

ANNUAL REPORT

20 25

Shaping Tomorrow with Sustainable Timber

CONTENTS

PERFORMANCE REVIEW

04-09

Chairman's Statement
CEO's Review of Operations

CORPORATE INFORMATION

10-18

Corporate Profile
Corporate Philosophy
Objectives
MTC 3-Year Strategic Roadmap (2024-2026)
Organisational Structure
Board Matters
Management Team & In-House Working Groups/Committees

PERFORMANCE OF THE MALAYSIAN TIMBER TRADE

19-23

INDUSTRY DEVELOPMENT & EMPOWERMENT

24-32

Raw Material Augmentation
Automation & Digitalisation
Business Transformation
Knowledge Talent

MARKET DEVELOPMENT

33-40

Market Penetration & Promotion
Branding

MARKET INTELLIGENCE

41-42

STAKEHOLDER ENGAGEMENT

43-57

Issues Management
Public Perception Management
Cross-Industry Alliances

OPERATIONAL EXCELLENCE

58-62

Human Capital Development
Performance Management
Information & Communications Technology
Administration

PERFORMANCE REVIEW

DATU HAJI ZAINAL ABIDIN HAJI ABDULLAH
CHAIRMAN

CHAIRMAN'S STATEMENT

On behalf of the Board of Trustees of the Malaysian Timber Council (MTC), I am pleased to present the 2025 Annual Report and Audited Accounts for the financial year ended 31 December 2025. This report reflects the Council's continued commitment to strengthening the resilience, competitiveness and sustainability of Malaysia's timber industry amid an increasingly complex and volatile global trade environment.

The operating landscape in 2025 remained challenging, shaped by heightened geopolitical tensions, shifting trade alignments, inflationary pressures and ongoing supply chain disruptions, all of which weighed on global business confidence. Climate-related policies, sustainability requirements and

rapid digitalisation continued to reshape manufacturing, construction and trade practices. Together, these trends point to a structural shift in the global economy, where environmental responsibility, traceability and technological readiness are essential to maintain market access, particularly for export-oriented industries such as timber.

Against this backdrop, the global timber and wood products sector remained in contraction for much of 2025. Several major producing countries faced weak demand, higher operating costs and, in some cases, declining production levels. Malaysia's timber industry was not spared from these pressures. Total export earnings moderated to RM21.51



The then Deputy Minister of Plantation and Commodities, YB Datuk Chan Foong (centre) receiving a token of appreciation from MTC Chairman Datu Haji Zainal Abidin Haji Abdullah at MTC's TIMB3R DIP Pavilion during the Export Furniture Exhibition (EFE) 2025.

billion in 2025 from RM22.92 billion in 2024, representing a year-on-year decrease of approximately 6.1%.

The softer performance reflected weaker demand in key markets, particularly in construction and property-related segments. Slower housing and renovation activity in major economies reduced demand for products such as sawntimber, plywood and other building-related materials. At the same time, stricter regulatory and sustainability requirements in international markets raised compliance expectations. Despite these challenges, the industry remained supported by a diversified product base and strong downstream manufacturing capabilities, particularly in joinery products and furniture production, which helped sustain overall resilience.

A notable development during the year was the United States' increasingly protectionist trade stance, including the imposition of targeted tariffs on selected Malaysian

furniture and wood-based products. This underscores the need for continued export diversification and stronger positioning in higher-value market segments. In response, industry players have begun recalibrating their market strategies by expanding into alternative regions and strengthening international partnerships. These efforts reflect a growing recognition that long-term competitiveness will depend not only on product quality but also on agility, adaptability and strategic market positioning.

Regulatory developments also continued to reshape market access conditions, particularly in relation to the European Union Deforestation Regulation (EUDR). While a phased implementation timeline and refinements have been introduced to ease certain due diligence requirements, the direction is clear: environmental compliance, supply chain transparency and traceability are now prerequisites for entry into key markets. For Malaysia, this reinforces the importance of strengthening traceability systems and



MTC commemorated its 33rd Anniversary with a meaningful celebration at FRIM, Kepong, on 10 January 2025. Pictured are the MTC Chairman (fourth from right), MTC CEO Madam Noraihan Abdul Rahman, and Members of the Board of Trustees during the cake-cutting ceremony.



MTC Chairman Datu Haji Zainal Abidin Haji Abdullah (sixth from left) with the delegation during the visit to United Woodwork & Construction (M) Sdn. Bhd., Penang, as part of the MTC 2025 Roadshow.

sustainability assurances to remain competitive. It marks a clear shift, where sustainability is now an obligation and compliance a strategic factor for long-term resilience.

Market expectations have also evolved with buyers placing greater emphasis on verifiable sourcing practices. In this regard, Malaysia's zero tolerance stance on illegally logged timber, together with our long-standing commitment to responsible forest management, provides a strong foundation. Certification frameworks, national verification systems and strict regulatory oversight enable Malaysian timber to demonstrate legality and sustainability across the supply chain. These strengths have reinforced international confidence in Malaysia as a reliable source of timber products. Moving forward, this credibility must be translated into stronger market positioning by presenting Malaysian timber as a premium, verifiably sustainable material that supports long-term industry growth.

In response to these industry and market challenges, MTC continued to support the industry through the implementation of its 3-Year Strategic Roadmap (2024-2026), focusing on raw material security, market access, digital and technological adoption, and Environmental, Social and Governance (ESG) readiness. Aligned with national policies, the roadmap reflects a strategic shift towards building long-term competitiveness through sustainability, innovation, and stronger supply chain credibility.

Market development and international engagement remained key priorities in 2025. A major highlight of the year was the third edition of the Malaysian Wood Expo (MWE) 2025, which recorded its strongest performance to date and reinforced its role as a leading international platform for the timber and woodworking industry. Beyond bringing together industry players, buyers and technology providers, the Expo plays an important role in expanding global market linkages, enhancing supply chain connectivity and reinforcing Malaysia's position within the global timber value chain. The next edition, MWE 2027, is expected to further broaden international

participation, industry collaboration and opportunities for Malaysian timber products in the global marketplace.

Sustainability remains central to the Council's long-term direction. As ESG considerations increasingly influence purchasing decisions and investment flows, sustainability has become a key competitive factor. MTC's emphasis on ESG integration, responsible resource use and certified supply chains supports long-term value creation while aligning the industry with national sustainability goals.

Looking ahead, the timber sector will continue to operate amid trade uncertainty, carbon-related policies, technological change and evolving consumer expectations. Resilience will depend on strategic clarity, disciplined execution and sustained investment in long-term capabilities. The ability to adapt and move into higher-value segments will be critical.

The Council's approach, grounded in prudent governance, strategic foresight, and close collaboration with industry stakeholders, has guided the sector through multiple cycles of change over more than three decades and will remain important moving forward. I would like to record my appreciation to my fellow Board members for their guidance and support, to our stakeholders and partners for their continued trust and collaboration, and to the Management team and all MTC staff for their commitment and dedication throughout the year.

While the operating environment remains demanding, the progress achieved in 2025 reflects an industry that continues to adapt with purpose and resilience. Guided by a shared commitment to sustainability, sound governance and collective stewardship, I am confident that Malaysia's timber industry will continue to strengthen its standing as a competitive, credible and globally respected sector over the long term.

DATU HAJI ZAINAL ABIDIN HAJI ABDULLAH
Chairman



NORAIHAN ABDUL RAHMAN
Chief Executive Officer

2025 was a year of focused implementation for the Malaysian Timber Council (MTC), as efforts were intensified to support industry adaptation through targeted programmes, stakeholder engagement and capability-building initiatives in response to evolving global trade requirements.

Throughout the year, MTC continued to work closely with industry players to strengthen readiness and facilitate adjustment to changing market expectations. The Council's role centred on enabling timber companies to navigate regulatory requirements, improve competitiveness and capture emerging opportunities in higher-value segments.

Guided by our **3-Year Strategic Roadmap (2024-2026)**, MTC advanced initiatives across key priority areas, including ESG readiness, digital adoption, design-led innovation, downstream value creation and talent development. These efforts aim to strengthen industry capabilities and support long-term transformation towards a more resilient and competitive timber sector.

In 2025, MTC further strengthened its engagement on regulatory and market preparedness by facilitating industry coordination and providing platforms for knowledge sharing with relevant agencies and stakeholders.

CEO'S REVIEW OF OPERATIONS

This included structured support to enhance understanding and readiness in relation to key international requirements such as the **European Union Deforestation Regulation (EUDR)**, while also addressing issues such as the proposed CITES listing of *Shorea* species, tariff developments in the United States and evolving certification requirements in India to ensure the industry remains informed of evolving compliance expectations in major markets.

At the regional level, Malaysia's leadership of the **APEC Experts Group on Illegal Logging and Associated Trade (EGILAT)** from 2024 to 2025 reinforced the

country's role in promoting legal and sustainable timber trade across the Asia-Pacific region. As I concluded my tenure as Chair in 2025, member economies reached consensus on forward-looking policy directions while strengthening cooperation in combating illegal logging and promoting trade in legally harvested timber products as well as advancing regional capacity-building initiatives.

Market development remained a central focus, with the **Malaysian Wood Expo (MWE) 2025** serving as a key platform for trade promotion and marking an important milestone for the Council. Held at MITEC from 10 to 11



The then Minister of Plantation and Commodities (KPK) YB Datuk Seri Johari Abdul Ghani receiving a commemorative token from MTC CEO Madam Noraihan Abdul Rahman, during the Opening Ceremony of the Malaysian Wood Expo (MWE) 2025.



MTC CEO Madam Noraihan Abdul Rahman (right) presenting a token of appreciation to Minister of Housing and Local Government YB Tuan Nga Kor Ming at the PAM Pavilion at ARCHIDEX 2025.

November 2025, the Expo featured 127 exhibitors from 18 countries and welcomed 1,967 visitors from 52 countries, including 404 international participants. A total of 78 sponsored buyers engaged in 358 structured business meetings, generating RM194.5 million in sales through the Incoming Buying Mission and Inbound Overseas Sourcing Programme. Supported by the Timber Conference themed “In the Eye of the Storm”, the Expo reinforced Malaysia’s positioning within the global timber value chain.

Beyond market development, MTC continued to drive industry transformation through structured development programmes. The **Factory Transformation Programme (FTP)** has delivered measurable improvements in productivity, operational efficiency and product quality across more than 70 participating companies. To date, the programme has generated productivity gains valued at RM6.71 million, encouraging the adoption of modern manufacturing practices and Industry 4.0 technologies in line with the National Agricommodity Policy 2021-2030 (DAKN 2030). Complementing this, the **Technology Acquisition Programme (TAP)** supported wider adoption of automation, digitalisation and green technologies, enabling 40 companies in 2025 to modernise their production processes and enhance competitiveness with investments totalling RM13.55 million.

Innovation and product development were further strengthened through the **TIMB3R Design Incubator Programme (DIP)**, which continued to facilitate collaboration between designers and manufacturers to generate commercially viable timber products. Across TIMB3R DIP 1.0 to DIP 4.0, a total of 72 products have been developed through 61 designer-manufacturer collaborations. The initiative has been expanded under TIMB3R DIP 5.0 to develop space-efficient timber solutions under the theme “Compact Living”, pairing eight manufacturers with eight designers.

Digital outreach through **TimbeReality** also continued to expand industry visibility, connecting Malaysian timber products with international audiences through an online platform showcasing local manufacturers. The

platform now features 58 Malaysian industry players and attracted more than 210,000 visitors since its launch. In 2025, the platform registered 68,648 views.

Talent development remained a key pillar of industry capacity building. Through the **Talent Placement Programme**, 56 engineers were absorbed into the timber sector, while 317 university and TVET students completed industrial internships and 60 trainees gained valuable on-the-job industry exposure, helping to strengthen the industry’s future talent pipeline. Complementing these efforts, the **MTC Youth Circle Committee (MYCC)** continued to serve as a strategic platform to engage the next generation of industry leaders, strengthening networks, encouraging knowledge exchange and cultivating leadership capabilities to support the sector’s long-term growth and sustainability.

In line with the Council’s commitment to inclusive industry development, targeted support programmes for Bumiputera companies were continued. Through the **Bumiputera Development Programme (BDP)**, MTC continued to support entrepreneurs through initiatives encompassing business management workshops, machinery incentives and skills development programmes aimed at enhancing operational capabilities and productivity. In collaboration with industry partners such as PEKA and relevant agencies, these efforts focused on



MTC CEO, Madam Noraihan Abdul Rahman (third from left), and Chairman, Datu Haji Zainal Abidin Haji Abdullah (centre), with the team at the MTC booth during UPM’s Sesi Libat Urus Impak Pembangunan Ladang Hutan 2025.



The Malaysian delegation posing for a group photo after the EGILAT Dialogue in Incheon, South Korea.

strengthening technical competencies, improving business governance and facilitating greater industry participation.

Collectively, these initiatives aim to empower Bumiputera and B40 enterprises to enhance competitiveness, scale their operations and progressively expand their presence across the timber industry value chain.

Sustainability remained integral to MTC's programmes and internal practices. The **Sustainability Engagement Programme (SEP)** enhanced staff capacity in ESG integration, SDG alignment and sustainable procurement. At the industry level, the **Timber Sustainability Programme (TSP)**, launched in May 2025, provides companies with a structured pathway to align with global ESG expectations and strengthen sustainability readiness.

Internally, MTC also reinforced responsible environmental practices through the **Recycling and Waste Diversion Programme**. In 2025, the initiative diverted 272 kg of recyclables and 533.2 kg of food waste from landfill, producing 74.3 kg of compost and avoiding an estimated 1,366.7 kgCO₂e emissions, while encouraging greater staff participation in responsible waste management.

These efforts were complemented by **MTC's Corporate Social Responsibility initiatives** guided by the pillars of Giving Back to Nature, Communities and Stakeholders. Highlights included the Warisan Hijau Tree Planting Programme at SK Taman Pelangi Semenyih, where more than 100 saplings were planted alongside the installation of Red Balau timber gazebos, creating a lasting green space for the school community. At MTC Cares @ Zoo

Negara, habitat enhancement and planting initiatives promoted biodiversity awareness while strengthening engagement with youth and community partners.

MTC also continued promoting the use of Malaysian timber in the built environment through architectural showcases that demonstrate its strength, versatility and sustainability. At **ARCHIDEX 2025**, the installation **Timber Flow: The Folded Crest** received the **Curated Booth Gold Award**, marking the second consecutive year that MTC's timber installations have been recognised at the exhibition. Complementing this achievement, MTC sponsored the **MTCC PEFC Certified Glulam Arch** at Madras Lane in Kuala Lumpur's Chinatown, Malaysia's first PEFC project-certified public landmark, demonstrating the potential of responsibly sourced engineered timber in modern urban development.

Looking ahead, MTC will continue to focus on strengthening industry capabilities, expanding market opportunities and supporting long-term transformation across the timber sector. The emphasis will remain on delivering impactful programmes that enhance competitiveness, improve resilience and support sustainable industry growth.

I would like to extend my sincere appreciation to the MTC Board of Trustees, industry partners, stakeholders and the dedicated MTC team for their continued support and commitment throughout the year. Their collective efforts remain instrumental in advancing the development and global positioning of the Malaysian timber industry.

NORAIHAN ABDUL RAHMAN
Chief Executive Officer



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 Plantation and Commodities (KPK).



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.



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.

Key Thrusts

-  Industry Development & Empowerment
-  Market Intelligence
-  Market Development
-  Stakeholder Engagement

Focus Areas

- 
 - Raw Material Augmentation
 - Automation & Digitalisation
 - Business Transformation
 - Knowledge Talent
- 
 - Database & Information Management
- 
 - Market Penetration and Promotion
 - Branding
- 
 - Issues Management
 - Public Perception Management
 - Cross-Industry Alliances
- 
 - Enabled by Human Capital



ENGAGE



CONNECT



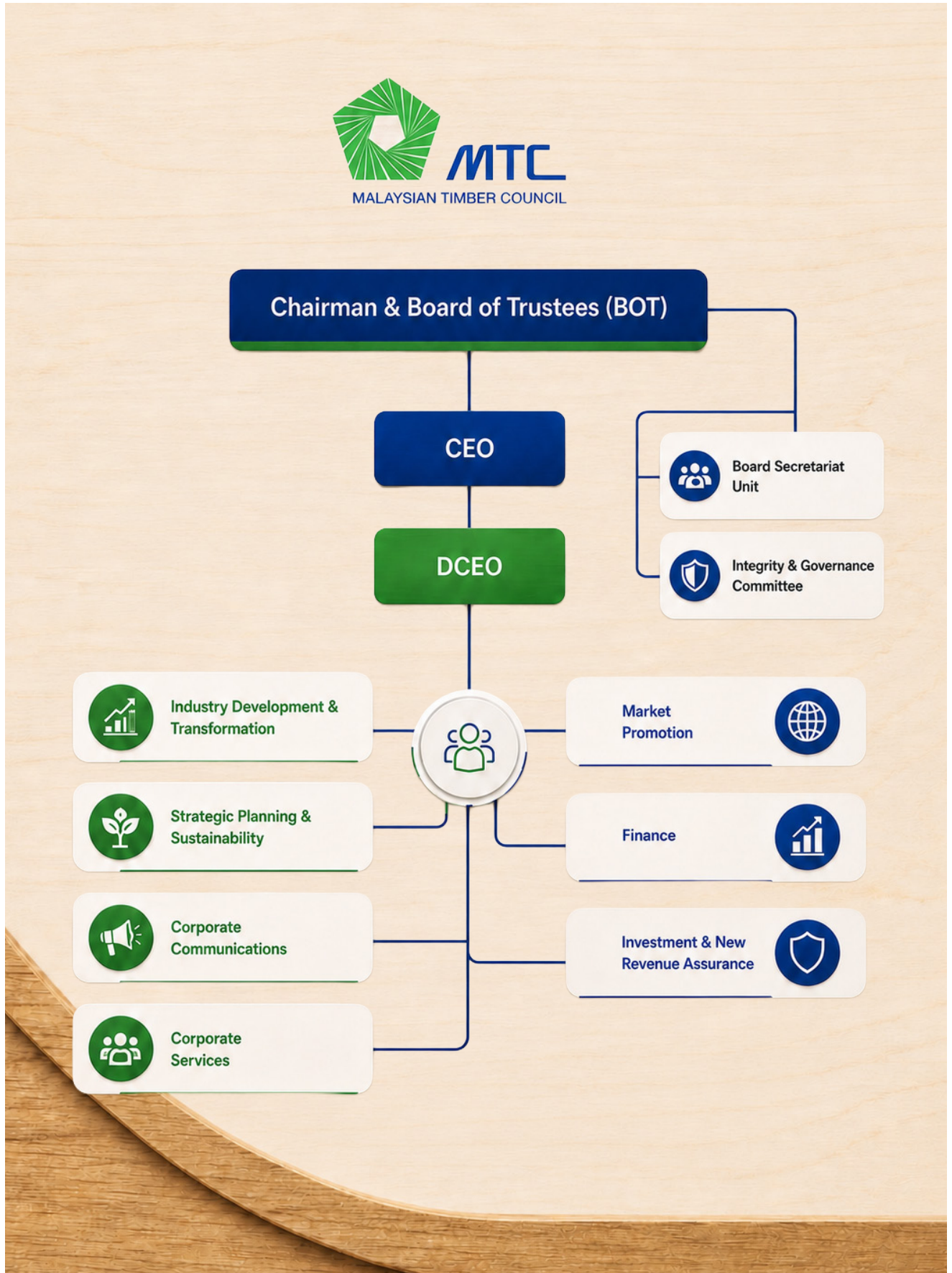
GROW

Strengthening The Industry's Global Presence



ORGANISATIONAL STRUCTURE

(AS AT 31 DECEMBER 2025)





Back row (from left): Mr. Chua Song Fong, Mr. Law Kian Siong, Mr. Ng Kay Yip, Mr. Yap Hong Thien, Datuk Chua Hock Gee and Tn. Haji Farosham Naizamohideen.
Front row (from left): Dato' Haji Zahari Ibrahim, Dato' Razali Mohamad, Datu Haji Zainal Abidin Haji Abdullah and En. Saiful Bahri Salleh.

BOARD MATTERS

BOARD OF TRUSTEES

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)
- The 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 Plantation and Commodities (KPK)
- Malaysian Timber Industry Board (MTIB)
- Forestry Department of Peninsular Malaysia (FDPM)
- Association of Malaysian Bumiputra Timber and Furniture Entrepreneurs (PEKA)

Appointment

The term of appointment of Datu Haji Zainal Abidin Haji Abdullah as MTC Chairman ended on 10 April 2025 and he was reappointed for another 2-year term effective from 11 April 2025.

Board of Trustees

The composition of the Board of Trustees as of 31 December 2025 is as follows:



Name	Representing	Term of Appointment
Datu Haji Zainal Abidin Haji Abdullah (Chairman)	-	11 April 2025 - 10 April 2027
Dato' Razali Mohamad	KPK	2 May 2024 - 31 December 2025
En. Saiful Bahri Salleh	MTIB	12 August 2024 - 31 December 2025
Dato' Haji Zahari Ibrahim	FDPM	12 August 2024 - 31 December 2025
Mr. Ng Kay Yip	MWIA	1 January 2024 - 31 December 2025
Mr. Chua Song Fong	TEAM	1 January 2024 - 31 December 2025
Datuk Chua Hock Gee	MPMA	2 September 2024 - 31 December 2025
Mr. Yap Hong Thien	MWMJC	1 January 2024 - 31 December 2025
Mr. Law Kian Siong	MFC	1 January 2024 - 31 December 2025
Tn. Haji Farosham Naizamohideen	PEKA	1 January 2024 - 31 December 2025

BOARD MEETINGS

The Board met eight times in 2025 as follows:



Period	Meeting	Date
1 st Quarter	200 th Board Meeting	10 February
2 nd Quarter	201 st Board Meeting	8 April
	202 nd Board Meeting	12 June
3 rd Quarter	Special Board Meeting	14 July
	203 rd Board Meeting	13 August
4 th Quarter	204 th Board Meeting	23 October
	Special Board Meeting	3 November
	205 th Board Meeting	11 December

Annual General Meeting

The 33rd Annual General Meeting was held on 12 June, and the following matters were passed:

- The Audited Financial Statements of MTC and the MTC Endowment Fund for the financial year ended 31 December 2024, together with the Reports of the Trustees and Auditors.
- The payment of Trustees' remuneration, fees and benefits for the financial year ended 31 December 2024 and for the period until the conclusion of the next Annual General Meeting in 2026.
- The re-appointment of Messrs. RSM Malaysia PLT as Auditors of the Council until the conclusion of the next Annual General Meeting, with the remuneration to be fixed by the Board of Trustees.



The 204th MTC Board Meeting, chaired by the MTC Chairman, reaffirming the Council's strategic direction and institutional stewardship.

Extraordinary General Meeting

There was no Extraordinary General Meeting held in 2025.

Company Secretary

The service contract with Securities Services (Holdings) Sdn Bhd was renewed for a one-year term from 19 January 2025 to 18 January 2026 and subsequently approved by the Board at its meeting on 23 October 2025 for a further one-year term from 19 January 2026 to 18 January 2027, subject to the Board's review.

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 Plantation and Commodities (KPK). The IMC ensures that the MTC Endowment Fund is invested in accordance with the guidelines issued by the MOF. It also reviews the fund's performance and makes investment recommendations to the MTC Board.

Members of the IMC as of 31 December 2025 were:

- Datu Haji Zainal Abidin Haji Abdullah (MTC Chairman)
- Dato' Razali Mohamad (MTC Board Member representing KPK)
- En. Shahlan Md Shukor@Kadari (MOF Representative)
- Madam Noraihan Abdul Rahman (MTC CEO)

In 2025, the IMC met five times to discuss MTC's investment performance and its related matters.



The Investment Management Committee (IMC) meeting focused on reviewing the Council's investment performance.



The Audit, Integrity & Risk Committee (AIRC) meeting in progress, chaired by Dato' Haji Zahari Ibrahim, overseeing MTC's audit, governance, and risk management matters.

Audit, Integrity & Risk Committee (AIRC)

The AIRC was established to review the audit findings from internal audit reports, overseeing the statutory annual audited financial statement, MTC's annual budget as well as the integrity, compliance and governance within MTC while evaluating MTC's risk management, policy and strategy.

Members of the AIRC as of 31 December 2025 were:

- Dato' Haji Zahari Ibrahim (Chairman)
- Mr. Chua Song Fong (TEAM)
- Mr. Yap Hong Thien (MWMJC)
- Mr. Law Kian Siong (MFC)

The AIRC met four times in 2025.

Human Resource, Nomination and Remuneration Committee (HRNRC)

The HRNRC is tasked to advise the MTC Board on policy matters and provide directions related to the nomination and remuneration of the MTC staff.

Members of the HRNRC as of 31 December 2025 were:

- Datu Haji Zainal Abidin Haji Abdullah
- Chairman
- Datuk Chua Hock Gee (MPMA)
- Mr. Ng Kay Yip (MWIA)
- Tn. Haji Farosham Naizamohideen (PEKA)
- Pn. Norsazila Nordin - representing KPK

The HRNRC met twice in 2025.

Industry & Market Development Committee (IMDC)

The IMDC serves as an advisory committee to the MTC Board that provides policy recommendations and strategic directions in support of MTC's key thrusts on industry development and empowerment, market intelligence, market development and stakeholder engagement, and review strategic framework to improve the effectiveness of MTC's programmes and activities.

Members of the IMDC as of 31 December 2025 were:

- Mr. Yap Hong Thien (MWMJC) - Chairman
- Dato' Razali Mohamad (KPK)
- En. Saiful Bahri Salleh (MTIB)
- Dato' Haji Zahari Ibrahim (FDPM)
- Mr. Ng Kay Yip (MWIA)
- Mr. Chua Song Fong (TEAM)
- Datuk Chua Hock Gee (MPMA)
- Mr. Law Kian Siong (MFC)
- Tn. Haji Farosham Naizamohideen (PEKA)
- Pn. Aedreena Reeza Alwi (MITI)
- MTC Management (represented by CEO Madam Noraihan Abdul Rahman)

Alternate members of the IMDC as of 31 December 2025 were:

- Pn. Norsazila Nordin (KPK) - since 30 October 2025
- Ts. Farydatul Nazli Mohd Zin (MTIB)
- Dato' Mohd Radhi Chu Abdullah (FDPM) - since 12 March 2025

A debriefing session for projects under the IMDC 2024 was held on 7 January 2025. In 2025, the IMDC convened six meetings, including one special session, to deliberate on key industry development matters, covering trade and technical missions, market intelligence, regulatory updates, certification requirements and strategic support measures. The Committee also monitored progress on IMDC-funded initiatives focused on productivity, automation and sustainability, overseeing projects such as the MPASTi 2.0 machine monitoring pilot and plantation timber product development, while reviewing and refining selected initiatives to ensure alignment with industry priorities and long-term resilience.



Industry & Market Development Committee (IMDC) members discussing key priorities for timber industry growth and market expansion.



Back row (from left): En. Mohamed Azly Yusof, Ms. Lau Li Har, Ms. Eng Hui Lee, Ms. Alexis Chang and Pn. Juzrin Omar.
Front row (from left): En. Khairul Anwar, En. Mokhtar Mohd Yaacob, Madam Noraihan Abdul Rahman and Mr. Tan Ting Wai.

MANAGEMENT TEAM & IN-HOUSE WORKING GROUPS/COMMITTEES

Five In-House Working Groups (IHWG) and one committee were established to ensure proper organisation-wide consultations 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 the importation of timber raw materials under the Import Assistance Programme (IAP).

The members of the IHWG on External Sourcing of Timber Raw Materials as of 31 December 2025 were:

- | | |
|--|--------------------------|
| • Madam Noraihan Abdul Rahman - Chairman | • En. Mohamed Azly Yusof |
| • En. Mokhtar Mohd Yaacob | • Ms. Lau Li Har |



IHWG on Technology Acquisition Programme (previously known as Industry Development Programme)

The IHWG on Technology Acquisition Programme (TAP) is responsible for the verification and approval of applications by companies for assistance under various automation, digital and green technology programmes under TAP.

The members of the IHWG on Technology Acquisition Programme as of 31 December 2025 were:

- | | |
|--|--------------------------|
| • Madam Noraihan Abdul Rahman - Chairman | • En. Mohamed Azly Yusof |
| • En. Mokhtar Mohd Yaacob | • Ms. Lau Li Har |



IHWG on Export Assistance Programme

The IHWG on Export Assistance Programme (EAP) is responsible for the verification and approval of applications by companies under EAP, which was reinstated from 1 September 2024 to 28 February 2025.

The members of the IHWG on Export Assistance Programme as of 28 February 2025 were:

- Madam Noraihan Abdul Rahman - Chairman
- En. Mokhtar Mohd Yaacob
- En. Mohamed Azly Yusof
- Ms. Lau Li Har



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.

The members of the IHWG on Communications as of 31 December 2025 were:

- Madam Noraihan Abdul Rahman - Chairman
- En. Mokhtar Mohd Yaacob
- Mr. Tan Ting Wai
- Ms. Alexis Chang
- Ms. Lau Li Har
- En. Khairul Anwar
- En. Mohamed Azly Yusof
- Ms. Eng Hui Lee
- Pn. Juzrin Omar



IHWG on Human Resource

The IHWG on Human Resource is responsible for human resource management and planning, including recruitment, staff learning and development, career progression, reward management, employee relations and welfare matters.

The members of the IHWG on Human Resource as of 31 December 2025 were:

- Madam Noraihan Abdul Rahman - Chairman
- En. Mokhtar Mohd Yaacob
- Mr. Tan Ting Wai
- Pn. Juzrin Omar
- Ms. Lau Li Har
- Ms. Alexis Chang
- En. Khairul Anwar
- En. Mohamed Azly Yusof
- Ms. Eng Hui Lee



Integrity and Governance Committee

The Integrity and Governance Committee (IGC) is responsible for instilling the values of integrity and mutual respect in the workplace as well as ensuring an anti-bribery and anticorruption culture in MTC.

The Members of the Integrity and Governance Committee as of 31 December 2025 were:

- Mr. Wan Khubaib Akram Wan Jaffree - Head
- Pn. Rohayu Razali
- Pn. Nur Jasmine Shafiq Aroki
- Pn. Nadirah Ahmad



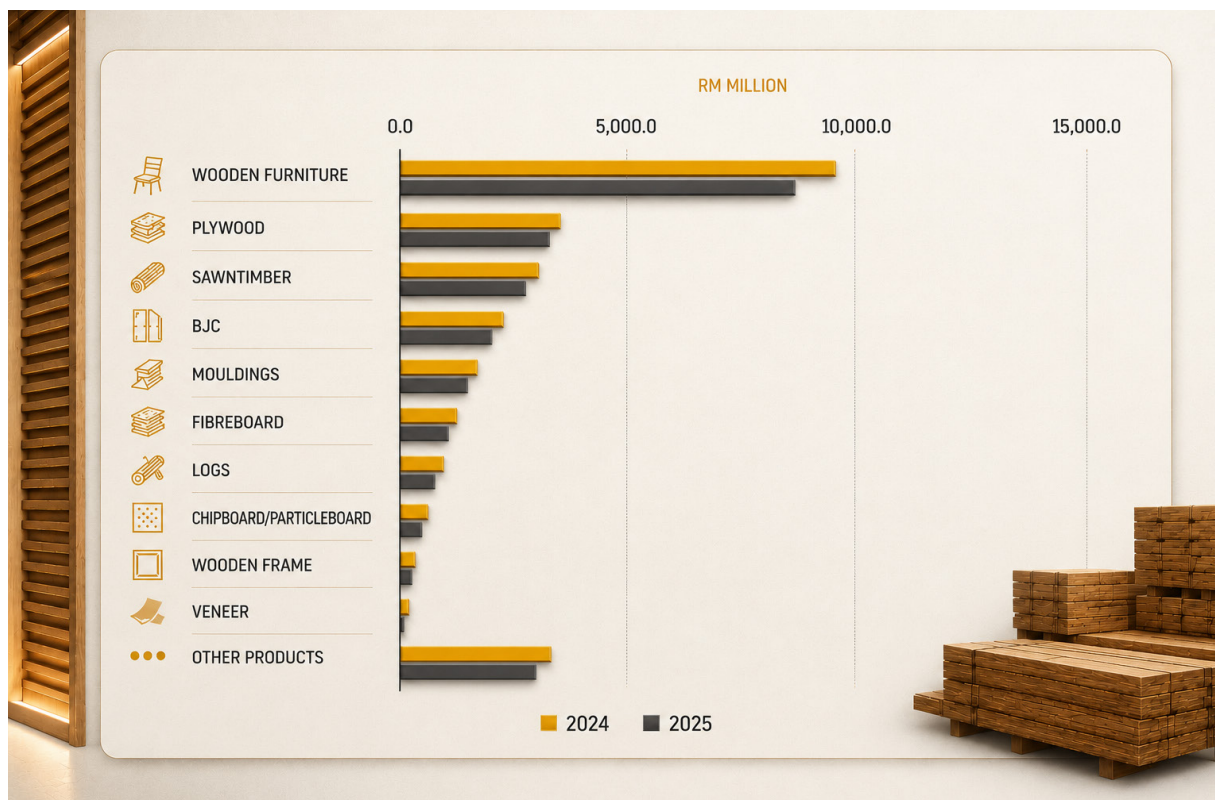


PERFORMANCE OF THE MALAYSIAN TIMBER TRADE

MALAYSIA: EXPORT OF TIMBER AND TIMBER PRODUCTS

Malaysia's exports of major timber products in 2025 stood at RM21.51 billion, representing a 6.1% decline from the previous year. Malaysia was ranked as the world's 17th largest exporter of timber and timber products in 2025.

The export performance of several wood-based products softened year-on-year. Veneer recorded the sharpest drop, falling by 40.6% to RM63.86 million. This is followed by the export of chipboard/particleboard which declined by 26.1% to RM173.27 million, fibreboard, which declined by 19.5% to RM603.24 million. Wooden furniture exports declined by 6.2% to RM9,283.76 million, while mouldings declined by 6.1% to RM871.37 million. Plywood exports also declined by 4.4% to RM2,296.27 million, log exports declined by 2.5% to RM485.34 million and other products recorded a 10.9% decline to RM4,210.13 million. Notwithstanding these declines,



several products recorded positive growth in export value, including builders' joinery & carpentry at RM1,411.45 million (+6.6%), sawntimber at RM2,113.21 million (+3.0%) and wooden frame at RM118.46 million (+0.6%).

In terms of volume, several products recorded positive growth. Sawntimber recorded the highest increase in export volume at 19.5%, followed by builders' joinery & carpentry with an 11.0% year-on-year increase, while plywood registered a marginal 0.1% growth. In contrast, veneer and fibreboard volumes declined by 45.5% and 22.2%, respectively. Overall, wooden furniture remained the largest contributor accounting for 43.2% of total export value, followed by other products (19.6%) and plywood (10.7%). Malaysian timber products continued to maintain a strong presence in key global markets.

According to the International Trade Center, four Malaysian timber products were ranked among the Top 10 and two products ranked Top 20 globally in terms of export value in 2025. In the Top 10 category, plywood ranked 7th, while mouldings ranked 8th, and wooden furniture and wooden frame were ranked 9th. In the Top 20 category, builders' joinery & carpentry ranked 14th and sawntimber ranked 19th.

Top 10 Markets for Timber Products



The United States remained the top export destination in 2025, with an export value of RM6.53 billion (30.4% share), followed by China at RM3.08 billion (14.3% share), Japan at RM2.71 billion (12.6% share), Singapore at RM1.35 billion (6.3% share), Australia at RM0.90 billion (4.2% share), the United Kingdom at RM0.80 billion (3.7% share), India at RM0.77 billion (3.6% share), Canada at RM0.46 billion (2.2% share), the Philippines at RM0.40 billion (1.9% share) and the Netherlands at RM0.40 billion (1.8% share).

Export of Wooden Furniture - Top 10 Countries



Wooden furniture (including bamboo and rattan furniture) remained the top timber product exported by Malaysia in 2025, accounting for 43.2% of the total exports with a value of RM9.28 billion (-6.2% year-on-year). Malaysia's export of wooden furniture ranked 9th globally in 2025. The biggest market was the United States (RM4.76 billion; 51.3% share). Singapore was the second-largest export destination valued at RM788.48 million (8.5% share), followed by the United Kingdom at RM454.83 million (4.9% share), Japan at RM444.58 million (4.8% share), Australia at RM435.25 million (4.7% share), Canada at RM416.22 million (4.5% share), the Philippines at RM207.44 million (2.2% share), the United Arab Emirates at RM191.44 million (2.1% share), Saudi Arabia at RM178.33 million (1.9% share) and India at RM156.49 million (1.7% share).

Export of Plywood - Top 10 Countries



Plywood was the second-highest ranked timber product exported from Malaysia in 2025, with a value of RM2.30 billion (-4.4% year-on-year) and accounting for 10.7% of total timber export value. It ranked 7th globally in 2025, with Japan remaining the top export destination at RM1,192.58 million (51.9% share). The United States was ranked second at RM343.72 million (15.0% share), followed by Yemen at RM117.20 million (5.1% share), the United Kingdom at RM113.17 million (4.9% share), Australia at RM79.89 million (3.5% share), Taiwan at RM73.42 million (3.2% share), South Korea at RM62.31 million (2.7% share), Turkey at RM58.63 million (2.6% share), Italy at RM34.89 million (1.5% share), and Thailand at RM29.73 million (1.3% share).

Export of Sawntimber - Top 10 Countries



Sawntimber was the third-largest exported timber product from Malaysia, amounting to RM2,113.21 million (+3.0% year-on-year) and representing 9.8% of total export value. Malaysia ranked 19th globally for sawntimber exports. China was the largest importer at RM611.79 million (29.0% share), followed by India at RM117.13 million (5.5% share), the United Arab Emirates at RM105.81 million (5.0% share), the United States at RM105.27 million (5.0% share), Thailand at RM100.04 million (4.7% share), Taiwan at RM99.78 million (4.7% share), Singapore at RM89.81 million (4.3% share), the Philippines at RM86.38 million (4.1% share), Yemen at RM81.49 million (3.9% share) and Japan at RM77.94 million (3.7% share).

Export of BJC - Top 10 Countries



Builders' Joinery and Carpentry (BJC) was the fourth-largest timber product exported in terms of value in 2025, amounting to RM1,411.45 million (+6.6% year-on-year). It contributed 6.6% to the total timber export value and was ranked 14th globally. The United States was the top importer of BJC from Malaysia in 2025 at RM537.74 million (25.4% share), followed by Australia at RM210.47 million (10.0% share), the United Kingdom at RM131.03 million (6.2% share), Belgium at RM101.08 million (4.8% share), the Netherlands at RM93.86 million (4.4% share), Japan at RM57.08 million (2.7% share), Singapore at RM47.84 million (2.3% share), Germany at RM17.03 million (0.8% share), France at RM16.92 million (0.8% share), and India at RM16.61 million (0.8% share).

Export of Mouldings - Top 10 Countries



Mouldings was the fifth-largest timber product exported from Malaysia in 2025, valued at RM871.37 million (-6.1% year-on-year), accounting for 4.1% of total export value and ranked 8th globally. With a market share of 50.2%, the United States remained the top export destination at RM437.08 million, followed by the Netherlands at RM137.02 million (15.7% share), Australia at RM61.14 million (7.0% share), Japan at RM38.99 million (4.5% share), France at RM28.31 million (3.2% share), Germany at RM22.47 million (2.6% share), the United Kingdom at RM21.27 million (2.4% share), Singapore at RM20.91 million (2.4% share), South Korea at RM18.12 million (2.1% share) and Belgium at RM13.93 million (1.6% share).



Export of Fibreboard - Top 10 Countries



Fibreboard was the sixth-largest timber product exported from Malaysia in 2025, with an export value of RM603.24 million (-19.5% year-on-year), representing 2.8% of total export value and ranked 22nd globally. Japan was the top importer of Malaysian fibreboards at RM266.77 million (44.2% share), followed by the Philippines at RM59.25 million (9.8% share), Australia at RM40.39 million (6.7% share), the United States at RM34.05 million (5.6% share), Pakistan at RM31.71 million (5.3% share), the United Arab Emirates at RM25.89 million (4.3% share), Vietnam at RM22.18 million (3.7% share), Indonesia at RM20.54 million (3.4% share), India at RM14.51 million (2.4% share) and Yemen at RM14.10 million (2.3% share).

Export of Logs - Top 10 Countries



Logs were the seventh-largest timber product exported from Malaysia in 2025, amounting to RM485.34 million (-2.5% year-on-year) and accounting for 2.3% of total timber export value, ranking 26th globally. About 84.1% of exports were destined for India, valued at RM408.18 million. Indonesia was the second-largest importer at RM30.24 million (6.2% share), followed by Taiwan at RM24.14 million (5.0% share), Japan at RM13.07 million (2.7% share), China at RM6.82 million (1.4% share), the Philippines at RM1.12 million (0.2% share), South Korea at RM0.48 million (0.1% share), Guinea at RM0.44 million (0.1% share), Singapore at RM0.26 million (0.1% share) and Pakistan at RM0.17 million (0.03% share).

Export of Chipboard/Particleboard - Top 10 Countries



Chipboard/Particleboard was the eighth-largest timber product exported from Malaysia in 2025, with a value of RM173.27 million (-26.1% year-on-year), accounting for 0.8% of total export value and ranked 36th globally. South Korea was the top export destination at RM37.94 million (21.9% share), followed by China at RM30.94 million (17.9% share), the Philippines at RM23.33 million (13.5% share), Japan at RM20.89 million (12.1% share), Turkey at RM17.66 million (10.2% share), Peru at RM8.75 million (5.0% share), Vietnam at RM6.04 million (3.5% share), Thailand at RM4.03 million (2.3% share), the United Arab Emirates at RM3.66 million (2.1% share) and the United Kingdom at RM3.27 million (1.9% share).

Export of Wooden Frame - Top 10 Countries



Wooden frames were the ninth-largest timber product exported from Malaysia in 2025, totalling RM118.46 million (+0.6% year-on-year) and accounting for 0.6% of total export value, and ranked 9th globally. Approximately 66.5% of exports were destined for the United States at RM77.62 million. Australia was the second-largest export destination at RM17.83 million (15.1% share), followed by Croatia at RM2.85 million (2.4% share), New Zealand at RM2.70 million (2.3% share), Japan at RM2.57 million (2.2% share), Singapore at RM2.54 million (2.1% share), the Philippines at RM2.13 million (1.8% share), India at RM2.03 million (1.7% share), Canada at RM1.66 million (1.4% share) and Belgium at RM1.61 million (1.4% share).

Export of Veneer - Top 10 Countries



Veneer was the tenth-highest timber product exported from Malaysia in 2025, amounting to RM63.86 million (-40.6% year-on-year) and accounting for 0.3% of total export value, and ranked 39th globally. India was the top importer at RM12.95 million (20.3% share), followed by the United States at RM10.99 million (17.2% share). Japan ranked third at RM8.28 million (13.0% share), followed by Taiwan at RM7.42 million (11.6% share). Exports to China were valued at RM7.20 million (11.3% share), followed by Canada at RM3.35 million (5.2% share), Australia at RM3.21 million (5.0% share), Bangladesh at RM2.79 million (4.4% share), South Korea at RM2.48 million (3.9% share) and South Africa at RM1.39 million (2.2% share).

ECONOMIC OUTLOOK 2026

The global economy is expected to sustain moderate growth in 2026, supported by easing inflation and stabilising supply chains. The International Monetary Fund (IMF) and World Bank revised their growth forecasts upward, reflecting stronger-than-expected resilience despite ongoing headwinds. The IMF projects global growth at 3.3% in 2026, driven by private sector adaptability, increased investment in artificial intelligence, and supportive financial conditions, while the World Bank forecasts 2.6% growth, highlighting resilience amid trade policy uncertainties. Growth remains uneven, with advanced economies largely surpassing pre-pandemic levels, while about one-quarter of developing economies continue to lag, widening disparities.

In Malaysia, GDP growth is projected at 4.0% to 5.0% in 2026, supported by resilient domestic demand. Inflation is expected to remain contained, while Bank Negara Malaysia is likely to maintain the Overnight Policy Rate (OPR) at 2.75%, ensuring monetary stability while preserving policy flexibility. The ringgit is forecast to strengthen gradually towards RM4.00 per USD as global financial conditions normalise, providing a relatively stable domestic economic environment despite external uncertainties.

However, global risks remain elevated. Geopolitical tensions, particularly in the Middle East, have disrupted energy routes, airspace and shipping corridors, contributing to volatility in oil markets and logistics. Rising cyber threats further compound risks to global supply chains and financial systems. These developments are expected to increase shipping costs, extend delivery timelines, and create uncertainties for export-oriented sectors, including timber.

Malaysia's domestic outlook remains supported by strong private consumption, public sector spending, and steady labour market conditions. However, the external trade environment is expected to remain challenging due to weaker demand from key markets such as China, where structural issues in the real estate sector continue to dampen timber-related demand. The United States housing starts are expected to stabilise at around 1.35 million units in 2026, supporting demand particularly in repair and remodelling segments. Japan's wooden housing demand is expected to remain stable, while Europe's outlook is increasingly shaped by sustainability requirements and regulatory developments.

Malaysia's timber industry demonstrated resilience in 2025, although total exports declined by 6.1% to RM21.51 billion, largely due to softer global demand, elevated freight costs, and market adjustments. The industry continues to face competitive regional pressures alongside rising labour, raw material, and compliance costs.

A key regulatory development is the postponement of the EU Deforestation-free Products Regulation (EUDR) to 30 December 2026, with an additional six-month extension for micro and small enterprises. This provides additional time for compliance readiness, particularly in strengthening traceability systems, although exporters must continue ensuring that products are deforestation-free and legally produced.

At the same time, U.S. tariff measures under Sections 122, 232, and 301 introduce further complexity. Section 232 tariffs impose direct duties on timber and furniture products, including up to 25% on selected furniture categories, while overlapping tariff regimes create uncertainty for exporters. These measures increase cost pressures and complicate global supply chain strategies, particularly for timber-producing nations. Malaysia's logistics landscape remains vulnerable to global shipping volatility. Although freight rates eased in late 2025, ongoing disruptions linked to the Red Sea crisis continue to affect routing, scheduling, and capacity planning. Additional reporting requirements and security concerns further increase operational complexity for maritime trade.

Domestically, labour constraints persist as Malaysia reduces reliance on foreign workers. Shortages of skilled and semi-skilled labour continue to affect productivity, particularly in labour-intensive timber processing segments. In response, companies are increasingly adopting automation, digitalisation, and process optimisation to enhance efficiency and competitiveness.

Despite these challenges, the industry presents opportunities for recovery and repositioning. Rising demand for certified and sustainably produced timber products in premium markets positions Malaysia favourably, supported by its strong certification framework. The EUDR delay provides additional preparation time, while growth in ASEAN construction activity, gradual recovery in the U.S. housing sector, and regional trade participation offer medium-term opportunities.

In conclusion, 2026 is expected to be a year of cautious optimism for Malaysia's timber sector. While the domestic conditions remain broadly supportive, global uncertainties including geopolitical tensions, regulatory changes and logistics volatility will continue to influence trade performance. Strategic focus on compliance, market diversification, productivity enhancement, and sustainable forest management will be critical in strengthening Malaysia's position within global timber supply chains.



INDUSTRY

DEVELOPMENT & EMPOWERMENT

RAW MATERIAL AUGMENTATION

The continuity of raw material supply is fundamental to the development of the timber industry. MTC places strong emphasis on enhancing the availability of raw materials to support timber processing activities and the further development of the downstream value-added products. Several programmes have been implemented to achieve these objectives.

Import Assistance Programme (IAP)

IAP's Direct Sourcing Programme (DSP)

Under IAP's DSP 2025, a total of RM2,004,039.55 was approved for 68 companies. The CIF value of timber purchased was RM77,062,627.88. A total of 89 companies have been approved to participate in the programme of which nine were local traders.

Industrial Testing Programme (ITP)

One company was approved for the importation of 2 forty-footer containers of new timber species for trial production.

IAP Due Diligence Audit Visits (DDA)

In 2025, a total of 19 DDA visits were carried out for new applicants to ensure that the applicants meet the IAP guidelines.

Working Group on Raw Material Augmentation (RMWG)

Two meetings were held in 2025 covering a range of key industry and policy-related matters, amongst others include the following:

- Review of MPMA's revised proposal on the "Supply of Seedlings for MPMA Members Involved in Tree Planting" initiatives.
- Presentation and deliberation on the first draft of the "Consultancy Study on the Requirements and Regulations by the Department of Agriculture (DoA) for Importation of Timber and Timber Products into Peninsular Malaysia".
- Consideration of the proposed "MTC Financial Incentive for the Purchase of Planting Materials".

Consultancy Study on the Requirements and Regulations by Department of Agriculture (DoA) for Importation of Timber and Timber Products into Peninsular Malaysia

The study was undertaken to examine the regulatory requirements imposed by the Department of Agriculture (DoA) and the National Plant Protection Organisation (NPPO) on the importation of timber and timber products into Peninsular Malaysia, with the aim of identifying opportunities to simplify existing procedures while maintaining national biosecurity standards. Conducted by an appointed consultant from May to October 2025, the findings support proposals to streamline import requirements and align with international practices. The outcomes were presented to the Raw Materials Working Group and the Ministry of Plantation and Commodities, with a committee to be established in 2026 to oversee implementation of the recommendations.

Community Farming

MTC, in collaboration with the Malaysian Panel-Products Manufacturers' Association (MPMA) established the Community Farming Programme with the planting of fast-growing species namely *Eucalyptus pellita* and *Paraserianthes falcataria* (Batai). Though the project ended on 31 December 2024, MTC and MPMA continue to monitor the growth of the planted trees for a period of three years with two surveillance audit visits conducted yearly. MTC engaged FRIM as the technical advisor and participated in the surveillance audit visits to the participating companies



Tree growth monitoring conducted during the surveillance audit visit under the Community Farming Programme at Gimzan Plywood Sdn Bhd, Terengganu on 21 February 2025.



MTC staff together with the technical advisor, FRIM, conducting tree measurements during the surveillance audit visit at KPS Plywood Sdn Bhd, Perak, on 3 October 2025.



Members of the Task Force on Community Tree Farming and Industrial Tree Plantation (TFCI) during a meeting to refine the Framework for Community Tree Farming and Industrial Tree Plantation.

Task Force on Community Tree Farming and Industrial Tree Plantation (TFCI)

The Task Force on Community Tree Farming and Industrial Tree Plantation (TFCI) convened two meetings in 2025 to refine the Framework for Community Tree Farming and Industrial Tree Plantation. Following the first meeting on 13 March 2025, the consultant revised the draft based on members' feedback, with further engagement held on 19 May 2025 at the request of the Malaysian Timber Association (MTA). The updated Framework, incorporating MTA's inputs, was deliberated at the second meeting on 15 July 2025, where it was clarified as a reference document rather than a formal policy plan. MTA subsequently proposed developing a separate Industrial Tree Plantation policy plan using the Framework as a reference, with a recommendation for the Framework to be presented to the *Mesyuarat Jawatankuasa Kecil Mitigasi Pemuatan Perundangan Perdagangan Antarabangsa (JKM3PA) Industri Perakayan*.

Other Site Visits

Several site visits were undertaken in 2025 to support knowledge sharing and engagement on nursery development, conservation initiatives, as well as community and industrial tree plantation practices. These included visits to Green Tree Plantation in Sungai Buaya, Selangor on 12 August, Forest House Sdn Bhd in Tanjung Malim, Selangor on 15 August, and Community Tree Farming (CTF) and Industrial Tree Plantation (ITP) sites in Sabah from 9 to 12 September.

Financial Incentive for the Purchase of Planting Materials

MTC aims to facilitate the establishment of industrial tree plantations (ITP), especially with fast-growing species, by developing a new incentive programme to assist the purchase of planting materials. The proposal was deliberated and endorsed by the RMWG and IMDC on 4 September and 17 November 2025 respectively. Subsequently, the proposal was deliberated at the 205th Board Meeting on 11 December 2025 and the Board has requested the guidelines to be reviewed.



A working visit was conducted by MTC in Sabah from 9–12 September 2025 to explore Community Tree Farming (CTF) and Industrial Tree Plantation (ITP) initiatives that support the state's sustainable timber supply chain.

AUTOMATION & DIGITALISATION

Technology Acquisition Programme (TAP)

TAP comprises the Automation Technology Acquisition (ATA), Business Digitalisation (BD) and Green Initiatives (GI) programmes to assist members of the timber industry in their journey of automation and the Fourth Industrial Revolution (IR4.0). The summary of the disbursement in 2025 is as follows:



Programme	No. of Companies	Total Investment Value (RM)	Total Estimated Reimbursement (RM)
Automation Technology Acquisition	14	4,761,408	878,506
Business Digitalisation	8	1,740,720	712,420
Green Initiatives	18	7,051,212	260,000
Total	40	13,553,340	1,850,926

Due Diligence Audits (DDA)

The Due Diligence Audits (DDA) for the Technology Acquisition Programme (TAP) were conducted as follows:

Due Diligence Audits	No. of Companies
On-site DDA	41

Working Group on Automation and Digitalisation (ADWG)

Two meetings were held in 2025, during which the following matters were deliberated: -

- MPMA's proposal on "Enhancing Industry Knowledge and Compliance: Training Programmers for MPMA Members;" and
- MTC's proposal on "Special Financial Incentive for Automation Technology Acquisition (ATA) to Accelerate Industry 4.0 Adoption".

Working Group on Sawmilling

On 14 August 2025, the Board via its Circular Resolution approved the dissolution of this working group at the request of MWIA due to overlapping functions with its internal committee of sawmilling. Notwithstanding this, ongoing projects previously under the Working Group's scope, namely the Replication of the Motorised Side Fence Mechanism Version 2.1 and the E-Soft Sawmill System will continue to be monitored jointly by MTC and MWIA, with progress updates reported to the Industry and Market Development Committee (IMDC).

MTC Technical Seminar on "Towards Energy Efficiency: Sustainable Solutions for Malaysia's Timber Industry" (1 October)

MTC organised a half-day technical seminar on 1 October 2025 at its Headquarters in Kuala Lumpur, bringing together 32 industry members from 25 organisations. The seminar featured three speakers, including experts in Energy Management Systems (EMS), digital technologies, and Battery Energy Storage Systems (BESS), who shared practical insights and strategies to strengthen energy efficiency and competitiveness within the timber sector.



PRODUCT DEVELOPMENT

TIMB3R Design Incubator Programme 5.0 (TIMB3R DIP 5.0)

TIMB3R DIP is a product development programme developed by MTC in collaboration with the Malaysian Wood Moulding and Joinery Council (MWMJC), Malaysian Furniture Council (MFC) and the Malaysian Institute of Interior Designers (MIID). It aims to nurture local design talents and provide a platform for designers and timber manufacturers to conceptualise, design, and create commercially viable wooden products for the global market.

For its 5.0 edition, a key highlight is the involvement of Dr. Eric Leong as Curator, Chief Judge, and Mentor. He sets the programme's creative direction, leads the evaluation of design submissions and provides guidance to participants. His involvement strengthens design quality and supports the development of emerging talent, reinforcing TIMB3R DIP's role in driving innovation and value creation in the timber industry.

In 2025, the TIMB3R DIP 5.0 kicked off with two Committee Meetings to guide its planning and implementation, beginning with the Brainstorming and Committee Meeting held on 9 July 2025, followed by a virtual meeting on 20 August 2025. The programme was subsequently launched on 18 September 2025 at MTC Headquarters, Kuala Lumpur, featuring the theme "Compact Living" to drive the design of compact, sustainable and globally marketable timber-based products aligned with modern living trends. Progress gained further momentum through the TIMB3R DIP 5.0 Hackathon on 4 December 2025, where eight manufacturers were paired with eight designers to form eight collaborative partnerships to conceptualise and prototype innovative timber-based products, marking a strong year-end milestone for MTC and reinforcing the programme's readiness to advance into its next phase in 2026.



Participants of the TIMB3R Design Incubator Programme (DIP) 5.0 Hackathon during the programme held at Common Ground Bukit Bintang, Menara Worldwide on 4 December 2025.



Selected products from TIMB3R DIP 3.0 and 4.0 exhibited during the Malaysian Wood Expo (MWE) 2025.

BUSINESS TRANSFORMATION

Factory Transformation Programme (FTP)

The Factory Transformation Programme (FTP) aims to assist timber companies in improving manufacturing efficiency and productivity while preparing them for IR4.0. It focuses on promoting the best practices through Lean Management and Lean-ESG Management. In addition, FTP expanded its scope to foster a data-driven quality culture within companies through the Quick Response Quality Culture (QRQC) Module.

In 2025, FTP received a total of 12 company registrations, as follows:



 Module	 Consultant	 No. of Companies
• LEAN Manufacturing System - Basic Workshop	Selangor Human Resource Development Centre (SHRDC)	4
• Step-Up Lean (Smart Factory)	Selangor Human Resource Development Centre (SHRDC)	3
• LEAN-ESG Management	ICA 40 Sdn Bhd	3
• Quick Response Quality Culture (QRQC)	ICA 40 Sdn Bhd	2

Visit to Selangor Human Resource Development Centre (SHRDC) & APM Automotive Holdings Bhd (25 August)

In collaboration with the Selangor Human Resource Development Centre (SHRDC), a visit to SHRDC and APM Automotive Holdings Bhd (APM) was organised on 25 August 2025 to provide exposure to timber companies and opportunities to learn best practices. A total of 10 participants from eight companies took part in the visit:

Organisation	First Surveillance Audit Visit
Selangor Human Resource Development Centre (SHRDC)	- Introduced the practical approaches to drive manufacturers towards digital transformation, incorporating elements of Environmental, Social and Governance (ESG) and Artificial Intelligence (AI). - Demonstrated the collaborative robot (cobot) and the latest addition, a humanoid under their Malaysian Smart Factory (MSF) 4.0 initiative.
APM Automotive Holdings Bhd (APM)	- Briefed on their APM Manufacturing System (AMS), the development of APM's own version of Lean system to achieve manufacturing excellence. - Hosted a factory tour to showcase LEAN Manufacturing and IR4.0 initiatives implemented on their shop floor, from the inventory warehousing to finished goods.



MTC CEO Madam Noraihan Abdul Rahman presenting a token of appreciation to Wexxim Holdings Sdn Bhd during a courtesy visit to review the company's progress under the Factory Transformation Programme (FTP).



MTC delegation led by Deputy CEO En. Mokhtar Mohd Yaacob during a visit to the Malaysian Smart Factory by SHRDC, Shah Alam to explore advanced manufacturing technologies and their applications in the timber industry.



MTC CEO Madam Noraihan Abdul Rahman (front centre) with participants of the Bengkel Start-Up CEO under the Bumiputera Development Programme 2025 at MTC Headquarters.



MTC CEO, Madam Noraihan Abdul Rahman, participated in a panel discussion at the Simposium Kayu Kita: Pemerkasaan Bumiputera dalam Industri Perakayuan on 18 February 2025.

Bumiputera Development Programme (BDP)

Bumiputera and B40 Machinery Incentive (BMI 2025)

The Bumiputera and B40 Machinery Incentive (BMI) was introduced with the objective of assisting micro-sized Bumiputera and B40 companies in acquiring new woodworking machinery to enhance productivity, expand production capacity, and strengthen their revenue and competitiveness. In 2025, MTC collaborated with PEKA to canvas and encourage greater participation in the programme, resulting in a total of eight companies being approved to participate for the year.

Bengkel Start-up CEO for Micro Enterprises (25 August) and Sdn Bhd Companies (23 September)

Two sessions of the Bengkel Start-Up CEO were organised under BDP 2025, the first on 25 August 2025 for micro enterprises with 26 participants, and the second on 23 September 2025 for Sdn Bhd companies with 20 participants. A total of 46 participants benefitted from practical insights on corporate structure, compliance, financial documentation, HR practices, management, governance, and business resilience to support growth and long-term sustainability.

Other Programmes under Bumiputera Development Programme (BDP)

i. PEKA's Symposium (*Simposium Pemerkasaan Bumiputera Dalam Industri Perakayuan Negara*)

MTC provided a seed fund of RM130,000 to PEKA for the organisation of two industry empowerment programmes, namely the Sesi Libat Urus Pemerkasaan Bumiputera dalam Industri Perakayuan (29-30 October 2024) and the *Simposium Kayu Kita: Pemerkasaan Bumiputera dalam Industri Perakayuan* (18 February 2025). The project's final report was approved by MTC on 7 August 2025, and the final payment was remitted to PEKA on 18 August 2025.

ii. PEKA's Digital Retail Revolution Programme

The project was approved at the 197th Board Meeting on 1 August 2024, with the Project Agreement covering the period from 1 October 2024 to 30 September 2025. Following the expiry of the agreement, PEKA requested a six-month extension until 30 March 2026, pending approval.

iii. PEKA's Professional in Furniture Industry Technology Skill (PROFITS)

The project was approved at the 198th Board Meeting on 23 October 2024, with the Project Agreement covering the period from 8 April to 7 October 2025. PEKA successfully completed all three-training series, comprising the Laser Training (29-31 July 2025), Solid Furniture Training (29 July-1 August 2025) and Panel Furniture Training (26-28 August 2025), with the participation of 36 PEKA members. All reports have been submitted by PEKA, and all related payments were processed by MTC.

Bumiputera Smart Partnership Programme

The Programme, initiated by MTIB in 2020, aims to facilitate Bumiputera entrepreneurs' entry into the export market through subcontracting arrangements or partnerships with non-Bumiputera exporters. In 2021, MTC supported the programme by providing cash advance to BRH Furniture Sdn Bhd for the acquisition of an Automatic Panel Saw. At the 200th Board Meeting on 10 February 2025, MTC approved a 24-month extension of the repayment period until 22 March 2027, together with a restructuring of the monthly instalment. As of 31 December 2025, repayments remain on track.



Participants and MYCC members during the Youth Engagement Programme at Universiti Tun Hussein Onn Malaysia (UTHM) Pagoh, marking the conclusion of MYCC's 2025 activities.

MTC Youth Circle Committee (MYCC)

The MTC Youth Circle Committee (MYCC) was formed as a strategic networking platform to facilitate the sharing of insights and exchange of ideas among the young and emerging leaders of timber companies, aged 18 to 40. The committee of 2025/2026 term comprises 10 representatives from five timber associations and four MTC representatives.

The MYCC held four meetings in 2025, and participated in the following programmes:



 Programme	 Date	 No. of Participants
Unlocking Your Legacy: Navigating Family Dynamics and Wealth Succession Workshop	6 May	30
Participation to ASEAN Youth Furniture Exchange (AYFE) 2025	12-15 August	12
Participation to ASEAN Manufacturing Youth Conference 2025	27-28 August	18
Youth Engagement Programme with collaboration of Universiti Tun Hussein Onn Malaysia (UTHM)	3 December	29

Timber Sustainability Programme (TSP)

As part of its industry outreach efforts to advance ESG adoption within the timber industry, MTC introduced the Timber Sustainability Programme (TSP) on 30 May. The programme was actively promoted during the MTC Roadshow 2025, where industry players were briefed on the support available for third-party ESG assessments and improvement planning. By offering financial incentives and structured pathways, the TSP aims to encourage wider participation in sustainability benchmarking and reinforce MTC's role in supporting the industry's transition towards responsible and globally aligned practices. The three service providers engaged for TSP were Control Union (M) Sdn Bhd, Selangor Human Resource Development Centre (SHRDC) and ICA 40 Sdn Bhd.

TSP has received a total of five company registrations, as follows:

Consultant	No. of Companies
ICA 40 Sdn Bhd	2
Control Union (Malaysia) Sdn Bhd	2
SHRDC	1

One company, Diverse Integrated Sdn Bhd has successfully embarked on TSP with partnership of SHRDC and completed its ESG assessment in November 2025.

KNOWLEDGE TALENT

Talent Placement Programme (TPP)

The Talent Placement Programme (TPP) aims to assist timber companies in identifying, developing and acquiring skilled and professional workforce. In 2025, the outcomes are summarised as follows:

a) INTERNSHIP



Details	No. of pax
 No. of applications (company)	28
 No. of applications (interns)	116
 No. of interns accepted by companies	66

b) ON-JOB TRAINING PROGRAMME



Details	No. of pax
 No. of applications (company)	11
 No. of talents absorbed/recruited by companies	16

c) ENGINEER PLACEMENT



Details	No. of pax
 No. of applications (company)	2
 No. of talents	4

d) ENGAGEMENT VISIT

The visits conducted to engage with the trainees, companies and institutions are as follows:



Item	Details
 No. of companies	21
 No. of students, trainees, and engineers	40
 No. of visits to Universities and Institutions	5
- Kolej Kemahiran Tinggi MARA Balik Pulau (15 July) - Universiti Sains Malaysia (16 July) - Universiti Malaysia Kelantan (6 August) - Kolej Vokasional Muadzam Shah (26 August) - Institut Kemahiran MARA Tan Sri Yahya Ahmad, Pekan (26 August)	

HRD Corp Meet-up Session with Timber Industry (21 August)

The Industry Meet-Up session was organised in collaboration with the Human Resource Development Corporation (HRD Corp), providing essential knowledge of HRD Corp's programmes, levy utilisation, and critical training needs while fostering open discussions on workforce development. The session was attended by 28 participants comprising industry professionals, CEOs, managers, HR practitioners, and representatives from timber associations.

Participation in Events/Meetings/Presentations/Briefings/Seminars/Webinars

A total of 32 engagements comprising meetings, technical discussions, seminars, conferences, workshops and industry events were participated throughout 2025 to support stakeholder engagement, industry coordination and standards development.



Deputy Prime Minister, YAB Dato' Seri Dr. Ahmad Zahid Hamidi visiting the MTC booth during Festival of Ideas (FOI) Perak at UiTM Seri Iskandar, Perak, on 11 October 2025, where the MTC Talent Placement Programme (TPP) was shared.

MARKET DEVELOPMENT

MARKET PENETRATION & PROMOTION

Export Furniture Exhibition (2 - 5 March)

MTC showcased 24 timber products, which were the result of the fourth edition of the TIMB3R Design Incubator Programme (TIMB3R DIP 4.0) in an outlet village concept at the 18th Export Furniture Exhibition (EFE) 2025 that was held from 2 - 5 March 2025.

World Expo Osaka (12 - 13 June)

MTC participated in World Expo 2025 Osaka, Japan under the Malaysia Week initiative led by the Ministry of Plantation and Commodities (KPK) to promote Malaysia's timber industry and sustainable forestry practices. Together with Malaysian Timber Industry Board (MTIB) and Malaysian Timber Certification Council (MTCC), MTC co-organised a Pocket Talk titled "What You Need to Know About Sustainable Timber from Malaysia," highlighting the country's legality and certification frameworks. The sessions received positive engagement from international stakeholders, particularly Japanese importers, and helped strengthen understanding of Malaysia's forest governance while addressing common misconceptions about tropical timber sourcing.



A group photo of speakers and representatives from MTC, MTIB and MTCC following the Pocket Talk session at World Expo Osaka 2025.



Standing inside the “Timber Flow: The Folded Crest” are MTC CEO Madam Noraihan Abdul Rahman (centre), Ar. IDR. Esmonde Yap (left), and Founder and Managing Director of Lumber Mart Sdn Bhd, Mr. Charles Lee (right).



A proud moment for MTC as “Timber Flow: The Folded Crest” was awarded the Gold Winner for the Curated Booth Award at the ARCHIDEX 2025.

The 24th International Architecture, Interior Design & Building Exhibition (ARCHIDEX) (23 - 26 July)

MTC participated in the 24th ARCHIDEX 2025 at the Kuala Lumpur Convention Centre, presenting its signature timber pavilion, “Timber Flow: The Folded Crest”, designed by Ar. Esmonde Yap and constructed by Lumber Mart Sdn Bhd. The 60m² pavilion was inspired by the *Tanjak*, a traditional Malay headgear that symbolises honour and heritage. The pavilion, constructed using locally sourced Kembang Semangkok and Chengal timber, showcased circular design principles, local craftsmanship, and the versatility of Malaysian timber in contemporary architectural applications. In addition, MTC served as the Principal Sponsor of the PAM Pavilion, titled “The Nest”, in collaboration with Pertubuhan Akitik Malaysia (PAM), featuring a 255-square-metre structure incorporating Nyatoh-faced plywood and timber strips to highlight advanced timber construction techniques. MTC’s participation was further recognised when “Timber Flow: The Folded Crest” received the Gold Winner Award for Curated Booth, reinforcing MTC’s commitment to sustainability, innovation and the positioning of Malaysian timber in modern design and construction.

Furniture China (10 - 13 September)

MTC participated in Furniture China 2025 held at the Shanghai New International Expo Centre (SNIEC), featuring a Malaysia Pavilion spanning 495m² across two exhibition halls. The Pavilion showcased a selected group of leading Malaysian furniture manufacturers, highlighting Malaysia’s strengths in producing high-quality living, dining, occasional and upholstered furniture for international markets. In addition to product promotion, the Pavilion served as a strategic business networking platform to generate trade enquiries, strengthen buyer engagement, and promote the upcoming Malaysian Wood Expo (MWE) 2025, as well as Malaysia’s sourcing capabilities for premium timber and furniture products. Overall, participation generated total sales of RM7.12 million (USD1.70 million), comprising RM2.16 million (USD515,000) in confirmed sales and RM4.96 million (USD1.18 million) in potential sales currently under negotiation.



MTC participated in Furniture China 2025, held at the Shanghai New International Expo Centre (SNIEC) from 10–13 September 2025.



Visitors exploring the Malaysia Pavilion at Furniture China 2025, featuring a diverse range of innovative Malaysian furniture products.



Representatives from the Ministry of Plantation and Commodities, MTC and the timber industry during Malaysian Wood Expo 2025.

Malaysian Wood Expo (10 - 11 November)

The 3rd edition of the Malaysian Wood Expo (MWE) was successfully held at MITEC, Kuala Lumpur from 10-11 November 2025, recording improved participation and trade outcomes compared to previous editions and further strengthening its position as a key international platform for the timber and wood-based industry. Officiated by the then Minister of Plantation and Commodities, YB Datuk Seri Johari Abdul Ghani, the event featured 127 exhibitors from 18 countries (61% local, 39% international) and attracted 1,967 visitors from 52 countries, including 404 international visitors, with top overseas markets comprising China, the United States, India, Singapore and Indonesia, reflecting MWE's expanding global reach. It also hosted 78 sponsored buyers from 27 countries, facilitating 358 business meetings and generating RM194.5 million in total sales comprising RM177.6 million from the Incoming Buying Mission (IBM) and RM16.9 million from the Inbound Overseas Sourcing Programme (IOSP) underscoring the expo's strong contribution to trade development and international business growth.



Productive business discussions between Malaysian timber exporters and international buyers during the Incoming Buying Mission at the MWE 2025.



Strategic discussions during the Inbound Overseas Suppliers Programme (IOSP), connecting Malaysian manufacturers with international timber raw material suppliers.



An overwhelming response from local and international visitors underscored MWE 2025's position as a leading international platform for the timber industry.



An aerial view of the MWE 2025 exhibition floor, showcasing the diverse range of timber products, innovations and industry players gathered under one roof.

In parallel, MWE 2025 spotlighted a Timber Conference, themed “In the Eye of the Storm.” The sessions brought together ten renowned local and international experts who explored the evolving global timber landscape from shifting market dynamics and regulatory developments to sustainability, innovation, and design trends shaping the industry’s future.

MTC implemented a series of promotional visits under TREK MWE 2025 to strengthen international outreach and promote participation in MWE 2025. Throughout the year, MTC engaged with 213 companies across key markets in the Middle East, South Asia, Southeast Asia, Europe and the United States. These engagements facilitated exchanges with industry players to gain market insights, identify demand trends and promote Malaysian timber products, while supporting outreach efforts for MWE 2025.



Ms. Ashley Amidon, CEO of the International Wood Products Association (IWP), delivering the session “Shifting Sands: How Evolving Trade Policies in the US Reshape Global Timber Industry Operations” at the MWE 2025 Timber Conference.



The MTC team at MWE 2025, commemorating a successful and impactful edition of the Expo.



A strong turnout of industry representatives, partners and participants at the opening ceremony of the MWE 2025, with the guest of honour seated at the centre of the front row.

MTC Marketplace Promotion**Trade fairs participated**

20

**Trade enquiries received**

389

Trade Fairs	Date
BouwBeurs Utrecht, the Netherlands	3 – 7 February
Architect, Colombo, Sri Lanka	21 – 23 February
International Builders' Show, NAHB IBS, Las Vegas, the United States	25 – 27 February
Malaysian International Furniture Fair, MIFF, Kuala Lumpur, Malaysia	1 – 4 March
DSB, Timber Construction Fair Brno, Czech Republic	26 – 29 March
Interzum Guangzhou, China	28 – 31 March
Woodshow Dubai, United Arab Emirates	14 – 16 April
Sydney Build, Australia	7 – 8 May
WoodEx for Africa, Johannesburg, South Africa	18 – 20 June
Association of Woodworking & Furnishings Suppliers (AWFS), Las Vegas, the United States	22 – 25 July
Korea Build Week, Seoul, South Korea	30 July – 2 August
MATECIA, New Delhi, India	21 – 24 August
Woodworking Machinery & Furniture Production Solutions (FPM), Kuala Lumpur, Malaysia	26 – 29 August
Saudi Wood Expo, Riyadh, Saudi Arabia	1 – 3 September
Malaysia Furniture & Furnishings Market (MFFM), Kuala Lumpur, Malaysia	4 – 6 September
FMC China, Shanghai, China	10 – 13 September
Kolkata Wood, Kolkata, India	12 – 14 September
Hospitality Interior & Design Expo, Goa, India	26 – 28 September
Japan Home Show & Building Show, Tokyo, Japan	19 – 21 November
Lumber Building Materials (LBM) Expo, Uncasville, the United States	10 – 12 December

Tabletop Exhibits

MTC also participated in the following events with tabletop exhibits in 2025:

Events	Date
International Wood Products Association's 69 th World of Wood Convention, New Orleans, USA	27 – 29 March



MTC Europe Office engaging with visitors at MTC's booth during BouwBeurs2025 in Utrecht, the Netherlands.



MTC Americas participated in the Association of Woodworking & Furnishings Suppliers (AWFS) Fair in Las Vegas.



Visitors exploring MTC's booth during Interzum Guangzhou 2025, held from 28-31 March 2025.



MTC participated in the Saudi Wood Expo 2025, held from 1-3 September 2025 at the Riyadh International Convention & Exhibition Center, Saudi Arabia.

Financial Incentive for Participation in International Fairs held in Malaysia (FIPIF) 2025

The Financial Incentive for Participation in International Fairs held in Malaysia (FIPIF) is a programme by MTC to assist members of the Malaysian timber industry to participate in selected international trade fairs held in Malaysia, namely the Malaysian International Furniture Fair (MIFF), Export Furniture Exhibition (EFE), International Architecture, Interior Design and Building Exhibition (ARCHIDEX) and the Malaysian Wood Expo (MWE). In 2025, a total incentive of RM299,000 was approved for disbursement to 53 eligible companies.

Missions and Market/Business Visits

MTC continued to strengthen its international outreach and stakeholder engagement efforts in 2025 through strategic meetings, seminars, virtual engagements and market visits. These initiatives supported market intelligence gathering, industry networking and the promotion of Malaysian timber products in key global markets.





MTC met with H.E. Dato' Muzafar Shah Mustafa, High Commissioner of Malaysia to India, during its market visit to New Delhi to discuss trade and regulatory developments affecting timber exports.



Visitors showing keen interest in Malaysian timber and timber products showcased at the MTC booth during the Lumber Building Materials (LBM) Expo 2025, held at the Mohegan Sun Earth Expo & Convention Center, Connecticut, USA.

Trade Enquiries

A total of 98 trade enquiries were received by MTC HQ and Regional Offices. All enquiries were attended to and sent to the respective timber trade associations for onward dissemination to their members.

Trade Visitors and Organisations

MTC East Asia, MTC Europe and MTC Americas carried out online promotion and advertising via WeChat and LinkedIn accounts which had 1,571, 637 and 202 followers, respectively.

Participation in Events/Meetings/Presentations/Briefings/Seminars/Webinars

The summary of events attended by MTC to represent the interest of the industry is as follows:

Activity	No. of Meetings
Participation in local and international conferences/seminars/forums/ webinars	53
Meetings with government agencies (KPK, JSM, MNSC, DOA, NRECC, MTIB, MTCC, MATRADE, MIDA, DOE)	132
Meetings/Networking events (e.g. Annual Dinners, Opening Ceremonies, Factory Visits) with the timber trade associations/companies / traders	646



MTC and timber industry stakeholders during the 70th Annual General Meeting (AGM) of The Timber Exporters' Association of Malaysia (TEAM), held on 25 April 2025 at Glenmarie Hotel & Golf Resort, Shah Alam.

BRANDING

TimbeReality

TimbeReality is a dynamic 360° virtual gallery that showcases Malaysian timber and furniture products to a global audience. TimbeReality helps to establish global consumer connections, generate awareness and demand for Malaysian timber products, and foster investors' confidence in Malaysian manufacturers. Beyond its promotional role, TimbeReality also supports the industry's digitalisation efforts, serving as an innovative marketing tool within the evolving timber and furniture landscape. In 2025, the programme entered its fourth year, successfully showcasing 58 Malaysian timber industry players within the virtual reality hub. Since its launch on 1 October 2021, TimbeReality has garnered a total viewership of 213,997 with the top five visiting countries from all over the globe. In 2025, the TimbeReality website continued to gain strong traction, recording a total viewership of 71,818, marking a 5.94% increase compared to the same period last year. The growth was fueled by a series of nationwide promotional activities aimed at increasing awareness of the platform. A series of roadshows were conducted across Malaysia in 2025, covering Sarawak, Kuala Lumpur, Selangor, Sabah, and the East Coast states of Kelantan, Terengganu and Pahang.



MTC demonstrated TimbeReality to the then Minister of Plantation and Commodities during the Malaysian Wood Expo 2025.



An engaging TimbeReality roadshow session held in Sarawak as part of the nationwide promotional outreach in 2025.



MTC Gallery at its headquarters was featured on TimbeReality, offering users an immersive virtual experience showcasing Malaysian timber products and applications.



MARKET INTELLIGENCE

MARKET INFORMATION SERVICES

Compilation and analysis of data and information on timber products in 2025 are as follows:



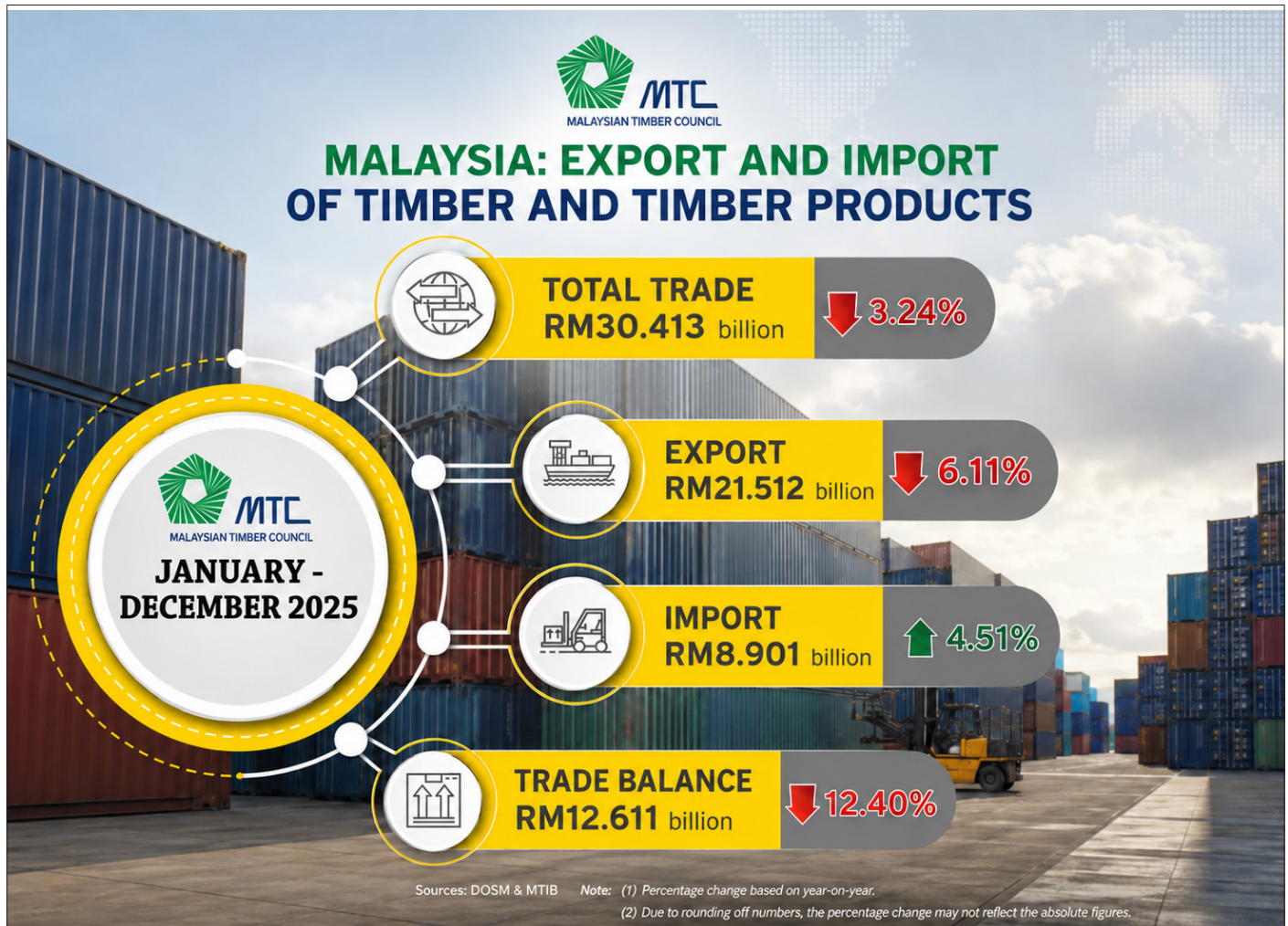
**Trade
Statistics
& Analysis**

- Malaysia: Export of Timber and Timber Products to the following countries:
 - o Vietnam (2021 – September 2024)
 - o India (2020 – 2024), (2021 – Feb 2025), (2021 – June 2025), (2018 – 2024)
 - o Sri Lanka (2021 – 2024)
 - o China (2016 – March 2025)



**Infographic of
the Performance
of the Malaysian
Timber Trade**

- Malaysia: Export & Import of Timber and Timber Products:
 - o January – December 2025



• Trade statistics and/or analysis for the following countries:

- | | |
|-------------------|---------------|
| o Iran | o France |
| o Egypt | o Germany |
| o USA | o South Korea |
| o India | o Indonesia |
| o Nepal | o Japan |
| o Sri Lanka | o Thailand |
| o Australia | o Uzbekistan |
| o Türkiye | o Belgium |
| o The Netherlands | o Pakistan |
| o Czech Republic | o China |
| o Austria | |



- **40 analysis papers** prepared on regulatory, trade and sustainability developments.
- **31 papers** submitted to **6 Board Meetings** (200th – 205th)
- **9 papers** prepared for **management briefings and discussions**.



STAKEHOLDER ENGAGEMENT

ISSUES MANAGEMENT

European Union Deforestation Regulation (EUDR)

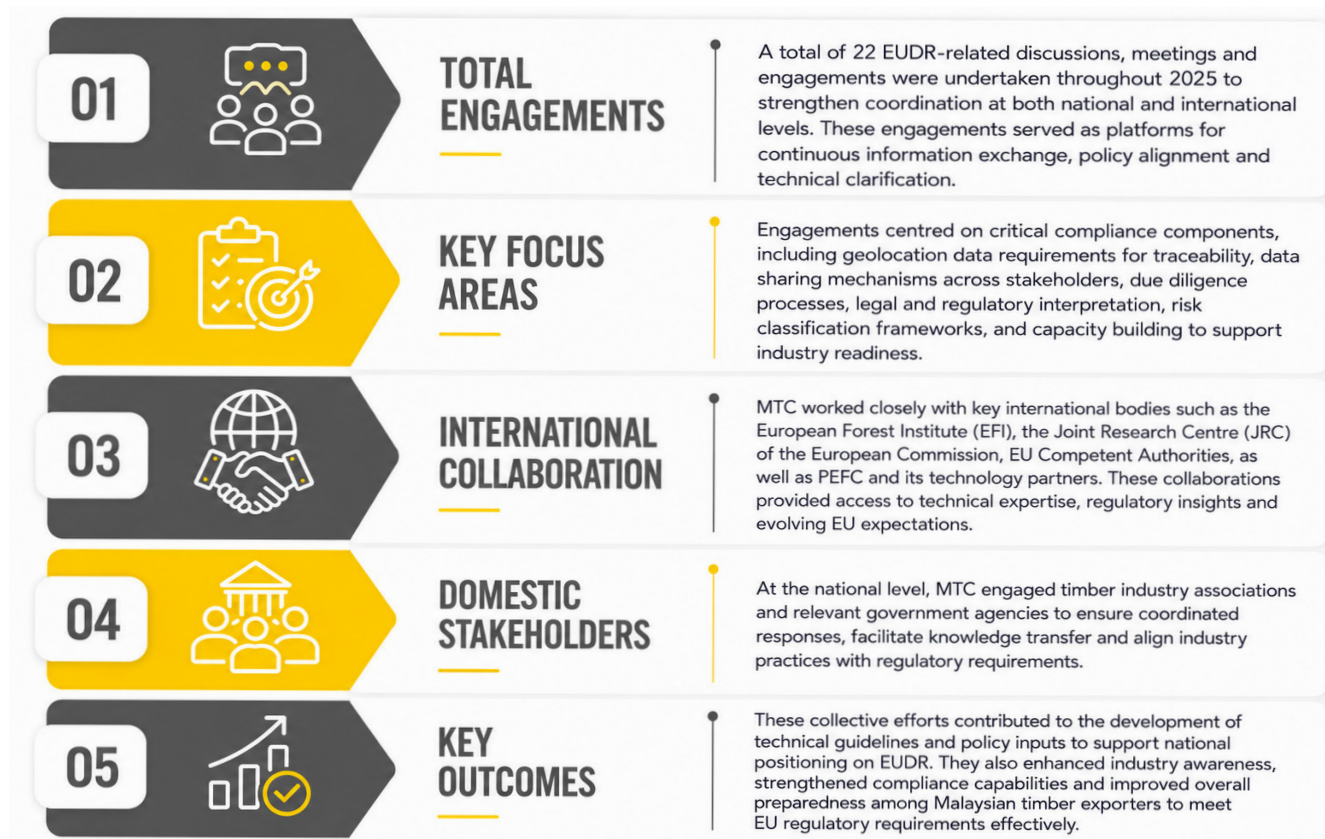
MTC undertook a series of strategic engagements throughout 2025 to strengthen industry preparedness and international collaboration on EUDR implementation.

Date	Engagement/ Activity	Participants	Key Focus / Outcomes
22 April	1 st Meeting of the Coalition on Sustainable Timber	Bolivia, Ghana, Indonesia, Malaysia, Nigeria	Briefed members on the newly issued EUDR Guidance Document and the public consultation on the Delegated Act, enabling early alignment of positions and coordinated responses among producing countries.
17-24 May	MTA-MTC Mission to EU	Engagements in Belgium & Netherlands with EU Competent Authorities, European Commission, Members of the European Parliament, and EU operators	Provided first-hand insights into implementation readiness across EU stakeholders, highlighting key concerns on certification recognition, risk classification, digitalisation requirements, and the need for strengthened bilateral engagement.

Date	Engagement/ Activity	Participants	Key Focus / Outcomes
8 July	MTA-MTC Mission to EU 2 nd Meeting of the Coalition on Sustainable Timber	Brazil, Bolivia, Ghana, Indonesia, Malaysia, Peru	Focused on benchmarking country readiness and addressing technical implementation challenges, particularly geolocation requirements and scientific naming conventions for timber species.
16 October	3 rd Meeting of the Coalition on Sustainable Timber	Brazil, Bolivia, Ghana, Indonesia, Malaysia, Nigeria, Peru	Discussed potential delays to EUDR enforcement, evolving EU sustainability reporting requirements, due diligence obligations, and the convergence of multiple regulatory frameworks impacting timber trade.
2 December	EUDR Webinar (Organised by MTC)	92 participants	Provided industry stakeholders with the latest updates on EUDR developments, including compliance expectations and documentation requirements to support Malaysian exporters' preparedness for EU market access.

Additional EUDR Engagements

Continuous technical discussions and stakeholder engagements were carried out to support regulatory alignment, capacity building and industry readiness for EUDR compliance.



Delegates of the MTC-MTA EUDR Mission to Brussels during engagements with European Union stakeholders, which provided valuable insights into EUDR implementation readiness, certification recognition and bilateral cooperation.



MTC CEO Madam Noraihan Abdul Rahman (second from left) presenting MTC's analysis of Malaysia's export performance to the United States, together with proposed mitigation measures, to the then Minister of Investment, Trade and Industry (MITI) (centre). Photo credit: MITI.

Proposal to List *Shorea* spp. under Appendix II of CITES

The issue of the proposed inclusion of *Shorea* spp. and *Roboshorea* spp. under Appendix II of CITES was actively monitored and addressed by MTC across multiple platforms from late 2024 through 2025. The matter was first discussed during the 60th Session of the International Tropical Timber Council (ITTC60) held in Yokohama, Japan, from 2 – 6 December 2024, including informal deliberations within the Malaysian delegation and at the Trade Advisory Group (TAG) meeting. During ITTC60, MTC was informed, via the Malaysian Timber Certification Council (MTCC), of the European Commission's proposal dated 14 November 2024 to list several *Shorea*-related genera in preparation for CITES CoP20 in Uzbekistan.

In 2025, the matter was deliberated under the Technical Policy Working Group (TPWG) and raised by MTC at the *Mesyuarat Penyelaras Sektor Perakayuan* (MPSP) Bil. 1/2025 on 24 January 2025 to seek clarity on Malaysia's strategic response. This was followed by a coordination meeting involving MTC, MTA and MTC's public relations agency on 3 April 2025, ahead of the Council Working Party on International Environment Issues meeting on 11 April 2025. Subsequently, MTC issued a formal letter dated 9 April 2025 to the European Commission, EU Member States' CITES Management Authorities and relevant range states, expressing concerns over the impact of the proposed listing. Engagements on the potential CITES listing were also undertaken during the MTA-MTC mission to the European Union from 17 – 24 May 2025.

The meeting held on 9 September 2025 between MTA, MTC and MTIB on CITES procedures led to MTA's proposal to organise a seminar to enhance industry awareness on CITES processes and trade implications. This culminated in MTC's participation in MTIB's CITES seminar on 18 December 2025, which briefed stakeholders on CITES requirements, Act 686, MTIB's role as the CITES Management Authority for timber, and the outcomes of CITES CoP20.

United States Tariff Measures

In 2025, MTC undertook a series of analytical, consultative and engagement initiatives to address the potential impact of United States tariff measures on Malaysia's timber and timber-based industries. Two analytical papers were prepared to assess the implications of the tariffs, with findings submitted to the Ministry of Plantation and Commodities (KPK) on 14 April, 11 September and 1 October 2025. In parallel, MTC provided regular updates and facilitated structured deliberations through the Trade Policy and ESG Working Group (TPWG) to ensure coordinated information-sharing and stakeholder alignment.

In terms of engagement, MTC participated in a briefing session convened by the Ministry of Investment, Trade and Industry (MITI) on 13 March 2025, involving timber industry associations, to brief the Minister on the implications of the proposed US tariffs. MTC presented Malaysia's export performance to the United States, including an analysis of the US trade deficit and its relevance to the wood-based sector, and contributed strategic recommendations on mitigation measures, trade circumvention safeguards and market diversification. Further engagement was undertaken through a strategic session organised by MTC on 11 November 2025 with the International Wood Products Association (IWPA), as well as a presentation by IWPA's Executive Director at the Malaysian Wood Expo (MWE) 2025 on 10 November 2025, to deepen industry understanding and advocacy on the US tariff measures.

Bureau of Indian Standards (BIS) Certification Requirements

The Bureau of Indian Standards (BIS) certification requirements for timber and furniture products were closely monitored and addressed by MTC following India's announcement on 31 August 2023 of amendments to mandatory BIS certification for panel products, effective from 1 March 2024, with revised enforcement deadlines extending into 2025 based on enterprise size. The requirements cover plywood, particleboard and other panel products, with penalties imposed under the BIS Act 2016 for non-compliance. This was further expanded with the issuance of the Furniture (Quality Control) Order 2025 on 13 February 2025, mandating BIS certification for selected furniture categories, with compliance required by 13 February 2026.

Throughout 2025, MTC actively engaged with relevant ministries and stakeholders to address industry concerns arising from the BIS requirements. The issue was highlighted to the Ministry of Plantation and Commodities (KPK) and raised at the *Mesuarat Penyelarasan Sektor Perakayuan* (MPSP) Bil. 1/2025 on 24 January 2025. MTC also coordinated with the Ministry of Investment, Trade and Industry (MITI), submitting lists and status updates of Malaysian companies undergoing or awaiting BIS audits on 9 April and 16 July 2025 to facilitate engagement with Indian authorities. Further concerns were raised during MITI's Industry Stakeholder Consultation on Free Trade Agreements on 2 September 2025, including under the Malaysia-India Comprehensive Economic Cooperation Agreement (MICECA), followed by formal submissions to MITI on 9 September and 3 November 2025 to seek resolution and expedite the BIS certification process.

Working Group on Trade Policy and ESG (TPWG)

In 2025, the following four meetings of TPWG we held to deliberate on developments related to international trade and sustainability issues.

Date	Key Matters Deliberated
16 January	• EU proposal prohibiting products made with Forced Labour on the Union Market • NGOs Report on How to Fix Critical Flaws in Malaysia's Timber Certification System • New Zealand's Forest (Legal Harvest Assurance) Amendment Act 2023 • European Commission's Proposal to List <i>Shorea</i> spp. and <i>Roboshorea</i> spp. under Appendix II of CITES • Amendment on Mandatory Bureau of Indian Standards (BIS) Certification for Export of Panel Products to India
10 April	• European Commission's Proposal to List <i>Shorea</i> spp. and <i>Rubroshorea</i> spp. under Appendix II of CITES • United States 24% reciprocal tariff on Malaysia
5 August	• MTC Sponsorship for Malaysian Timber Association (MTA) Representatives to Attend the CITES COP20 Meeting as Observers in November 2025 • Bureau of Indian Standards (BIS) Certification for Export of Panel Products to India • Support mechanism to certify rubber estate / smallholders under Forest Stewardship Council (FSC) or Programme for the Endorsement of Forest Certification (PEFC)
26 November	• Legalisation of timber raw material harvesting outside permanent reserved forests (PRF) • Promotion of timber utilisation in building construction through the Uniform Building By-Laws (UBBL) • Monitoring and response strategy on environmental NGO campaigns and media narratives





Participants come together for a group photo following the 2030 SDGs Game, part of the MTC's initiative to promote sustainability awareness.

Environmental, Social and Governance (ESG)

In 2025, MTC continued to strengthen its internal ESG culture through a series of structured engagement and capacity-building initiatives aimed at enhancing staff awareness, knowledge and practices. Key milestones are summarised as follows:

Date	Programme	Organiser	Key Focus	Outcome
14 March	Staff Town Hall Q1 2025: MTC's Sustainability Journey presentation	MTC	Sustainability & ESG fundamentals; reintroduction of MTC's Charter on ESG	Strengthened staff understanding of ESG and showcased MTC's sustainability milestones, reinforcing the adoption of sustainable practices
29 May	Internal Sustainability Engagement Programme (SEP) #1: 2030 SDGs Game	MTC with Selangor Human Resource Development Centre (SHRDC)	ESG linkages with UN SDGs through an interactive workshop	Enhanced internal ESG awareness and encouraged systems thinking through practical reflection and engagement
10 September	Internal Sustainability Engagement Programme (SEP) #2: Sustainable Procurement Training	MTC with SHEMSI Sdn Bhd	Governance (G) pillar; sustainable procurement	Full-day training involving 20+ staff; introduced ISO 20400 Sustainable Procurement Guidance Standard and practical tools to embed sustainability into procurement decisions



A representative from MTC's Sustainability and ESG Unit delivering a session on the organisation's sustainability journey and ESG initiatives at MTC HQ on 14 March 2025.



MTC staff participating in the Sustainable Procurement Training under the Internal Sustainability Engagement Programme (SEP) 2025 at MTC HQ, reinforcing the Governance pillar of ESG.



Member economies gathered for a group photo at EGILAT27 in Gyeongju, South Korea.



Madam Noraihan Abdul Rahman (centre) chairing the 27th Meeting of the APEC Experts Group on Illegal Logging and Associated Trade (EGILAT27).

Experts Group on Illegal Logging and Associated Trade (EGILAT)

In 2025, MTC actively participated in two key meetings of the Asia-Pacific Economic Cooperation (APEC) Experts Group on Illegal Logging and Associated Trade (EGILAT), a platform established in 2011 to promote trade in legally sourced forest products, combat illegal logging and associated trade, and strengthen capacity-building cooperation among APEC economies. The 27th EGILAT Meeting (EGILAT27) was held from 26 – 27 February 2025 in Gyeongju, South Korea, followed by the 28th EGILAT Meeting (EGILAT28) from 29 – 30 July 2025 in Incheon and Seoul, South Korea. Both meetings focused on key deliverables including information exchange, updates to EGILAT work priorities, and ongoing implementation efforts relating to legal timber trade and timber legality mechanisms, including the Timber Legality Guidance Template (TLGT) as well as EGILAT strategic and policy theme activities.

Malaysia's participation in both meetings was led by the Ministry of Plantation and Commodities (KPK), with delegations comprising representatives from MTIB, Forestry Department Peninsular Malaysia (JPSM), Sabah Forestry Department (SFD), Forest Department Sarawak (FDS), and MTC, with the July delegation also joined by Ministry of Natural Resources and Environmental Sustainability (NRES). MTC CEO, Madam Noraihan Abdul Rahman, chaired both EGILAT27 and EGILAT28 during her second term, with active participation from APEC member economies including Australia, Canada, Chile, China, Indonesia, Japan, Republic of Korea, New Zealand, Peru, the Philippines, Chinese Taipei, Thailand and the United States, as well as Papua New Guinea and Vietnam during EGILAT28. In conjunction with these meetings, MTC also undertook related engagements including a field visit to Baekdudaegan National Arboretum (BDNA) on 28 February, participation in the SCE-COW (ECOTECH) meeting on 7 March to present EGILAT's 2025 work plan and draft ToR (2026 – 2029), attendance at EGILAT dialogues and mini-exhibition on stakeholder collaboration on 28 July, and a working visit to Korea Build Week at COEX, Seoul on 31 July, which provided insights into timber applications in interior fit-outs and wooden flooring.

In addition, MTC participated in five EGILAT-related preparatory, coordination and engagement sessions, including preparations for EGILAT27 and EGILAT28, participation in the EGILAT28 Dialogue on Enhancing Enforcement and Legal Timber Trade Practices in Incheon, Republic of Korea, and coordination meetings under the Informal Policy Theme Discussion Group (IPTDG) framework, including a pre-council session with the Timber, Tobacco and Kenaf Industries Development Division (KTK) and the EGILAT IPTDG meeting.

Mesyyarat Penyelarasan bagi Sektor Perkayuan (MPSP)

The *Mesyyarat Penyelarasan Sektor Perkayuan* (MPSP), established by the Ministry of Plantation and Commodities (KPK), serves as a coordination platform to address priority and urgent issues involving timber-related agencies under KPK. Chaired by the Senior Undersecretary of the Timber, Tobacco and Kenaf Industries Development Division (KTK), the meeting is represented by MTIB, MTC and MTCC. In 2025, two MPSP meetings were convened: the first on 24 January, which discussed, among others, the European Commission's proposal to list *Shorea* spp. under Appendix II of CITES; and the second on 16 June, which addressed key matters including EUDR geolocation and country benchmarking requirements, as well as the framework on community tree farming and industrial tree plantation.

Mesyuarat Jawatankuasa Kecil Mitigasi Pematuhan Perundangan Perdagangan Antarabangsa (JKM3PA) Industri Perkayuan

The Mesyuarat Jawatankuasa Kecil Mitigasi Pematuhan Perundangan Perdagangan Antarabangsa (JKM3PA) Industri Perkayuan was established by the Ministry of Plantation and Commodities (KPK) as a coordination platform involving relevant ministries, agencies and stakeholders to address international trade-related legal and regulatory challenges affecting the timber industry across the value chain. Chaired by the Senior Undersecretary of the Timber, Tobacco and Kenaf Industries Development Division (KTK), JKM3PA comprises representatives from key federal and state forestry agencies, industry bodies and certification organisations.

In 2025, two JKM3PA meetings were convened. The first meeting, held virtually on 24 March 2025, deliberated key issues including the European Union Deforestation Regulation (EUDR), antidumping and countervailing duties, United States tariffs, and proposals to list *Shorea* spp. and Apitong under Appendix II of CITES. The second meeting was held on 2 September 2025 at KSL Esplanade Hotel, Klang, and reviewed two information papers on strengthening the Timber Legality Assurance System (TLAS) and follow-up actions on the EUDR. The meeting also considered proposals to organise a CITES Appendix workshop in collaboration with ITTO and to strengthen JKM3PA through the appointment of the Deputy Secretary General (Plantation and Commodities) as the Committee Chairman.

MTC Roadshow 2025

The MTC Roadshow 2025 was held from 17 - 26 June, covering Terengganu, Pahang, Penang, Selangor, and Johor. The programme served as a platform for MTC to engage directly with industry stakeholders through policy discussions, programme sharing, and dialogue sessions. Participants included representatives from the Ministry of Plantation and Commodities (KPK), MTIB, MTCC, MATRADE, state forestry departments, and timber associations from the respective regions. The dialogue sessions were further complemented by factory visits, which provided insights into operational challenges and best practices within the industry.

As part of its monitoring of issues related to the environment and sustainability, MTC organised the following events in 2025:

Meetings/Visits	Date
MTA-MTC meeting on the European Commission's Proposal to List <i>Shorea</i> spp. under Appendix II of CITES	3 April
MTA-MTC meeting with FRIM on CITES procedure	15 August



MTC CEO, Madam Noraihan Abdul Rahman (left), during MTC's visit to PESAKA Timber Berhad in Dungun, Terengganu, held in conjunction with the MTC 2025 Roadshow.



MTC Chairman, Datu Haji Zainal Abidin Haji Abdullah, engaging with industry stakeholders during the dialogue session held for the Penang edition of the Roadshow programme.

Participation in Events/Meetings/Presentations/Briefings/Seminars/Webinars

As part of its monitoring of issues related to the environment, sustainability, and trade, MTC attended **96 events in 2025** which included discussions, virtual meetings and webinars, among others.



MTC CEO Madam Noraihan Abdul Rahman with Australian High Commissioner Ms. Danielle Heinecke at the High Commissioner's residence in Kuala Lumpur on 22 May 2025, during a breakfast session that brought together women leaders and decision-makers from agriculture, forestry, and related sectors to foster dialogue and strengthen collaboration.



MTC was part of the Malaysian delegation to the 28th ASEAN Senior Officials Meeting on Forestry (ASOF 28) and related meetings held in Luang Prabang, Lao PDR, from 4-8 August 2025.

Feedback/Inputs to Ministries/Agencies



GOVERNMENT & POLICY SUPPORT

OVER 30 BRIEFING NOTES & SPEAKING POINTS PREPARED FOR:

- Ministers, Deputy Ministers and Senior Officials
- Cabinet, Parliament and inter-ministerial meetings



INTERNATIONAL ENGAGEMENTS

OVER 40 INPUTS SUPPORTING:

- Bilateral and multilateral engagements
- State visits, official visits and high-level missions
- Trade negotiations (FTA, WTO, CPTPP, MEUFTA)



TRADE, REGULATION & COMPLIANCE

OVER 15 ANALYTICAL AND FEEDBACK PAPERS ON:

- Trade tariffs and market access (US, EU, India)
- EUDR, CITES and sustainability compliance
- BIS certification and technical trade barriers



DIPLOMATIC & INDUSTRY COORDINATION

INPUTS SUPPORTING ENGAGEMENTS WITH 20+ COUNTRIES INCLUDING:

- EU Member States, ASEAN, Middle East, Africa, Americas and East Asia



STRATEGIC & FORWARD PLANNING

OVER 10 SUBMISSIONS RELATED TO:

- National policy frameworks and strategic plans (DAKN, NTISP)
- Low-carbon initiatives and geolocation data governance



PUBLIC PERCEPTION MANAGEMENT

Media Relations (Press Releases, Media Interviews, Advertisements and Advertorials)



Items

Press Releases: 3 releases

- "MTC 2025 to Fortify Malaysia's Timber Industry Amid Global Trade Shift" - 11 November
- "MWE2025 Raises The Bar For The Global Timber Trade!" - 13 November
- "MATRADE-MTC Collaboration Spurs RM177.56 Million In Potential Wood Exports" - 17 November

General Advertisements/Advertorials/Editorials

- Trade Journals/Directories - 7
- Editorials "Prelude to MWE2025" @FDM Asia & FIEP Coverage@B&I - 2
- Advertorial (TimbeReality)@Malaysian Furniture Directory 2026 - 1
- Electronic Direct Mailers - 2

Publicity and Promotions on MWE2025

- Advertisement/Article & EDM - 5
- Video Promotion (MWE Promo Video) - 4
- MWE 2025 Fact Flash Announcement via Sectra & TimberNewsline WhatsApp - 8
- MWE 2025 Fact Flash Conference Promo via Sectra & TimberNewsline WhatsApp - 6
- Social Media Promotions- 7



 Platform	 Total likes/ followers in 2025	 Total likes/ followers since published	 Date Published
Facebook	Likes: 542 Followers: 591	Likes: 5,700 Followers: 6,673	May 2012
Twitter	Followers: -1	Followers: 529	August 2012
Instagram	Followers: 600	Followers: 2,054	January 2016
LinkedIn	Followers: 343	Followers: 3,546	February 2017
YouTube	Subscribers: 36 Views: 3,832	Subscribers: 355	November 2019
TikTok	Followers: 254	Followers: 365	September 2022

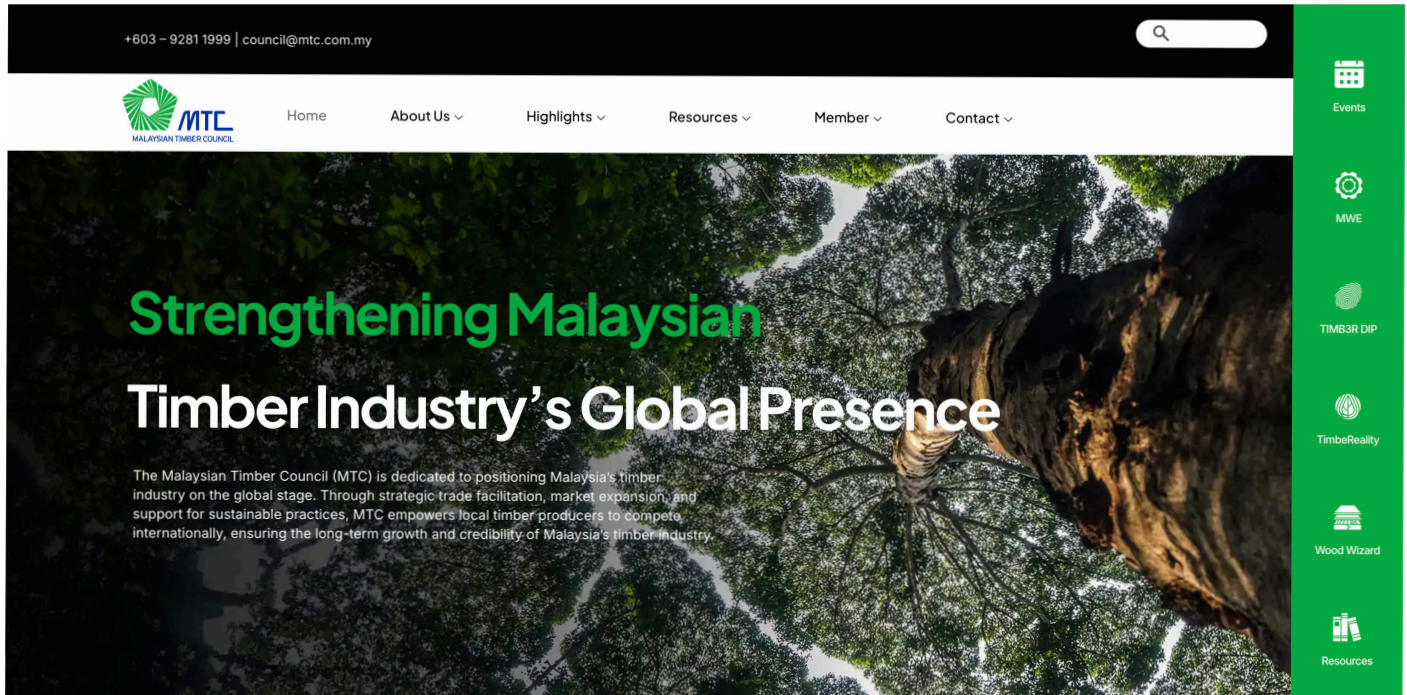
Website

(a) Website Traffic

MTC's website attracted a total of 23,496 users with about 22,801 new users in 2025 with an average of 49 seconds per visitor. The top 3 foreign visitors were from the United States, Singapore and India. The most visited pages besides the main page were the Management Team, Locate Us, and Trade Info.

(b) Website Revamp

The MTC website revamp, initiated in 2024, involved extensive design, technical and content enhancements to improve user experience and modernise the presentation of MTC's services and programmes. The project was extended to incorporate system upgrades, security enhancements and comprehensive content updates, culminating in the successful launch of the revamped website on 7 November 2025.



Screenshot of the revamped MTC website, officially launched on 7 November 2025 following comprehensive design, technical, system and content enhancements.

MTC Corporate Social Responsibility (CSR) Initiatives



In 2025, MTC implemented a series of Corporate Social Responsibility (CSR) initiatives guided by three core pillars: Giving Back to Stakeholders, Giving Back to the Community, and Giving Back to Nature. These initiatives reflected MTC's commitment to social impact, environmental stewardship, youth development, and sustained industry engagement.



22 CSR INITIATIVES

GIVING BACK TO NATURE

Environmental stewardship & conservation

Warisan Hijau Tree Planting Programme
SK Taman Pelangi Semenyih

- 100 Kelat Paya saplings
- 3 Cempaka Hutan saplings
- 2 timber Gazebos (Red Balau)
- 300+ participants

MTC Cares @ Zoo Negara

- 80+ plants planted.
- 2 animal exhibits enhanced.
- 42 staff volunteers

GIVING BACK TO THE COMMUNITY

Education, youth & social development

SPONSORED PROGRAMMES

- IMPAC Convocation
- Merdekapenter Programme
- Malaysian Students' Technology Conference (MSTC)
- National Intervarsity Debate Competition
- Rubber Run 100

GIVING BACK TO STAKEHOLDERS

Industry collaboration & capacity building

Other Sponsorships

- Support for national, state and district-level timber and furniture associations
- Silver Sponsor for the National Economic Forum 2025
- FACT Forum 2025 -Ministry of Plantation and Commodities
- Donation of the award-winning "Weaving Waves" Pavilion to Universiti Putra Malaysia (UPM)



The MTC team gathered at the entrance of Zoo Negara for a group photo prior to the commencement of the CSR initiative, MTC Cares @ Zoo Negara.



MTC's CSR Warisan Hijau Tree Planting Programme, held in collaboration with FDPM at SK Taman Pelangi Semenyih, saw 100 trees planted by students.



MTC CEO Madam Noraihan Abdul Rahman (fifth from left, front row) with representatives from Universiti Putra Malaysia (UPM) and the MTC team at the official handover ceremony of "Weaving Waves" timber showcase held at UPM's Faculty of Engineering.

Other Engagements

Courtesy Visit De La Salle College, The Philippines (3 July)

On 3 July, MTC welcomed a delegation of nine undergraduate students from De La Salle College, The Philippines, who are studying International Business and Export Management. The delegation was briefed on MTC's operations, followed by a guided tour of the MTC Gallery showcasing a variety of Malaysian wood and wood-based products.

Courtesy Visit & Briefing to the Senior Undersecretary (SUBK), Timber, Tobacco, and Kenaf Industries Development Division (KTK) (9 December)

MTC received a courtesy visit from Pn. Norsazila Nordin, the newly appointed Senior Undersecretary (SUBK) for Timber, Tobacco and Kenaf Industries Development Division (KTK) at the Ministry of Plantation and Commodities (KPK), on 9 December. This visit marked her first official engagement with the timber-based agencies under KTK, which include the Malaysian Timber Industry Board (MTIB), MTC, Malaysian Timber Certification Council (MTCC), Forest Plantation Development Sdn Bhd (FPDSB), and CTCS Worldwide Sdn Bhd (CTCS). Briefings by all timber-based agencies, including MTC, were also conducted during the courtesy visit.



Senior Undersecretary (SUBK), Timber, Tobacco and Kenaf Industries Development Division (KTK), Ministry of Plantation and Commodities, Pn. Norsazila Nordin, (seated centre), with representatives from timber-based agencies and officers from KTK during her courtesy visit to the MTC Headquarters.

Publications & Collateral Materials



Subject Matter



Collaterals

- Timber Malaysia - 2 issues
- MTC Programmes & Services & Incentives Booklet
- MTC Annual Report 2024
- Corporate Profile (English and BM versions) - 2
- Calendar & Planner 2026
- Videos - 301
- Corporate Gifts - 14 (new) & 3 (replenishments)





Participating students proudly showcasing their completed woodworking projects together with the MTC team, Penanti KADUN representatives and teachers of SMK Penanti following the *Bengkel Asas Kemahiran Kayu* held on 23 August 2025.

Special Projects

Santuni MADANI

In 2025, the Implementation Coordination Unit (ICU) under the Prime Minister's Department reconfirmed Kampung Sungai Semambu as the village adopted under the MTC CEO's outreach initiative. Under the Santuni MADANI Programme, MTC conducted two woodworking workshops in collaboration with Re-Kayu at SMK Penanti, Bukit Mertajam, involving 10 Form 3 students. The first session, held on 9 August, focused on basic woodworking and digital fabrication, where students produced personalised laser-engraved beech wood name tags and Gerutu wood key holders. The second session on 23 August emphasised practical furniture making, with students crafting mini stools from beech wood and benches using Tembusu, Balau and Kempas. All completed products were donated to the school. The programme was formally concluded with the submission of a project completion report to the ICU-JPM portal. In addition, MTC contributed RM3,000.00 to the SMK Penanti ICTThon Programme on 3 December 2025 to support ICT facility enhancement and digital learning.

Photography and Videography of Residential & Commercial Buildings of Timber

In 2025, MTC implemented a targeted photography and videography project to strengthen its image and video archive by documenting timber-based developments across Peninsular Malaysia. Three sites were featured: Angsana Teluk Bahang (Penang), Rumah Kechik (Melaka) and 3-Juxta House (Perak), with filming conducted in June 2025. On-site interviews were captured at 3-Juxta House and Rumah Kechik, the latter of which was featured in the December issue of Timber Malaysia. Produced under MTC's Behind the Grains branding, the video series was progressively released on MTC's social media platforms from October 2025, with subsequent releases scheduled in 2026.

Participation at the KPK Pavilion at the Malaysia International Agriculture Technology Exhibition (Agri-Malaysia) 2025 (11 – 13 September)

The Ministry of Plantation and Commodities (KPK) and its agencies participated in Agri Malaysia 2025, held from 11-13 September 2025 at MITEC, Kuala Lumpur, through a 90 sqm open-concept pavilion officiated by the then Deputy Minister of Plantation and Commodities. MTC, together with MTIB, represented the timber segment through a joint 18 sqm booth, showcasing wooden lifestyle products to promote timber as a sustainable material and to raise awareness of the Malaysian Wood Expo (MWE) 2025, alongside interactive activities and technical demonstrations across the pavilion.



MTC representative engaging with visitors during Agri Malaysia 2025 held at MITEC, Kuala Lumpur.



One of the location shoots conducted at Rumah Kechik, Melaka, as part of the Photography and Videography of Residential & Commercial Buildings of Timber project.

CROSS-INDUSTRY ALLIANCES

MTC Sponsorship of the MTCC-PEFC Certified Glulam Arch at Madras Lane, Petaling Street (22 November)

In collaboration with the Parlimen Bukit Bintang, Dewan Bandaraya Kuala Lumpur (DBKL), Think City, industry partners and the Malaysian Timber Certification Council (MTCC), MTC sponsored RM20,000.00 towards the development of the MTCC-PEFC Certified Glulam Arch at Madras Lane, Petaling Street. The landmark structure was completed and officially unveiled on 22 November 2025. The arch utilises fully MTCS/PEFC-certified timber components, ensuring end-to-end traceability, international recognition, and compliance with stringent sustainability standards. The project demonstrates the application of low-carbon, climate-smart materials within an urban heritage setting and supports the aspirations of the Kuala Lumpur Structure Plan 2040 (PPKL2040) for a greener and more liveable city. Notably, the arch represents several national milestones, including Malaysia's first PEFC project-certified public landmark, the first fully MTCS/PEFC-certified national structure, and a pioneering reinterpretation of tropical timber in a contemporary iconic form.

Timber Talk Series

The webinar series promotes knowledge-sharing and innovation in timber design, construction, and sustainability. Featuring industry experts, it highlights best practices, emerging trends, and the role of Malaysian timber in sustainable design. Below are the two webinars organised in 2025:

	 Date	 Speakers	 Presentation topic
	30 April	1. Ar. IDr. Lim Kee Yen, Founder of Kee Yen Architect 2. Mr. Jack Too, Project Director of Yuan Design	"Timber in Transition: Embracing Creativity in Architecture"
	9 July	1. Dr. Adlin Sabrina Muhammad Roseley, Senior Lecturer at the Faculty of Forestry and Environment, UPM 2. ChM. Dr. Tumirah Khadiran, Head of the Wood Protection Branch, FRIM	"Performance of Timber as a Construction Material"



MTC's Timber Talk titled "Timber in Transition: Embracing Creativity in Architecture," featured guest speakers Ar. IDr. Lim Kee Yen (centre), founder of Kee Yen Architect, and Mr. Jack Too (left), Project Director of Yuan Design.



As a prelude to the Malaysian Wood Expo (MWE) 2025, MTC presented a six-week webinar series from 24 September–29 October 2025, featuring MWE exhibitors and international industry experts who shared their insights on timber, sustainability, and design.

Chat with MTC - Prelude to Malaysian Wood Expo (MWE) 2025

As a prelude to MWE 2025, a six-week webinar series was launched to allow exhibitors to introduce their companies and showcase their products, building momentum towards the event. Scheduled every Wednesday from 24 September to 30 October 2025. The summary of the sessions completed, and outcome is as follows:



 Date	 Speakers	 Presentation topic
24 September	1. Ar. IDr. Esmonde Yap Spatial Factors Architects 2. Ar. Ts. Afi Muhaimin Jamalluddin of Afi Architect	Architectural Expressions through Timber: The Folded Crest & The Nest
1 October	Mr. Graham Rutter of Smart Connected Solutions SEA	Beyond the Screen: Solutions, Support & Training
8 October	Dr. Soltani Mojtaba of Weng Meng Group of Companies	Innovation x (Wood + Oil Palm Biomass) = ESG + Circular Economy
15 October	Ms. Juliana Yu of TEAM	Experience TEAM: the Gateway to Everything Timber
22 October	Mr. Peter Fitch of IOI Palm Wood	Innovating Sustainable Materials Made from Oil Palm Trunks
29 October	Mr. Per Friis Knudsen of Global Timber Asia	Wood for Good by Global Timber Asia

Forestry and Industry Experience Programme (FIEP) in conjunction with Malaysian Wood Expo (MWE) 2025 (9 – 14 November)

The FIEP 2025 was organised in conjunction with the MWE 2025 to provide international stakeholders with first-hand exposure to Malaysia's forest management practices and timber value chain. The six-day programme involved seven participants from five countries namely, the Netherlands, Poland, UAE, South Africa, and Malaysia comprising foreign journalists, timber trade and technical specialists, and an entrepreneur. Participants attended the MWE 2025 Opening Ceremony and Conference before undertaking field visits across Perak and Selangor, covering the Matang Mangrove Forest, Papulut Forest Reserve, Slim River Industrial Tree Plantation and Raja Musa Peat Swamp Forest Reserve. The programme concluded with a technical visit to Weng Meng Group of Companies, highlighting Malaysia's downstream manufacturing capabilities and value-added timber processing. FIEP successfully strengthened participants' understanding of Malaysia's sustainable forest management framework and enhanced awareness of the country's responsible timber industry practices.



Participants of the Forestry & Industry Experience Programme (FIEP) 2025 during their field visit to the timber harvesting area at Papulut Forest Reserve, Perak.



A walkthrough of the production floor at Weng Meng Group of Companies, where the delegation observed the manufacturing of value-added timber products.

Program Rancangan MADANI Bersama Malaysiaku Dan Konvensyen Nasional Reformasi Perkhidmatan Awam Tahun 2025 (5 – 7 December)

MTC participated in a three-day programme at Dataran Putrajaya under the KPK Pavilion alongside agencies under the Ministry of Plantation and Commodities. The national event highlighted the MADANI Government's achievements and Public Service Reform Agenda (ARPA), drawing more than 300,000 visitors. It served as a key platform to raise awareness of national policies and allowed MTC to promote its Bumiputera and Talent Placement Programmes while enhancing public understanding of its role and functions.



OPERATIONAL EXCELLENCE

HUMAN CAPITAL DEVELOPMENT

MTC Staff Town Hall Session & Activities

Four Town Hall sessions were held in 2025:



 Events	 Date
Q1	14 March
Q2	30 June
Q3	30 September
Q4	12 December



MTC CEO, Madam Noraihan Abdul Rahman, sharing key updates on the Council's strategic direction during the Q1 Town Hall.

Learning & Development Programmes

As part of MTC's commitment to staff career development, each employee is encouraged to attend at least one training programme annually under the Learning and Development (L&D). These programmes are designed to enhance staff productivity and overall performance. A summary of the programmes attended by staff in 2025 is provided below:



 Types of Training	 No. of Trainings
Leadership Skills	8
Technical Skills	42
Soft Skills	11



En. Syed Mohamad Al Adros from the Centre of Management Studies and Leadership, National Institute of Public Administration, conducted an In-House Training on *Penulisan Surat dan Dokumen Rasmi dalam Bahasa Melayu* for MTC staff at the Council's headquarters.

Occupational, Safety and Health (OSH) Activities and Programme

The 2025 OSH Committee's activities are as follows:



 Activities	 Date
OSH Workplace Audit (1/2025)	Completed on 25 July 2025
OSH Wellness Day	Held on 29 September 2025
OSH Workplace Audit (2/2025)	Completed on 22 December 2025

Work Hard, Play Hard & Pray Hard (WHP2H) Committee

The Work Hard, Play Hard and Pray Hard (WHP2H) Committee was established to promote staff well-being by fostering a positive work environment and encouraging a healthy work-life balance. In 2025, the Work Hard, Play Hard and Pray Hard (WHP2H) Committee organised MTC's 33rd Anniversary celebrations, which were commemorated with an event held at the Forest Research Institute Malaysia (FRIM), Kepong, on 10 January 2025, attended by over 60 participants comprising the Chairman, members of the Board of Trustees, Management, and staff.



MTC staff gathered in celebration of Malaysia's 68th National Day, waving the *Jalur Gemilang* as a reflection of unity and national pride.

Team Building Programme (12-14 December)

The MTC Team Building 2025 was organised by the organising committee and took place in Penang.



MTC staff posing for a group photo during the MTC Team Building Trip 2025 in Penang.

Integrity & Governance Committee (IGC)

In 2025, the Integrity Governance Committee (IGC) advanced MTC's governance and integrity agenda through its inaugural meeting on 5 June 2025, which explored the potential implementation of the Anti-Bribery Management System (ABMS) and identified initiatives to strengthen governance and anti-corruption capacity. A second meeting on 24 November 2025 reviewed proposed integrity programmes for 2026 and other governance matters. During the year, integrity-related engagements were also conducted to enhance staff awareness of corporate liability under Section 17A of the MACC Act and to strengthen cooperation with the Ministry of Plantation and Commodities' Integrity Unit.



Mr. Kesavan A/L Rathakrishna from the Malaysian Anti-Corruption Commission (SPRM) engaging with MTC staff during his talk on Corporate Liability for Corruption under Section 17A of the MACC Act at MTC headquarters, Kuala Lumpur.

Performance Management

The Performance Management Office (PMO) serves as a strategic arm of MTC, responsible for overseeing the implementation, tracking, and reporting of organisational performance. In 2025, the PMO played a key role in monitoring the execution of MTC's Priority Focus Areas against the Key Performance Indicators (KPIs). As part of the MTC 3-Year Strategic Roadmap (2024-2026), six Priority Focus Areas were identified to guide the organisation's strategic direction. These areas were translated into 17 KPIs representing 35% of all KPIs for the year and distributed across various Divisions and Units.

By 31 December 2025, 16 of the 17 KPIs (94%) linked to the Priority Focus Areas were successfully achieved. This strong performance reflects the collective efforts and strategic initiatives carried out by the respective Divisions, contributing significantly to MTC's overall organisational goals for the year.



INFORMATION AND COMMUNICATIONS TECHNOLOGY

IT-related Projects

(a) Department of Agriculture PRA List

The PRA database was maintained and kept up to date, with the latest update completed on 1 December 2025.

(b) Digital Asset Management (DAM)

In 2025, a total of 29,055 photographs from 106 events and 5,326 video footages were uploaded into the DAM system.

(c) MTC Software Updates and Applications

In 2025, MTC enhanced its digital communication capabilities through targeted software updates and applications, including the integration of a Text-to-Speech feature for Timber Malaysia via the NaturalReaders service in January 2025 to improve content accessibility, as well as the subscription of new MotionArray and CapCut Pro licences in May 2025 to support CCU's content creation and multimedia production efforts.

(d) Procurement and Configuration of ICTU Asset

In 2025, MTC completed the procurement and configuration of key ICTU assets, including the successful delivery, configuration, testing, and full implementation of a next-generation firewall system by 31 March 2025 to strengthen network security. In parallel, the procurement of ICTU office equipment was finalised on 17 March 2025, with all items received in good condition, supporting the Unit's operational readiness and efficiency.

(e) Upgrading of Network Backbone (Copper to Fiber)

In 2025, MTC implemented network infrastructure enhancements through a structured procurement and approval process, culminating in the completion of fibre optic installation in August and network switch installation, testing, and monitoring by October. The project was formally completed in December 2025, with continuous performance monitoring in place to ensure ongoing system stability and reliability.

(f) Leasing of Laptop

MTC progressed with the leasing of laptops in May. Despite a slight delivery delay in July, all laptops were successfully deployed by August 2025.

(g) Report Tracker

In 2025, progress on the Report Tracker System advanced through a series of coordination meetings, beginning with the establishment of a comprehensive report submission timeline in July, followed by approval of the system workflow, features, and functionalities in August. After final technical review and approval in September, user training was conducted in October 2025, marking the completion of the project.

(h) ICTU Subscription

A total of 55 licenses and subscriptions were renewed in 2025.

(i) Technical Support

 **Total technical support activities delivered in 2025: 491**



Website Updates:

63 updates



Online Meetings & Events Supported:

134 sessions



Digital Display Updates:

40 updates



End-User Support:

254 cases

ADMINISTRATION

Recycling & Waste Diversion Programme

As part of MTC's ongoing Environmental, Social and Governance (ESG) commitments, the Recycling and Waste Diversion Programme continued throughout 2025, focusing on reducing landfill waste through structured recycling and food waste composting initiatives. The outcomes achieved for the year are summarised as follows:



Note:

¹Emissions estimated using US EPA Simplified GHG Emissions Calculator. Recycling emissions 21 kgCO₂e, while the 198 kgCO₂e landfill figure represents a hypothetical baseline used to calculate avoided emissions and does not reflect actual disposal, as MTC does not send recyclable waste to landfill.

²Estimated lifecycle GHG emissions avoided from food waste diversion to composting, based on FAO Food Wastage Footprint methodology as provided by MTC's compost service provider (CleanTech Solutions).

Through the combined recycling and composting efforts, all collected waste streams were successfully diverted from landfills. This programme reinforces MTC's commitment to responsible waste management, environmental stewardship and the reduction of its overall environmental footprint.



 **ENGAGE**  **CONNECT**  **GROW**
Strengthening The Industry's Global Presence



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MTC_twt



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