>5,217</td>
</tr>
<tr>
<td>Endowment Fund liabilities</td>
<td>2,158</td>
<td>489</td>
</tr>
<tr>
<td><strong>Total current liabilities</strong></td>
<td><strong>13,874</strong></td>
<td><strong>5,706</strong></td>
</tr>
<tr>
<td><strong>NET CURRENT ASSETS</strong></td>
<td><strong>832,851</strong></td>
<td><strong>822,786</strong></td>
</tr>
<tr>
<td><strong>NET ASSETS VALUE (NAV)</strong></td>
<td><strong>875,257</strong></td>
<td><strong>867,300</strong></td>
</tr>
</tbody>
</table>

Represented by:

### ACCUMULATED FUNDS

<table>
<thead>
<tr>
<th></th>
<th>2019 (RM '000)</th>
<th>2018 (RM '000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance as at 1 January</td>
<td>390,514</td>
<td>388,741</td>
</tr>
<tr>
<td>Surplus for the year</td>
<td>17,333</td>
<td>1,773</td>
</tr>
<tr>
<td>Endowment Fund</td>
<td>467,410</td>
<td>476,786</td>
</tr>
</tbody>
</table>

**BALANCE AS AT 31 DECEMBER**

<table>
<thead>
<tr>
<th></th>
<th>2019 (RM '000)</th>
<th>2018 (RM '000)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER</strong></td>
<td><strong>2019</strong></td>
<td><strong>2018</strong></td>
</tr>
<tr>
<td><strong>INCOME</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Surplus transferred from Endowment Fund</td>
<td>32,060</td>
<td>28,860</td>
</tr>
<tr>
<td>Investment income &amp; others</td>
<td>26,182</td>
<td>1,337</td>
</tr>
<tr>
<td><strong>EXPENDITURE</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Expenses and taxation</td>
<td>42,062</td>
<td>28,424</td>
</tr>
<tr>
<td><strong>SURPLUS OF INCOME OVER EXPENDITURE</strong></td>
<td><strong>17,333</strong></td>
<td><strong>1,773</strong></td>
</tr>
</tbody>
</table>

Note: The above figures have been extracted from the financial statements of MTC audited by RSM Malaysia.