

**THIS EXPLANATORY STATEMENT/CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.**

If you are in any doubt as to the course of action to be taken, you should consult your stockbroker, bank manager, solicitor, accountant or other professional advisers immediately.

The Notices of the Court Convened Meeting (“CCM”) and Extraordinary General Meeting (“EGM”) together with the respective Forms of Proxy are enclosed for your attention.

Bursa Malaysia Securities Berhad takes no responsibility for the contents of this Explanatory Statement/Circular and the Valuation Certificate (as defined herein), makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Explanatory Statement/Circular and the Valuation Certificate.



Registration No. 198201003236 (82982-K)

先進包裝工業(馬)有限公司

**ADVANCED PACKAGING TECHNOLOGY (M) BHD.**

Registration No. 198201003236 (82982-K)

(Incorporated in Malaysia)

**EXPLANATORY STATEMENT TO SHAREHOLDERS PURSUANT TO SECTION 369 OF THE COMPANIES ACT, 2016 (“ACT”) IN RELATION TO THE PROPOSED INTERNAL REORGANISATION BY WAY OF A MEMBERS’ SCHEME OF ARRANGEMENT UNDER SECTION 366 OF THE ACT**

**AND**

**CIRCULAR TO SHAREHOLDERS IN RELATION TO THE:**

- (I) PROPOSED ACQUISITION;**
- (II) PROPOSED SHARE SPLIT;**
- (III) PROPOSED SHARE EXCHANGE; AND**
- (IV) PROPOSED TRANSFER OF LISTING STATUS**

**AND**

**NOTICES OF THE CCM AND EGM**

*Principal Adviser*



Hong Leong Investment Bank Berhad  
(Registration No. 197001000928 (10209-W))

(A Participating Organisation of Bursa Malaysia Securities Berhad)  
(A Trading Participant of Bursa Malaysia Derivatives Berhad)

The Notices of the CCM and EGM and the respective Forms of Proxy are enclosed in this Explanatory Statement/Circular.

If you are unable to attend and vote in person at the CCM and the EGM, you may appoint a proxy or proxies to attend and vote on your behalf. If you wish to do so, you must complete, sign and deposit the relevant enclosed Forms of Proxy for the CCM and EGM in accordance with the instructions contained therein, at the office of our Company’s Share Registrar, Boardroom Share Registrars Sdn Bhd at Ground Floor or 11<sup>th</sup> Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia or email to [BSR.Helpdesk@boardroomlimited.com](mailto:BSR.Helpdesk@boardroomlimited.com) at least 48 hours before the CCM and EGM or at any adjournment thereof. The lodging of the Forms of Proxy for the CCM and/or EGM will not preclude you from attending and voting in person at the CCM and/or EGM should you subsequently wish to do so.

Date and time of the CCM	:	Wednesday, 29 June 2022 at 11.30 a.m. or immediately following the conclusion of the Company’s 40 <sup>th</sup> Annual General Meeting (which will be held at the same venue and on the same day at 10.00 a.m.), whichever is later, or at any adjournment thereof
Date and time of the EGM	:	Wednesday, 29 June 2022 at 12.00 p.m. or immediately following the conclusion of the CCM (which will be held at the same venue and on the same day at 11.30 a.m.), whichever is later, or at any adjournment thereof
Venue of CCM and EGM	:	Bangi Resort Hotel, Off Persiaran Bandar, 43650 Bandar Baru Bangi, Selangor
Last date and time for lodging the Form of Proxy for the CCM	:	Monday, 27 June 2022 at 11.30 a.m.
Last date and time for lodging the Form of Proxy for the EGM	:	Monday, 27 June 2022 12.00 p.m.

This Explanatory Statement/Circular is dated 8 June 2022

- (I) PROPOSED ACQUISITION BY SINO PEAK SDN BHD, A 70%-OWNED SUBSIDIARY OF ADVANCED PACKAGING TECHNOLOGY (M) BHD. (“APT”) FOR A PIECE OF FREEHOLD LAND WITH A DOUBLE-STOREY BUILDING ERECTED THEREON FOR A TOTAL CASH CONSIDERATION OF RM9.5 MILLION (“PROPOSED ACQUISITION”);**
- (II) PROPOSED SHARE SPLIT INVOLVING THE SUBDIVISION OF EVERY 1 EXISTING ORDINARY SHARE IN APT (“APT SHARE(S)”) INTO 4 SUBDIVIDED APT SHARES (“PROPOSED SHARE SPLIT”);**
- (III) PROPOSED SHARE EXCHANGE OF THE ENTIRE ISSUED AND FULLY PAID UP SHARE CAPITAL OF APT, WITH THE CORRESPONDING NUMBER OF NEW ORDINARY SHARES IN GREATER BAY HOLDINGS BERHAD (“NEWCO”) (“NEWCO SHARE(S)”) BY WAY OF A MEMBERS’ SCHEME OF ARRANGEMENT UNDER SECTION 366 OF THE COMPANIES ACT, 2016, ON THE BASIS OF 1 NEW NEWCO SHARE FOR EVERY 1 EXISTING APT SHARE HELD BY THE EXISTING SHAREHOLDERS OF APT AS AT THE ENTITLEMENT DATE TO BE DETERMINED AND ANNOUNCED BY THE BOARD OF DIRECTORS OF APT (“PROPOSED SHARE EXCHANGE”); AND**
- (IV) PROPOSED TRANSFER OF THE LISTING STATUS OF APT TO NEWCO, THE ADMISSION OF NEWCO TO AND WITHDRAWAL OF APT FROM THE OFFICIAL LIST OF THE MAIN MARKET OF BURSA MALAYSIA SECURITIES BERHAD (“BURSA SECURITIES”), AND THE LISTING OF AND QUOTATION FOR THE ENTIRE ISSUED AND PAID UP SHARE CAPITAL OF NEWCO ON THE MAIN MARKET OF BURSA SECURITIES (“PROPOSED TRANSFER OF LISTING STATUS”)**

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## DEFINITIONS

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Except where the context otherwise requires, the following definitions shall apply throughout this Explanatory Statement/Circular:

Act	:	The Companies Act, 2016
APT or Company	:	Advanced Packaging Technology (M) Bhd. (Registration No. 198201003236 (82982-K))
APT Group or Group	:	Collectively, APT and its subsidiary
APT Share(s)	:	Ordinary share(s) in APT
Board	:	Board of Directors of APT
Book Closure Date	:	A date to be determined and announced later by the Board on which the names of the shareholders of the APT appear in the Record of Depositors of our Company at 5.00 p.m. in order to be entitled to participate in the Proposed Share Split
Bursa Depository	:	Bursa Malaysia Depository Sdn. Bhd. (Registration No. 198701006854 (165570-W))
Bursa Securities	:	Bursa Malaysia Securities Berhad (Registration No. 200301033577 (635998-W))
CCM	:	Meeting of our shareholders to be convened pursuant to an order of the High Court under Section 366(1) of the Act, including any meetings of our shareholders which are held pursuant to an adjournment in accordance with Section 366(2) of the Act
CDS	:	Central Depository System
Director(s)	:	Director(s) of the Company
Effective Date	:	The date of lodgement of an office copy of the order of the High Court approving the Scheme of Arrangement with the Registrar of Companies pursuant to Section 366 of the Act, or such other date as the High Court may determine in the order, whereupon the Scheme of Arrangement shall take effect
EGM	:	Extraordinary general meeting
Entitled Shareholder(s) for Share Exchange	:	Our shareholder(s) whose name(s) appears in the Record of Depositors of our Company on the Entitlement Date
Entitled Shareholder(s) for Share Split	:	Our shareholder(s) whose name(s) appears in the Record of Depositors of our Company on the Book Closure Date
Entitlement Date	:	A date to be determined by our Board and announced later, on which the names of our shareholders must be registered in the Record of Depositors of our Company as at 5.00 p.m. on the said date in order to be entitled to Newco Shares pursuant to the Proposed Share Exchange
EPS	:	Earnings per share
Explanatory Statement/Circular	:	Explanatory statement to our shareholders under Section 369 of the Act in relation to the Proposed Internal Reorganisation and Circular to our shareholders dated 8 June 2022 in relation to the Proposals
FYE	:	Financial year(s) ended/ending, as the case may be

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**DEFINITIONS (Cont'd)**

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High Court	:	High Court of Malaya
HLIB or Principal Adviser	:	Hong Leong Investment Bank Berhad (Registration No. 197001000928 (10209-W))
IRA	:	The conditional internal restructuring agreement dated 29 March 2022, entered into between our Company and Newco in relation to the Proposed Internal Reorganisation
Listing Requirements	:	Main Market Listing Requirements of Bursa Securities
LPD	:	26 May 2022, being the latest practicable date prior to the printing and despatch of this Explanatory Statement/Circular
Market Day(s)	:	A day on which the stock market of Bursa Securities is open for trading in securities
NA	:	Net assets
Newco	:	Greater Bay Holdings Berhad (Registration No. 202201009799 (1455496-U))
Newco Group	:	Collectively, Newco and its subsidiaries (namely our Company and SPSB upon completion of the Proposed Internal Reorganisation)
Newco's Board	:	Board of directors of Newco
Newco Share(s)	:	Ordinary share(s) in Newco
PA International or Independent Property Valuer	:	PA International Property Consultants (KL) Sdn. Bhd. (Registration No. 200601029159 (748916-W)), an independent firm of registered valuers
Previous Acquisition	:	Acquisition by SPSB of Subject Property 1 for Purchase Consideration 1 pursuant to the terms of SPA 1, which had been completed on 21 January 2022
Proposals	:	Collectively, the Proposed Acquisition, Proposed Share Split and Proposed Internal Reorganisation
Proposed Acquisition	:	Proposed acquisition by SPSB of Subject Property 2 for Purchase Consideration 2 pursuant to the terms of SPA 2
Proposed Internal Reorganisation	:	Collectively, the Proposed Share Exchange and the Proposed Transfer of Listing Status
Proposed Share Exchange	:	Proposed share exchange of up to 82,017,000 ordinary shares in APT with up to 82,017,000 Newco Shares on the basis of 1 new Newco Share for every 1 existing APT Share held on the Entitlement Date
Proposed Share Split	:	Proposed share split involving the subdivision of every 1 existing APT Share held by the Entitled Shareholders for Share Split into 4 Subdivided Shares
Proposed Transfer of Listing Status	:	Proposed transfer of the listing status of our Company to Newco, the admission of Newco to and withdrawal of our Company from the Official List of Main Market of Bursa Securities, and the listing of and quotation for the entire issued and paid up share capital of Newco on the Main Market of Bursa Securities
Purchase Consideration 1	:	Cash consideration of RM9.5 million in relation to the Previous Acquisition

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**DEFINITIONS (Cont'd)**

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Purchase Consideration 2	:	Cash consideration of RM9.5 million in relation to the Proposed Acquisition
Record of Depositors	:	A record of securities holders provided by Bursa Depository under the Rules of Bursa Depository
RM and Sen	:	Ringgit Malaysia and sen, respectively
Scheme of Arrangement	:	The members' scheme of arrangement made between our Company and our shareholders pursuant to Section 366 of the Act for the Proposed Internal Reorganisation
SPA 1	:	Sale and purchase agreement entered into between SPSB and Vendor 1 dated 5 October 2021 for the Previous Acquisition, and completed on 21 January 2022
SPA 2	:	A conditional sale and purchase agreement entered into between SPSB and Vendor 2 dated 28 January 2022 for the Proposed Acquisition
SPSB	:	Sino Peak Sdn Bhd (Registration No. 202101022556 (1422856-D)), a 70%-owned subsidiary of our Company
sq m	:	Square metres
Subdivided Shares	:	APT Shares after the Proposed Share Split
Subject Properties	:	Collectively, Subject Property 1 and Subject Property 2
Subject Property 1	:	A piece of freehold land with a double-storey building erected thereon, held under Title No. HSD 21418, Lot 38492, in Mukim and District of Kuala Lumpur
Subject Property 2	:	A piece of freehold land with a double-storey detached building erected thereon, held under Title No. HSD 21417, Lot 38491, in Mukim and District of Kuala Lumpur
Valuation Certificate	:	Valuation Certificate dated 16 March 2022 issued by PA International in respect of the valuation of Subject Property 2
Vendor 1	:	Chong Yew Chzon and Ong Mui Keow, being the vendors of the Subject Property 1
Vendor 2	:	Wong Teng Kheong @ Wong Ting Khuan, being the vendor of the Subject Property 2
VWAP	:	Volume weighted average market price

Words importing the singular shall include the plural and vice versa and words importing the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. References to persons shall include a body of person, corporate or unincorporated (including a trust).

All references to the time of day in this Explanatory Statement/Circular are references to Malaysian time, unless otherwise stated. A reference to any legislation or statutory provision is to the legislation or provision as amended, substituted or re-enacted from time to time.

References to "our Company" in this Explanatory Statement/Circular is to APT. References to "we", "us", "our" and "ourselves" are to our Company. References to "you" or "your" are to the shareholders of our Company.

Any discrepancy in the figures included in this Explanatory Statement/Circular between the amounts stated and the totals are due to rounding adjustments.

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## EXECUTIVE SUMMARY

*This Executive Summary highlights only the salient information of the Previous Acquisition and Proposals. The shareholders of APT are advised to read the Explanatory Statement/Circular in its entirety for further details and not to rely solely on this Executive Summary in forming a decision on the Proposals before voting at the forthcoming CCM and EGM.*

Key Information	Description	Reference to Explanatory Statement/Circular
<b>Summary of the Proposals</b>	<p>APT proposes to undertake the following:</p> <ul style="list-style-type: none"> <li>(i) proposed acquisition by Sino Peak Sdn Bhd, a 70%-owned subsidiary of our Company, of a piece of freehold land with a double-storey building erected thereon for a total cash consideration of RM9.5 million ("<b>Proposed Acquisition</b>");</li> <li>(ii) proposed share split involving the subdivision of every 1 existing APT Share into 4 subdivided APT Shares ("<b>Proposed Share Split</b>"); and</li> <li>(iii) proposed internal reorganisation by way of a members' scheme of arrangement under Section 366 of the Companies Act, 2016 comprising the following: <ul style="list-style-type: none"> <li>(a) proposed share exchange of the entire issued and fully paid up share capital of APT, with the corresponding number of new ordinary shares in Greater Bay Holdings Berhad ("<b>Newco</b>") ("<b>Newco Share(s)</b>"), on the basis of 1 new Newco Share for every 1 existing APT Share held by the existing shareholders of APT as at the entitlement date to be determined and announced by the Board ("<b>Proposed Share Exchange</b>"); and</li> <li>(b) proposed transfer of the listing status of APT to Newco, the admission of Newco to and withdrawal of APT from the Official List of the Main Market of Bursa Securities, and the listing of and quotation for the entire issued and paid up share capital of Newco on the Main Market of Bursa Securities,</li> </ul> </li> </ul> <p>collectively, referred to as "<b>Proposed Internal Reorganisation</b>".</p> <p>Upon completion of the Proposed Internal Reorganisation, Newco will assume APT's Stock Code and International Securities Identification Number (ISIN). The Stock Short Name of Newco will be "GBAY".</p>	Sections 2, 3 and 4

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**EXECUTIVE SUMMARY (cont'd)**

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<b>Key Information</b>	<b>Description</b>	<b>Reference to Explanatory Statement/Circular</b>
<b>Summary of the Proposals (Cont'd)</b>	<p>Our Company had also entered into a sale and purchase agreement for the acquisition of a piece of freehold land with double-storey building erected thereon for a total cash consideration of RM9.5 million on 5 October 2021 ("<b>Previous Acquisition</b>"). This sale and purchase agreement had been completed on 21 January 2022. Pursuant to Paragraph 10.12(1) of the Listing Requirements, the Proposed Acquisition is to be aggregated with the Previous Acquisition as these transactions involve the acquisition of various parcels of land contiguous to each other. Please refer to Section 2.1 for the location map of these properties.</p>	Section 1
<b>Rationale for the Previous Acquisition and Proposals</b>	<p><b><u>Previous Acquisition and Proposed Acquisition</u></b></p> <p>The Previous Acquisition and Proposed Acquisition will allow our Company to have ownership of Subject Property 1 and Subject Property 2, which will be utilised for investment purposes initially via rental income and/or potential capital appreciation of the Subject Properties.</p> <p>In the medium to longer term, the Subject Properties may also serve as the corporate head office to house the employees of our Company.</p> <p>In addition, our Directors view that an incidental advantage from the Previous Acquisition and Proposed Acquisition is the enhancement of our Group's visibility and corporate image by virtue of the Subject Properties being located in Bangsar, which is a prime location in Kuala Lumpur.</p> <p><b><u>Proposed Share Split</u></b></p> <p>The Proposed Share Split is expected to further enhance the marketability and trading liquidity of APT Shares on the Main Market of Bursa Securities as a result of the increase in the number of APT Shares in issue.</p>	Section 5

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Key Information	Description	Reference to Explanatory Statement/Circular
<b>Rationale for the Previous Acquisition and Proposals (Cont'd)</b>	<p><b><u>Proposed Internal Reorganisation</u></b></p> <p>The Proposed Internal Reorganisation serves to:</p> <ul style="list-style-type: none"> <li>(i) enable Newco to be solely an investment holding company and for Newco to establish operating subsidiaries and/or joint venture entities in the future. This will provide flexibility for expansion of new business segments or to streamline business operations and facilitate future joint venture arrangements or expansion of our Group's business as and when the opportunities arise. This further facilitates an effective management of the different businesses held separately from Newco moving forward; and</li> <li>(ii) enables the separation of Newco (as the listed entity) from its operating entities, hence safeguarding Newco against direct operating risks such as claims and litigation associated with the operations and business activities of the operating entities.</li> </ul>	
<b>Approvals required</b>	<p>The Proposals are subject to the following:</p> <ul style="list-style-type: none"> <li>(i) the approval of Bursa Securities for the following which was obtained via its letter dated 31 May 2022: <ul style="list-style-type: none"> <li>(a) Proposed Share Split; and</li> <li>(b) admission, listing of and quotation for the entire issued share capital of Newco on the Main Market of Bursa Securities pursuant to the Proposed Internal Reorganisation,</li> </ul> <p>subject to the conditions disclosed in <b>Section 10</b> of this Explanatory Statement/Circular.</p> </li> <li>(ii) the approval of the shareholders of APT at the CCM to be convened for the Proposed Internal Reorganisation;</li> <li>(iii) the approval of the shareholders of APT at the EGM to be convened for the Proposals;</li> <li>(iv) the order of the High Court sanctioning the Proposed Internal Reorganisation;</li> </ul>	Section 10

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**EXECUTIVE SUMMARY (cont'd)**

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<b>Key Information</b>	<b>Description</b>	<b>Reference to Explanatory Statement/Circular</b>
	<p>(v) the approval and/or consent of any relevant financier(s)/creditor(s) of APT, if required; and</p> <p>(vi) the approval, consent and/or sanction of any other relevant authority(ies)/party(ies), if required.</p>	
<b>Interests of directors, major shareholder(s), chief executive and/or persons connected with them</b>	None of the Directors, major shareholders and/or chief executive of our Company and persons connected with them have any interest, either direct or indirect, in the Previous Acquisition and Proposals, save for their respective entitlements as shareholders of our Company, if any, under the Proposed Share Split and the Proposed Share Exchange, which are also available to all our other shareholders on a pro-rata basis.	Section 12
<b>Board's recommendation</b>	<p>Our Board, having considered all aspects of the Previous Acquisition and Proposals including but not limited to the rationale and effects of the Previous Acquisition and Proposals, is of the opinion that the Previous Acquisition and Proposals are in the best interest of our Company.</p> <p>Accordingly, our Board recommends that you vote in favour of the relevant resolutions pertaining to the Proposals to be tabled at our forthcoming EGM and CCM.</p>	Section 13

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**ADVANCED PACKAGING  
TECHNOLOGY (M) BHD.**

Registration No. 198201003236 (82982-K)

先進包裝工業(馬)有限公司

**ADVANCED PACKAGING TECHNOLOGY (M) BHD.**

Registration No. 198201003236 (82982-K)

(Incorporated in Malaysia)

**Registered office:**

12<sup>th</sup> Floor, Menara Symphony  
No. 5, Jalan Prof. Khoo Kay Kim  
Seksyen 13  
46200 Petaling Jaya  
Selangor Darul Ehsan

8 June 2022

**Board of Directors:**

Dato' Haji Ghazali B. Mat Ariff (*Chairman, Senior Independent Non-Executive Chairman*)  
Mah Siew Seng (*Independent Non-Executive Director*)  
Lim Tiong Heng (*Independent Non-Executive Director*)  
Law Mong Yong (*Non-Independent Non-Executive Director*)  
Pang Chong Yong (*Non-Independent Non-Executive Director*)  
Peter Ling Ee Kong (*Managing Director*)  
Andrew Ling Yew Chung (*Executive Director*)  
Pang Jun Jie (*Alternate Director to Pang Chong Yong*)

**To: Our shareholders**

Dear Sir/Madam,

- (I) **PROPOSED ACQUISITION;**
- (II) **PROPOSED SHARE SPLIT;**
- (III) **PROPOSED SHARE EXCHANGE; AND**
- (IV) **PROPOSED TRANSFER OF LISTING STATUS**

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**1. INTRODUCTION**

On 31 January 2022, our Board had announced that SPSB proposed to undertake the Proposed Acquisition and had entered into the SPA 2 on 28 January 2022.

On 29 March 2022, HLIB had, on behalf of our Board, announced that our Company intends to undertake the Proposed Share Split and Proposed Internal Reorganisation. Our Company had, on the same date, entered into the IRA.

Further, our Board had appointed HLIB as our principal adviser in connection with the Proposed Acquisition on 25 February 2022.

On 12 April 2022, HLIB had, on behalf of our Board, announced that our Company, on 11 April 2022 received confirmation from the solicitors of Vendor 2 that Vendor 2 is agreeable to extend the deadline for our Company to obtain approval from our shareholders at an EGM to be convened for the Proposed Acquisition to 30 June 2022 and Payment Date for the Balance of Purchase Price (as defined in **Appendix II** of this Explanatory Statement/Circular) to, on or before 27 August 2022.

On 18 May 2022, HLIB had, on behalf of our Board, announced that the High Court had at the hearing on the same date, granted an order for the convening of the CCM within 6 months from 18 May 2022. The terms of the Scheme of Arrangement are set out in **Section 4** of this Explanatory Statement/Circular.

On 1 June 2022, HLIB had, on behalf of our Board, announced that Bursa Securities had, via its letter dated 31 May 2022, approved the following:

- (i) the Proposed Share Split; and
- (ii) the admission of Newco to the Official List and the listing of and quotation for the entire issued share capital of Newco on the Main Market of Bursa Securities, under the “Industrial Products & Services” sector and “Packaging Materials” subsector, in place of APT,

subject to the conditions disclosed in **Section 10** of this Explanatory Statement/Circular. Newco will assume APT’s Stock Code and International Securities Identification Number (ISIN) upon completion of the Proposed Internal Reorganisation. The Stock Short Name of Newco will be “GBAY”.

In addition to the above, our Company had entered into SPA 1 for the acquisition of Subject Property 1 on 5 October 2021. The Previous Acquisition had been completed on 21 January 2022. Pursuant to Paragraph 10.12(1) of the Listing Requirements, the Proposed Acquisition is to be aggregated with the Previous Acquisition as these transactions involve the acquisition of various parcels of land contiguous to each other.

**THE PURPOSE OF THIS EXPLANATORY STATEMENT/CIRCULAR IS TO PROVIDE YOU WITH THE DETAILS OF THE PREVIOUS ACQUISITION AND PROPOSALS AND TO SEEK YOUR APPROVAL FOR THE RESOLUTIONS TO BE TABLED AT OUR FORTHCOMING CCM AND EGM. THE NOTICES OF THE FORTHCOMING CCM AND EGM AS WELL AS THE FORMS OF PROXY ARE ENCLOSED TOGETHER WITH THIS EXPLANATORY STATEMENT/CIRCULAR.**

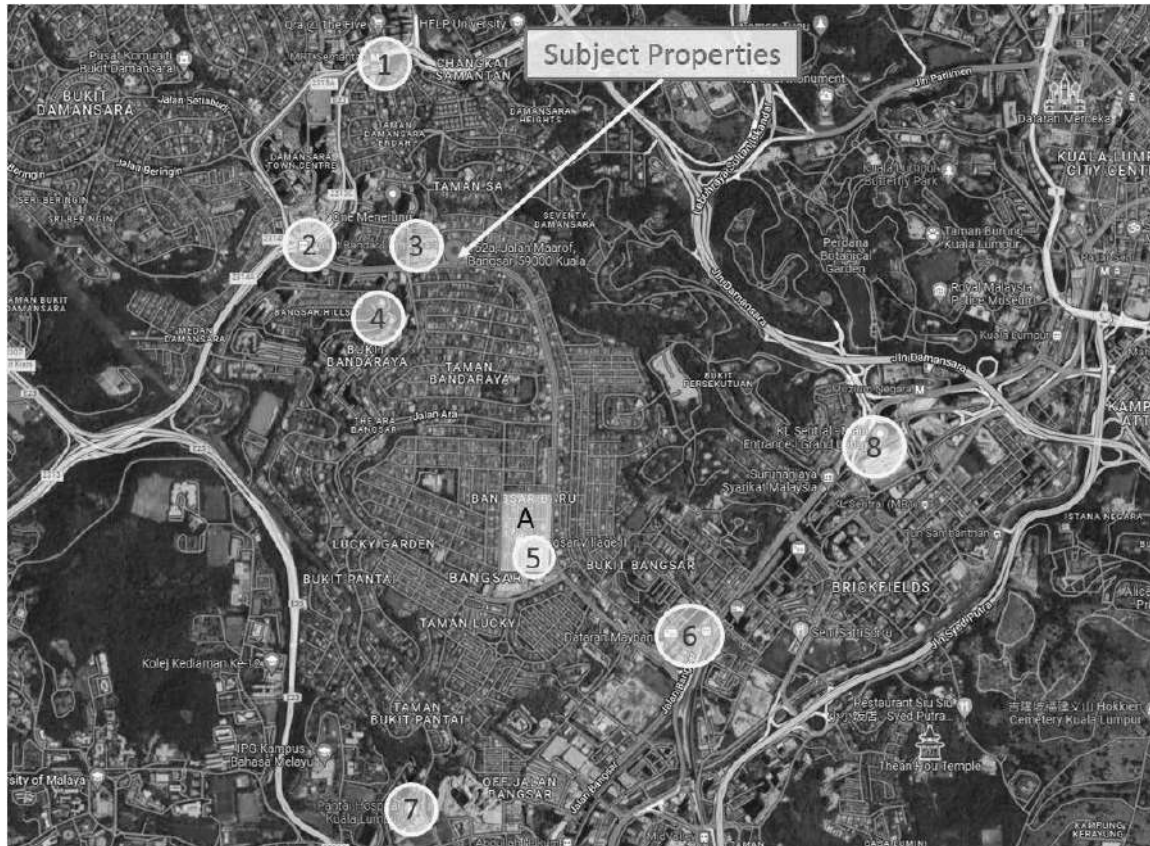
**YOU ARE ADVISED TO READ AND CAREFULLY CONSIDER THE CONTENTS OF THIS EXPLANATORY STATEMENT/CIRCULAR TOGETHER WITH THE APPENDICES CONTAINED HEREIN BEFORE VOTING ON THE RELEVANT RESOLUTIONS PERTAINING TO THE PROPOSALS TO BE TABLED AT OUR FORTHCOMING CCM AND EGM.**

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## 2. DETAILS OF THE PREVIOUS ACQUISITION AND PROPOSED ACQUISITION

### 2.1 Details of the Subject Properties

The map below sets out the locations of the Subject Properties:



Label	Landmarks
1	Semantan MRT station
2	Pusat Bandar Damansara MRT station
3	Menara BRDB & Bangsar Shopping Center
4	Bangunan Yayasan Syed Kechik
5	Bangsar Village I, II & III
6	Dataran Maybank, Menara Etiqa, UOA Bangsar & Bangsar LRT station
7	Pantai Hospital Kuala Lumpur
8	KL Sentral
A	Telawi commercial areas

### 2.1.1 Details of Subject Property 1

<b>Description</b>	Freehold land held under H.S. (D) 21418, Lot 38492, Mukim Kuala Lumpur, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan Kuala Lumpur together with a double-storey building erected thereon
<b>Vendor</b>	Chong Yew Chzon and Ong Mui Keow
<b>Postal address</b>	162, Jalan Maarof, Taman Bandaraya, 59100 Kuala Lumpur, Malaysia
<b>Tenure</b>	Freehold
<b>Total land area</b>	Approximately 509.649 sq m
<b>Approximate age of the building</b>	Approximately 43 years
<b>Total built-up and net lettable area</b>	Approximately 424 sq m
<b>Existing occupancy and use</b>	100% occupied by: Linds Furniture (KL) Sdn Bhd (Registration No. 201601005841 (1176767-H)) as an office and showroom, at a monthly rental of RM28,000. The tenancy commenced on 1 March 2022 for a period of three years.
<b>Net book value</b>	Not applicable
<b>Encumbrances</b>	None ^
<b>Category of land use</b>	Building ( <i>Bangunan</i> )
<b>Restriction in interest</b>	Nil

**Note:**

^ Subject Property 1 was acquired free from encumbrances and is presently charged to CIMB Bank Berhad for the purpose of financing the Previous Acquisition.

### 2.1.2 Details of Subject Property 2

<b>Description</b>	Freehold land held under H.S. (D) 21417, Lot 38491, Mukim Kuala Lumpur, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan Kuala Lumpur together with a double-storey detached building erected thereon
<b>Registered owner / Vendor</b>	Wong Teng Kheong @ Wong Ting Khuan

<b>Postal address</b>	162A, Jalan Maarof, Taman Bandaraya, 59100 Kuala Lumpur, Malaysia
<b>Tenure</b>	Freehold
<b>Total land area</b>	Approximately 507.699 sq m
<b>Approximate age of the building</b>	Approximately 43 years
<b>Total built-up and net lettable area</b>	Approximately 311.225 sq m
<b>Existing occupancy and use</b>	To be 100% occupied by: Art of Tree Signature Sdn Bhd (Registration No. 202201009470 (1455167-T)) as an office and showroom, at a monthly rental of RM28,000. The tenancy will commence on 15 June 2022 for a period of three years
<b>Net book value</b>	Not applicable
<b>Encumbrances</b>	None
<b>Category of land use</b>	Building ( <i>Bangunan</i> )
<b>Restriction in interest</b>	Nil
<b>Valuer</b>	PA International
<b>Date of valuation</b>	8 February 2022
<b>Method of valuation</b>	Comparison Approach and Income Capitalisation Approach (Investment Method)
<b>Market value</b>	RM9.0 million #

**Note:**

# *PA International had disregarded the portion that was renovated and extended without approval from the relevant authorities in its computation of the market value of RM9.0 million. However, the Certificate of Completion and Compliance (Borang F) has been subsequently obtained on 25 May 2022.*



## 2.2 Information on the Vendors

### 2.2.1 Vendor of the Subject Property 1

Chong Yew Chzon and Ong Mui Keow were the registered proprietors of Subject Property 1 and to the best knowledge of our Board, after having made all reasonable enquiries and checks, are independent third-parties.

As the Previous Acquisition had been completed on 21 January 2022, SPSB is currently the registered owner of Subject Property 1.

### 2.2.2 Vendor of the Subject Property 2

Wong Teng Kheong @ Wong Ting Khuan is the registered proprietor of Subject Property 2 and to the best knowledge of our Board, after having made all reasonable enquiries and checks, is an independent third-party.

## 2.3 Salient terms of the SPAs

A summary of the salient terms of the SPA 1 and SPA 2 are respectively set out in **Appendix I** and **Appendix II** of this Explanatory Statement/ Circular.

## 2.4 Basis and justification of the Purchase Considerations

### 2.4.1 Basis and justification of the Purchase Consideration 1

The Purchase Consideration 1 was arrived at on a “willing-buyer and willing-seller” basis after arm’s length negotiations.

### 2.4.2 Basis and justification of the Purchase Consideration 2

The Purchase Consideration 2 was arrived at on a “willing-buyer and willing-seller” basis after arm’s length negotiations and taking into consideration the market value provided by the Independent Property Valuer of the Subject Property 2 at approximately RM9.0 million, as set out in Appendix III of this Explanatory Statement/Circular.

Our Board is of the opinion that the premium of 5.6% over the market value is justified after considering the additional benefits as elaborated in **Section 5.1** of this Explanatory Statement/Circular, of owning Subject Property 2 which is adjacent to Subject Property 1.

## 2.5 Source of funding

Purchase Consideration 1 and Purchase Consideration 2 are to be financed via a combination of bank borrowings and funds in SPSB as illustrated in the table below:

	<u>APT</u> <u>(RM'000)</u>	<u>Mr Tan You Hum</u> <u>(RM'000)</u>	<u>SPSB</u> <u>(RM'000)</u>	<u>Total</u> <u>(RM'000)</u>
<b><u>Purchase Consideration 1</u></b>				
Bank borrowings drawdown in January 2022	-	-	5,100	5,100
Funds provided by respective shareholders of SPSB	3,080	1,320	-	4,400
				<u>9,500</u>



	<u>APT</u> <u>(RM'000)</u>	<u>Mr Tan You Hum</u> <u>(RM'000)</u>	<u>SPSB</u> <u>(RM'000)</u>	<u>Total</u> <u>(RM'000)</u>
<b><u>Purchase Consideration 2</u></b>				
Bank borrowings to be secured	-	-	5,400	5,400
Funds to be provided by respective shareholders of SPSB	2,870	1,230	-	4,100
				<u>9,500</u>

Mr Tan You Hum holds the remaining 30% equity interest in SPSB. Our Company expects to use internal funds to fund our portion of RM5.95 million.

## 2.6 Assumption of other liabilities

Save for the bank borrowing drawdown to fund the Purchase Consideration 1 and any potential bank borrowing that may arise from funding the Purchase Consideration 2, there are no other liabilities, including contingent liabilities and guarantees to be assumed by our Group pursuant to the Previous Acquisition and Proposed Acquisition.

## 2.7 Additional financial commitment

Save for the Purchase Consideration 1 and Purchase Consideration 2, there is no additional financial commitment expected to be incurred by our Group in relation to the Previous Acquisition and Proposed Acquisition.

## 3. DETAILS OF THE PROPOSED SHARE SPLIT

### 3.1 Basis and number of Subdivided Shares

The Proposed Share Split involves the subdivision of every 1 existing APT Share held by the Entitled Shareholders for Share Split into 4 Subdivided Shares.

As at LPD, the issued share capital of our Company is RM20,504,250 comprising 20,504,250 APT Shares (including 891,516 APT Shares held as treasury shares). Upon completion of the Proposed Share Split, the resultant issued share capital of the Company will be RM20,504,250 comprising 82,017,000 Subdivided Shares.

The Proposed Share Split will result in an adjustment to the reference price of APT Shares listed and quoted on the Main Market of Bursa Securities.

For illustration purposes only, based on the closing price of APT Shares as at the LPD of RM2.81, the theoretical adjusted reference price of APT Shares upon completion of the Proposed Share Split based on 1,000 APT Shares is as follows:

	<u>Assumed no. of APT Shares / Subdivided Shares</u>	<u>Closing price / Theoretical adjusted reference price of APT Shares</u> <u>RM</u>	<u>Total value<sup>(1)</sup></u> <u>RM</u>
As at the LPD	1,000	2.8100 <sup>(2)</sup>	2,810
After the Proposed Share Split	4,000	0.7025 <sup>(3)</sup>	2,810

**Notes:**

- (1) The total value was arrived by multiplying the assumed number of APT Shares / Subdivided Shares with the closing price / theoretical adjusted reference price of APT Shares.
- (2) Based on the closing price of APT Shares as at the LPD.
- (3) The theoretical adjusted reference price of APT Shares is arrived at based on the following formula:

$$\begin{aligned} \text{Theoretical adjusted reference price of APT Shares} &= \text{Closing price of APT Shares} \times \frac{\text{Assumed number of APT Shares as at the LPD}}{\text{Assumed number of Subdivided Shares after the Proposed Share Split}} \\ &= \text{RM2.8100} \times \frac{1,000}{4,000} \\ &= \text{RM0.7025} \end{aligned}$$

Based on the above illustration, the Proposed Share Split will adjust the reference price of APT Shares without affecting the total market value of APT Shares held by the Entitled Shareholders for Share Split.

Additionally, based on the lowest 3-month daily VWAP of APT Shares up to and including 29 April 2022, being the date of application to Bursa Securities for the Proposed Share Split, of RM2.4620, the theoretical adjusted reference price of APT Shares is RM0.6155. This is in compliance with Paragraph 6.30(1A) of the Listing Requirements, which requires the adjusted price of APT Shares to be not less than RM0.50 based on the daily VWAP of APT Shares during the 3-month period before the date of the application to Bursa Securities for the Proposed Share Split.

The Proposed Share Split will not be implemented on a staggered basis.

### **3.2 Ranking of the Subdivided Shares**

The Subdivided Shares will, upon allotment and issuance, rank equally in all respects with each other, save and except that the Subdivided Shares will not be entitled to any dividends, rights, allotments and/or any other forms of distribution that may be declared, made or paid to shareholders of APT, the entitlement date of which is prior to the date of allotment of the Subdivided Shares.

### **3.3 Listing and quotation of the Subdivided Shares**

Approval has been obtained from Bursa Securities via its letter dated 31 May 2022 for the listing of and quotation for the Subdivided Shares on the Main Market of Bursa Securities, subject to the terms and conditions as set out in **Section 10** of this Explanatory Statement/Circular.

No suspension will be imposed on the trading of the APT Shares on the Main Market of Bursa Securities for the purpose of implementing the Proposed Share Split. The Subdivided Shares will be listed and quoted on the Main Market of Bursa Securities on the next market day after the Book Closure Date.

## **4. DETAILS OF THE PROPOSED INTERNAL REORGANISATION**

The Proposed Internal Reorganisation will be implemented by way of Scheme of Arrangement under Section 366 of the Act, comprising the Proposed Share Exchange and Proposed Transfer of Listing Status. Our Company and Newco had entered into the IRA on 29 March 2022 in relation to the implementation of the Proposed Internal Reorganisation. The salient terms of the IRA are set out under **Section 4.3** of this Explanatory Statement/Circular.

### **4.1 Proposed Share Exchange**

Under the Proposed Share Exchange, all Entitled Shareholders for Share Exchange will exchange their respective APT Shares with new Newco Shares on the basis of 1 new Newco Share for every 1 existing APT Share held.

It is the intention of our Company to implement the Proposed Internal Reorganisation after the implementation of the Proposed Share Split. For illustration purposes, the issued share capital of APT is assumed to be RM20,504,250 comprising 82,017,000 APT Shares after completion of the Proposed Share Split. Pursuant to the Proposed Share Exchange, the Entitled Shareholders for Share Exchange will receive such number of Newco Shares which is equivalent to their respective shareholdings in APT as at the Entitlement Date, and APT shall become a wholly-owned subsidiary of Newco.

The new Newco Shares to be issued pursuant to the Proposed Share Exchange will, upon issuance, rank equally in all respects with each other and with the 2 existing Newco Shares.

Further information on Newco is set out in **Section 4.4** and **Appendix IV** of this Explanatory Statement/Circular.

#### **4.2 Proposed Transfer of Listing Status**

Upon completion of the Proposed Share Exchange, Newco will be the new holding company of APT Group and will assume the listing status of APT. Accordingly, it is proposed that APT be delisted from the Official List of Bursa Securities and Newco be admitted to the Official List of Bursa Securities in place of APT, with the listing of and quotation for the entire issued and paid up share capital of Newco of up to 82,017,002 Newco Shares on the Main Market of Bursa Securities.

The reference price of the newly listed Newco Shares on Bursa Securities shall be the last closing price of APT Shares on the market day prior to the suspension of trading on Bursa Securities.

#### **4.3 Salient terms of the IRA**

The salient terms of the IRA are, amongst others, as set out below:

##### **Proposed Share Exchange**

- (i) Subject to the relevant approvals and consents set out in **Section 10** of this Explanatory Statement/Circular being obtained, the Proposed Share Exchange shall take place as soon as practicable after the Effective Date whereupon the new Newco Shares will be issued to the Entitled Shareholders for Share Exchange in exchange for the APT Shares held, on the basis of 1 new Newco Share for 1 APT Share held on the Entitlement Date and Newco shall acquire the entire issued and paid up share capital of APT from the Entitled Shareholders for Share Exchange. In determining the entitlement for Newco Shares, any fractional entitlements shall be dealt with in such manner as the Newco's Board in their absolute discretion may deem fit.
- (ii) The Board shall make an announcement once the Entitlement Date has been determined and send a notice which sets out the Entitlement Date and the implementation procedure to each of the Entitled Shareholders for Share Exchange.
- (iii) APT and Newco shall jointly take steps to procure that the CDS accounts of the Entitled Shareholders for Share Exchange will be credited with the new Newco Shares in substitution for the APT Shares, and Newco shall issue the requisite notices of allotment in respect of the new Newco Shares to the respective Entitled Shareholders for Share Exchange. As the Newco Shares will be scripless securities, no physical certificates will be issued.
- (iv) APT and Newco shall have the authority to take all necessary actions and execute any documents required to effect or assist in effecting the Proposed Share Exchange, including to appear by counsel at the hearing of any application/petition to the High Court to seek its sanction for the Scheme of Arrangement.
- (v) The Proposed Share Exchange shall take place on the Effective Date whereupon APT will become a wholly-owned subsidiary of Newco.

- (vi) The Proposed Share Exchange will result in the issued and fully paid up share capital of Newco being enlarged, from the present issued and fully paid up share capital of RM2 to up to RM20,504,252 comprising up to 82,017,002 Newco Shares. When the Proposed Share Exchange takes place as soon as practicable after the Effective Date, the then existing 2 Newco Shares will continue to be held by the existing shareholders of Newco, whilst the current directors of Newco will resign. The new Newco Shares to be issued pursuant to the Proposed Share Exchange shall, upon issuance, rank equally in all respects with each other and with the 2 existing Newco Shares.
- (vii) Newco shall, prior to the Effective Date, execute or cause the necessary documents or agreements to be executed and take such other necessary steps so that the Proposed Share Exchange takes place as soon as practicable after the Effective Date. Newco agrees to adopt a constitution which is in form and substance materially the same as that of APT, prior to the Effective Date.
- (viii) APT agrees and undertakes to perform and take all necessary actions to carry out and put into effect all matters or proposals contained in or subsisting in the Scheme of Arrangement and/or resolutions passed by our shareholders at the CCM and EGM to be convened by APT for the Scheme of Arrangement.

#### **Proposed Transfer of Listing Status**

APT and Newco agree to jointly use reasonable endeavours to procure, as soon as reasonably practicable after the Effective Date:

- (a) that Newco be admitted to the Official List of Bursa Securities in place of APT;
- (b) that APT be removed from the Official List of Bursa Securities; and
- (c) the listing of and quotation for the entire issued and paid-up share capital of Newco, on the Main Market of Bursa Securities.

#### **4.4 Information on Newco**

Newco was incorporated in Malaysia under the Act as a public company limited by shares under the name of Greater Bay Holdings Berhad on 17 March 2022 to facilitate the implementation of the Proposed Internal Reorganisation. As at the LPD, Newco has an issued share capital of RM2 comprising 2 Newco Shares. Newco is currently dormant but is principally intended for investment holding activities.

As at the LPD, the Directors of Newco are Edward Teow Eu Wuen and Goh Kaa Sian. They hold 1 Newco Share each. During the implementation of the Proposed Share Exchange, Newco's Board will be appointed to mirror our Board whilst the current Directors of Newco shall resign.

As at the LPD, the shareholders and their respective shareholdings in Newco are as follows:

Shareholders of Newco	Nationality	Direct shareholdings		Indirect shareholdings	
		No. of shares	%	No. of shares	%
Edward Teow Eu Wuen	Malaysian	1	50.0	-	-
Goh Kaa Sian	Malaysian	1	50.0	-	-

Further details of Newco are disclosed under **Appendix IV** of this Explanatory Statement/Circular.

## 5. RATIONALE FOR THE PREVIOUS ACQUISITION AND PROPOSALS

### 5.1 Previous Acquisition and Proposed Acquisition

The Previous Acquisition and Proposed Acquisition will allow our Company to have ownership of Subject Property 1 and Subject Property 2, which will be utilised for investment purposes initially via rental income and/or the potential capital appreciation of the Subject Properties. In the medium to longer term, the Subject Properties may also serve as the corporate head office to house the employees of our Company. Presently, the corporate head office of APT is located on the same premises as our manufacturing facility in Bangi Industrial Estate at Bandar Baru Bangi.

In addition, our Directors view that an incidental advantage from the Previous Acquisition and Proposed Acquisition is the enhancement of our Group's visibility and corporate image by virtue of the Subject Properties being located in Bangsar, which is a prime location in Kuala Lumpur. Bangsar is an upmarket area that is within convenient access and proximity to many financial institutions, the corporate offices of many corporations, professional service providers and prospective stakeholders (including talent, customers and/or business partners).

In addition, the Subject Properties are on freehold land and situated within a prime location, which will be a suitable long-term investment to diversify and strengthen the portfolio of assets of our Company.

Our Company also believes that there will be additional benefits from having the Subject Properties being located adjacent to each other and this could present the opportunity for future plans to combine and develop the two plots to build a larger building for commercial use such as office expansion.

### 5.2 Proposed Share Split

The Proposed Share Split is expected to further enhance the marketability and trading liquidity of APT Shares on the Main Market of Bursa Securities as a result of the increase in the number of APT Shares in issue.

In addition, the adjustment to the market price of APT Shares pursuant to the Proposed Share Split is expected to result in the APT Shares being more affordable, thus potentially appealing to a wider group of public investors to participate in the growth of our Group.

The Proposed Share Split will also enable the Entitled Shareholders for Share Split to hold a larger number of APT Shares at no cost while maintaining their percentage of equity interest in APT.

### 5.3 Proposed Internal Reorganisation

APT, being the current listed vehicle on Bursa Securities, is also an operating company. APT Group is principally engaged in the manufacturing and distribution of flexible packaging materials ("**Manufacturing and Distribution Business**"). The objective of the Proposed Internal Reorganisation is to facilitate the establishment of a corporate structure whereby:

- (i) it allows Newco, an investment holding company to directly own 100% of the issued share capital of APT, and assume the listing status in place of APT;
- (ii) the existing shareholders of APT will be shareholders of Newco; and
- (iii) APT ceases its function as the listed vehicle within the APT Group and continues as an investment holding company as well as an operational company carrying out its existing Manufacturing and Distribution Business.

The corporate structure of the APT Group before and after the implementation of the Proposed Internal Reorganisation is set out in **Section 6.1** of this Explanatory Statement/Circular.

Our Board is of the view that the Proposed Internal Reorganisation enables Newco to be solely an investment holding company and for Newco to establish operating subsidiaries and/or joint venture entities in the future. This will provide flexibility for expansion of new business segments or to streamline business operations and facilitate future joint venture arrangements or expansion of our Group’s business as and when the opportunities arise. This further facilitates an effective management of the different businesses held separately from Newco moving forward.

In addition, the Proposed Internal Reorganisation enables the separation of Newco (as the listed entity) from its operating entities, hence safeguarding Newco against direct operating risks such as claims and litigation associated with the operations and business activities of the operating entities.

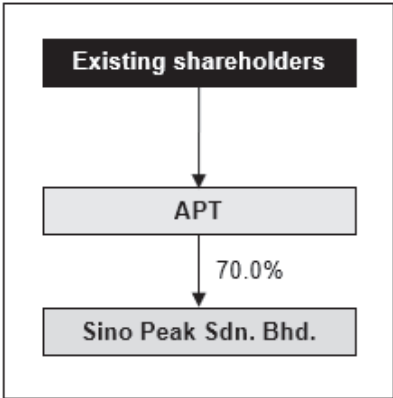
**6. EFFECTS OF THE PREVIOUS ACQUISITION AND PROPOSALS**

**6.1 Corporate structure**

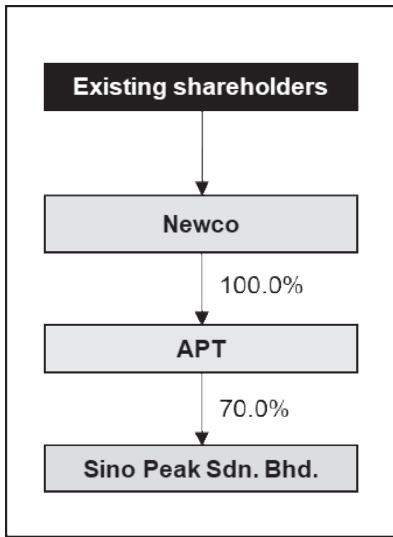
Upon completion of the Proposed Internal Reorganisation, APT will become a wholly-owned subsidiary of Newco. Newco will be the new holding company of the APT Group and will assume the listing status of APT.

The corporate structure of APT Group and Newco Group before and after the Proposed Internal Reorganisation are as follows:

As at the LPD



Upon completion of the Proposed Internal Reorganisation



Save for the change in corporate structure as depicted above, there will be no other changes to the corporate or business structure under the Newco Group as at completion of the Proposed Internal Reorganisation as the Newco Group will continue to own and operate the existing businesses currently being carried out by APT Group. The Previous Acquisition, Proposed Acquisition and Proposed Share Split will not result in any changes to the corporate or business structure of APT Group and Newco Group.

## 6.2 Share capital

The Previous Acquisition, Proposed Acquisition and Proposed Internal Reorganisation will not have any effect on the issued share capital of APT as there are no issuance of new APT Shares involved.

For illustrative purposes, the proforma effects of the Proposed Share Split on the issued share capital of APT and Proposed Internal Reorganisation on the issued share capital of Newco are set out below:

	<b>No. of APT Shares</b>	<b>Share capital RM</b>
Issued share capital as at the LPD	20,504,250	20,504,250
<b>Issued share capital of APT after the Proposed Share Split</b>	<b>82,017,000<sup>(1)</sup></b>	<b>20,504,250</b>
<i>Excluding the enlarged treasury shares to be held by APT after the Proposed Share Split</i>	<i>(3,566,064)</i>	<i>(702,236)</i>
<b>Issued share capital of APT after excluding treasury shares</b>	<b>78,450,936</b>	<b>19,802,014</b>

	<b>No. of Newco Shares</b>	<b>Share capital RM</b>
Issued share capital as at the LPD	2 <sup>(2)</sup>	2 <sup>(2)</sup>
New Newco Shares to be issued pursuant to the Proposed Share Exchange	78,450,936 <sup>(3)</sup>	19,802,014 <sup>(3)</sup>
<b>Enlarged issued share capital of Newco after the Proposed Internal Reorganisation</b>	<b>78,450,938</b>	<b>19,802,016</b>

### Notes:

- (1) Including 891,516 treasury shares held by APT as at the LPD and the enlarged 3,566,064 treasury shares to be held by APT after the Proposed Share Split.
- (2) Based on the issued share capital of RM2 comprising 2 Newco Shares as at the LPD.
- (3) Assuming the 3,566,064 treasury shares held by APT after the Proposed Share Split have been cancelled before the implementation of the Proposed Share Exchange.

## 6.3 Earnings and EPS

The Proposed Share Split is not expected to have any material effect on the earnings of APT Group. However, there will be a corresponding dilution in the EPS of the APT Group as a result of the increase in the number of APT Shares in issue pursuant to the Proposed Share Split.

The Proposed Internal Reorganisation will not have any material effect on the consolidated EPS of APT Group vis-à-vis the consolidated EPS of Newco Group upon completion of the Proposed Internal Reorganisation in view that the Proposed Share Exchange will be implemented on the basis of 1 new Newco Share for every 1 existing APT Share held.



For illustration purposes only, based on the latest audited consolidated statements of profit or loss and other comprehensive income of APT for the FYE 31 December 2021 and assuming that the Previous Acquisition and the Proposals had been effected on 1 January 2021, being the beginning of the FYE 31 December 2021, the pro forma effects of the Previous Acquisition and Proposals on the earnings and EPS for the FYE 31 December 2021 are as follows:

	Audited for the FYE 31 December 2021	Adjustment for subsequent events	I After the Previous Acquisition and Proposed Acquisition	II After I and the Proposed Share Split	III After II and the Proposed Internal Reorganisation
	APT Group	APT	APT Group	APT Group	Newco Group
Loss after tax attributable to the owners of the Company/Newco	RM(1,092,868)	RM(1,092,868)	RM(919,023) <sup>(3)</sup>	RM(1,069,023) <sup>(4)</sup>	RM(1,469,023) <sup>(6)</sup>
No. of APT Shares/Newco Shares in issue	19,112,234 <sup>(1)</sup>	19,612,734 <sup>(2)</sup>	19,612,734	78,450,936 <sup>(5)</sup>	78,450,938 <sup>(7)</sup>
Loss per share	(5.72) sen	(5.57) sen	(4.69) sen	(1.36) sen	(1.87) sen

**Notes:**

- (1) Excluding 1,392,016 treasury shares held by APT as at 31 December 2021.
- (2) Excluding 891,516 treasury shares held by APT as at LPD.
- (3) After taking into account the effect of the net rental income received for the Subject Properties as below:

	Subject Property 1	Subject Property 2
	RM	RM
Rental income <sup>^</sup>	336,000	336,000
Interest expense <sup>#</sup>	(165,750)	(180,900)
Estimated expenses in relation to the acquisitions	-	(77,000)
<b>Net rental income</b>	<b>170,250</b>	<b>78,100</b>

APT's share of net rental income

70%

70%

**Attributable to the owners of the Company**

**RM119,175**

**RM54,670**

<sup>^</sup> Rental income is assumed to be based on the latest tenancy terms of the respective Subject Properties, and assumed tenancy period of full 12 months for the FYE 31 December 2021.

<sup>#</sup> The interest expense is assumed based on expected borrowings of approximately RM5.1 million and RM5.4 million, to fund the Previous Acquisition and Proposed Acquisition, at an assumed interest rate of approximately 3.25% and 3.35% per annum.



- (4) After deducting the estimated expenses of RM150,000 in relation to the Proposed Share Split.
- (5) Excluding the enlarged 3,566,064 treasury shares to be held by APT after the Proposed Share Split.
- (6) After deducting the estimated expenses of RM400,000 in relation to the Proposed Internal Reorganisation.
- (7) Assuming the 3,566,064 treasury shares have been cancelled.

#### 6.4 NA per share and gearing

Newco Group's NA and gearing will not be significantly different from APT Group's NA and gearing prior to and after the implementation of the Proposed Internal Reorganisation.

For illustrative purposes, based on the proportion of the Purchase Consideration 1 and Purchase Consideration 2 to be funded via bank borrowing of RM5.1 million and RM5.4 million respectively, as set out in **Section 2.5** of this Explanatory Statement/Circular, assuming that the Previous Acquisition and the Proposed Acquisition had been completed as at 31 December 2021, the pro forma effects of the Previous Acquisition and Proposed Acquisition on the consolidated NA and gearing of APT Group, and the pro forma effects of the Proposed Share Split and Proposed Internal Reorganisation on the NA per share and gearing of the enlarged APT Group and Newco Group based on latest audited consolidated financial statements as at 31 December 2021 are as set out below:

	Before the Proposals		Adjustment for subsequent events	I After the Previous Acquisition and Proposed Acquisition		II After I and the Proposed Share Split		After II and the Proposed Internal Reorganisation		III
	Audited as at 31 December 2021	Newco		APT Group		APT Group		Newco Group		
				RM	RM	RM	RM	RM	RM	
Share capital Treasury shares Retained profit NA attributable to owners of the Company	20,504,250	2 <sup>(2)</sup>	20,504,250 (702,236) <sup>(3)</sup>	20,504,250 (702,236)	20,504,250 (702,236)	20,504,250 (702,236)	19,802,014 <sup>(9)</sup> - <sup>(9)</sup>	19,802,016 -	19,802,016 -	
	9,327,452	-	10,301,156 <sup>(3)</sup>	10,247,256 <sup>(5)</sup>	10,097,256 <sup>(7)</sup>	9,697,256 <sup>(10)</sup>	9,697,256 <sup>(10)</sup>	-	9,697,256	
	28,735,229	2 <sup>(2)</sup>	30,103,170	30,049,270	29,899,270	29,499,270	29,499,270	19,802,016	29,499,272	
Number of ordinary shares	19,112,234 <sup>(1)</sup>	2 <sup>(2)</sup>	19,612,734 <sup>(4)</sup>	19,612,734	78,450,936 <sup>(8)</sup>	78,450,936	78,450,936	78,450,938	78,450,938	
NA per share (RM)	1.50	1.00	1.53	1.53	0.38	0.38	0.38	0.25	0.38	
Total borrowings (RM)	-	-	-	10,500,000 <sup>(6)</sup>	10,500,000	10,500,000	10,500,000	-	10,500,000	
Gearing (times)	-	-	-	0.35	0.35	0.35	0.36	-	0.36	

**Notes:**

- (1) Based on 19,112,234 APT Shares in issue (after excluding 1,392,016 treasury shares held by APT) as at 31 December 2021.
- (2) Based on the issued share capital of RM2 comprising 2 Newco Shares as at the LPD.
- (3) After adjusting for the sale of 500,500 treasury shares from 30 March 2022 up to 29 April 2022 with total proceeds net off transaction costs amounting to RM1,367,941.
- (4) Based on 19,612,734 APT Shares in issue (after excluding 891,516 treasury shares held by APT) as at LPD.
- (5) After deducting the estimated expenses of RM77,000 in relation to the Proposed Acquisition attributable to the owners of the Company.
- (6) After consolidating the total borrowings of approximately RM5.1 million and RM5.4 million, to fund the Previous Acquisition and Proposed Acquisition, respectively.
- (7) After deducting the estimated expenses of RM150,000 in relation to the Proposed Share Split.
- (8) After excluding the enlarged 3,566,064 treasury shares to be held by APT after the Proposed Share Split.
- (9) Assuming the 3,566,064 treasury shares have been cancelled.
- (10) After deducting the estimated expenses of RM400,000 in relation to the Proposed Internal Reorganisation.

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## 6.5 Substantial shareholders' shareholding

The Previous Acquisition and Proposed Acquisition will not have any effect on our substantial shareholders' shareholding as it does not involve any issuance of new ordinary shares in APT. The Proposed Share Split will not have any effect on the percentage of shareholding of the substantial shareholders of APT as the Subdivided Shares will be allotted on a pro-rata basis to all the Entitled Shareholders for Share Split. However, the number of APT Shares held by our substantial shareholders will increase proportionately as a result of the Proposed Share Split.

The Entitled Shareholders for Share Exchange will cease to be shareholders of APT after the Proposed Internal Reorganisation and will instead hold Newco Shares in proportion to their respective shareholdings in APT on the Entitlement Date.

For illustration purposes only, the pro forma effect of the Proposed Share Split and Proposed Internal Reorganisation on our substantial shareholders' shareholding is as follows:

	As at the LPD				I – After the Proposed Share Split		II – After I and the Proposed Internal Reorganisation			
	Direct		Indirect		Direct		Direct		Indirect	
Substantial shareholders	No. of APT Shares	% <sup>(1)</sup>	No. of APT Shares	% <sup>(1)</sup>	No. of APT Shares	% <sup>(3)</sup>	No. of Newco Shares	% <sup>(4)</sup>	No. of Newco Shares	% <sup>(4)</sup>
Peter Ling Ee Kong	1,995,800	10.18	54,800	0.28 <sup>(2)</sup>	7,983,200	10.18	7,983,200	10.18	291,200	0.28 <sup>(2)</sup>
KSL Capital Sdn Bhd	1,716,000	8.75	-	-	6,864,000	8.75	6,864,000	8.75	-	-
Brilliant Smart International Limited	1,616,262	8.24	-	-	6,465,048	8.24	6,465,048	8.24	-	-
Pang Chong Yong	1,593,493	8.12	-	-	6,373,972	8.12	6,373,972	8.12	-	-

### Notes:

- (1) Computed based on 19,612,734 APT Shares in issue (excluding 891,516 treasury shares held by APT) as at the LPD.
- (2) Deemed interest by virtue of his interest in shares held by his children.
- (3) Computed based on 78,450,936 APT Shares in issue (excluding the enlarged 3,566,064 treasury shares to be held by APT) after the Proposed Share Split.
- (4) Computed based on 78,450,938 Newco Shares in issue (assuming 3,566,064 treasury shares are cancelled) after the Proposed Internal Reorganisation.

## 6.6 Convertible securities

As at the LPD, APT does not have any outstanding convertible securities in issue.

## 7. HISTORICAL SHARE PRICES

The monthly highest and lowest market prices of APT Shares as traded on Bursa Securities for the last 12 months preceding the date of this Explanatory Statement/Circular are as follows:

	<u>High</u>	<u>Low</u>
	<u>(RM)</u>	<u>(RM)</u>
<b><u>2022</u></b>		
May	2.82	2.80
April	2.82	2.59
March	2.68	2.45
February	2.80	2.60
January	2.65	2.51
<b><u>2021</u></b>		
December	2.70	2.42
November	2.98	2.60
October	2.76	2.60
September	2.80	2.64
August	2.80	2.65
July	3.10	2.67
June	3.00	2.60

Last transacted price of APT Shares on 28 March 2022, being the last trading day prior to the announcement of the Proposed Share Split RM2.50

Last transacted price of APT Shares on LPD RM2.81

*(Source: Bloomberg)*

## 8. RISK FACTORS

The risks relating to the Previous Acquisition and Proposed Acquisition include, amongst others, the following:

### 8.1 Acquisition risk

Although our Company has performed our due diligence and assessment on the risk and the benefits for undertaking the Previous Acquisition and Proposed Acquisition, there can be no assurance that our Company is able to fully derive the benefit we foresee from having convenient access and proximity to the financial institutions, professional service providers and other existing and/or prospective stakeholders, nor the future office of our Company benefit from being situated at this prime location.

### 8.2 Interest rate risk

Our Company intends to partially finance the Proposed Acquisition via bank borrowings. As such, any borrowing taken to finance the Previous Acquisition and Proposed Acquisition would be subject to interest rate fluctuations which could materially affect the interest charges incurred on the borrowings and hence affect the financial performance of our Company.

To mitigate such risks, our Company actively reviews our capital structure. As at the LPD, our Company has bank borrowings of approximately RM5.1 million which was undertaken to finance the Previous Acquisition. Our Board is of the opinion that our Company should take advantage of the relatively low interest rates in the market (based on the overnight policy rate of 2.00%) for financing purposes.

### **8.3 Delay and non-completion of the Proposed Acquisition**

There is no assurance that the Proposed Acquisition will be completed within the timeframe as prescribed under SPA 2 and the extension of deadline for APT to fulfil the condition precedents. In the event that the conditions precedent are not met, SPA 2 may be delayed or terminated. Therefore, the Proposed Acquisition is subject to the risk of delay and/or non-completion.

In addition, if SPSB fails to pay the Balance of Purchase Price (as defined in **Appendix II** of this Explanatory Statement/Circular) amounting to RM8.55 million on or before the extended payment date, which falls on 27 August 2022, SPSB shall pay to the Vendor non-refundable interest of 8.0% per annum on the unpaid portion of the Balance of Purchase Price.

## **9. OUTLOOK AND FUTURE PROSPECTS**

### **9.1 Overview and outlook of the Malaysian and Wilayah Persekutuan Kuala Lumpur property market**

Overall, the property market in Malaysia saw a slight softening in January - September 2021 with residential sub-sector maintaining its dominant position since 2001, at about 67.0% of the total market activities.

The overall sales and performance of detached houses in Wilayah Persekutuan Kuala Lumpur remained constant and there are no incoming supply being recorded at the same time. The total supply of detached houses in Mukim of Kuala Lumpur remained unchanged, indicating that some effects from the COVID-19 pandemic and the demand for this type of property remained healthy as detached houses are always considered as an alternative for prospects looking for landed properties with spacious areas.

*(Source: Valuation report dated 16 March 2022 prepared by PA International)*

### **9.2 Overview and outlook on bungalows with limited commercial potential**

Bungalow units located in Bangsar when they were first built in 1960s were solely for residential use which suits the demand and usage at that point of time as well as its surrounding developments. However, with various long-term infrastructure upgrades, the expansion of road widths and the increase of car ownership, the demand for such residential properties became less attractive for bungalow owners over time. Furthermore, the increase in these economic activities led to noise and air pollutions as well as daily inconveniences to homeowners in accessing and exiting their premises.

As such, in 2003, a proposal was made by the local authorities to revise the zonings for the bungalows in certain schemes around Kuala Lumpur and Petaling Jaya to allow for limited commercial use zoning. Generically, there are several requirements for a bungalow to be qualified under this change of use, namely main road frontage, type of business permitted and the facade of the bungalows that are required to suit its surrounding design of buildings, etc.

“Limited commercial use” is defined as a property designated for commercial use together with several limitations and restrictions which are imposed on this type of properties, mainly on the type of businesses that are permitted to operate along these main roads. Some of the businesses permitted include art galleries, showrooms and professional services. These restrictions are imposed to ensure that these limited commercial activities can amicably co-exist with its surrounding residential developments. The plot ratio of these types of bungalows also restricts the built-up area permissible to be expanded.

Subsequently, the said proposal, in 2003, was approved and over time, most bungalows along the main roads such as Jalan Maarof and certain parts of Lorong Maarof in Bangsar were progressively renovated to accommodate the tenants' and owners' needs for limited commercial use of the building. Other notable areas with similar change of use around the Kuala Lumpur vicinity include Jalan Inai (off Jalan Imbi), Jalan Ampang and Jalan Kemuning. The Independent Property Valuer also noted that areas such as Petaling Jaya, along certain parts of its main roads such as Jalan Utara, Jalan Timur, Jalan Selangor and Jalan SS 2/24, to name a few, have also been rezoned to limited commercial usage.

However, it is noted that this type of bungalows located in Petaling Jaya attract businesses that target middle to high-income households whereas areas along Jalan Maarof and in the Kuala Lumpur vicinity attract businesses that target mainly high-end consumers. As such, bungalows along Jalan Maarof tend to yield higher rental rates ranging between RM25,000 and RM30,000 per month (for a double-storey bungalow) as opposed to Petaling Jaya areas as well as normal residential bungalows that command lower rental rates of between RM10,000 and RM17,000 per month.

Based on the historical transactions, it can be concluded that prices of bungalows with limited commercial zoning have appreciated greatly over the years and have remained stable despite the COVID-19 pandemic. The demand for bungalows with limited commercial use is projected to be strong due to the limited supply, scarcity of land, business exclusivity element, high visibility, high value and high appealing rental rates.

*(Source: PA International and Valuation report dated 16 March 2022 prepared by PA International)*

### **9.3 Prospect of the Subject Property 2**

The Subject Property 2 is a double-storey bungalow with limited commercial potential which is presently being utilised as an office.

Subject Property 2 which bears direct frontage and exposure onto Jalan Maarof, is located within Taman Bandaraya in the locality of Bangsar, Kuala Lumpur. Jalan Maarof is the main arterial road in Bangsar, which connects with SPRINT and Damansara Link at one end and Jalan Bangsar on the other. Thus, it is easily accessible to/from Kuala Lumpur city centre, Petaling Jaya and other major cities via a myriad of highways and roads, including Jalan Bangsar, Federal Highway, Jalan Pantai Baharu, New Pantai Expressway, just to name a few. Subject Property 2 is about 7 kilometres to the west of Kuala Lumpur city centre.

Subject Property 2 is located on the southern side of Jalan Maarof, approximately 150 metres diagonally from Bangsar Shopping Centre. Properties along Jalan Maarof are predominantly double-storey bungalows with a number being utilised as offices and showrooms/high-end businesses whilst other landed properties are single and double-storey terraced houses, as well as double-storey semi-detached houses. Other notable landmarks in the vicinity include Menara Bangsar, Menara BRDB, One Menerung Bangsar, Bangunan Yayasan Syed Kechik, Bangsar Village I, II and III, Dataran Maybank, Menara Etiqa, UOA Bangsar and Pantai Hospital Kuala Lumpur. In terms of public transport, there is RapidKL which traverse frequently along Jalan Maarof to Bangsar LRT station whilst the Pusat Bandar MRT station is located within a short walking distance from Subject Property 2. On-going developments such as Damansara City, Bangsar Hill Park and Alfa Bangsar are also located nearby.

Subject Property 2 has potential to be developed for commercial purposes, i.e., corporate head office subject to relevant authorities approval, due to its excellent accessibility to Kuala Lumpur city centre and other parts of Klang Valley, and connectivity to essential services in the locality and region. Furthermore, Subject Property 2 is freehold and located within an affluent neighbourhood.

Subject Property 2 is a double-storey bungalow with limited commercial potential. With its excellent visibility and exposure, Subject Property 2 will continue to be sought after by tenants with high-end businesses. Jalan Maarof will continue to grow, thanks to its prominent address and good demand. However, the turnover rate of tenants is high. Moving forward, the value and demand for properties with limited commercial use are expected to remain stable.

*(Source: PA International and Valuation report dated 16 March 2022 prepared by PA International)*

Given that Subject Property 1 is located adjacent to Subject Property 2, the management of APT believes that the above prospect of the Subject Property 2 is also applicable to Subject Property 1. Furthermore, there would be additional benefits from having the Subject Properties being located adjacent to each other. Our Board has taken note that the combination of the Subject Properties would amount to a land size of about 10,950.65 square feet. Given its sizeable land area, and good accessibility and visibility within a premium address, this could present the opportunity to develop the two plots to build a larger building for commercial use in the medium to longer term.

## 10. APPROVALS REQUIRED AND CONDITIONALITY

As the Previous Acquisition has been completed as at the date of this Explanatory Statement/Circular, it is not conditional upon any other proposals undertaken or to be undertaken by our Company.

The Proposals are subject to the following:

- (i) the approval of Bursa Securities for the following which was obtained via its letter dated 31 May 2022:
  - (a) the Proposed Share Split; and
  - (b) admission of Newco to the Official List of Bursa Securities and the listing of and quotation for the entire issued share capital of Newco on the Main Market of Bursa Securities, under the “Industrial Products & Services” sector and “Packaging Materials” subsector, in place of APT.

The approval of Bursa Securities is subject to the following conditions:

No	Condition	Status of compliance
1.	APT and HLIB must fully comply with the relevant provisions under the Listing Requirements pertaining to the implementation of the Proposed Share Split;	To be met
2.	APT and HLIB to inform Bursa Securities upon the completion of the Proposed Share Split;	To be met
3.	APT and HLIB to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities’ approval once the Proposed Share Split is completed;	To be met
4.	APT and HLIB are required to make the relevant announcements pursuant to Paragraphs 6.35(2)(a)&(b) and 6.35(4) of the Listing Requirements;	To be met
5.	APT or HLIB to furnish a certified true copy of the resolution passed by the shareholders in general meeting for the Proposed Acquisition, Proposed Share Split, Proposed Share Exchange and Proposed Transfer of Listing;	To be met
6.	To make the relevant announcements pursuant to Paragraph 8.2 of Practice Note 21 (“PN21”) of the Listing Requirements;	To be met
7.	To notify Bursa Securities in writing 2 clear Market Days prior to the crediting by Bursa Depository of the entire issued share capital of Newco into the respective securities accounts;	To be met



<b>No</b>	<b>Condition</b>	<b>Status of compliance</b>
8.	To furnish Bursa Securities with a letter confirming that all approvals of the relevant authorities have been obtained together with a copy of each of all the said letters;	To be met
9.	To furnish Bursa Securities with a letter of compliance pursuant to Paragraph 2.12 of the Listing Requirements together with a copy of the duly executed Constitution of the Newco;	To be met
10.	To furnish Bursa Securities with a confirmation that Paragraphs 15.02, 15.09 and 15.10 of the Listing Requirements have been duly complied with;	To be met
11.	To furnish Bursa Securities with a letter of undertaking in the form of Annexure PN21-B of the Listing Requirements duly executed by Newco together with a certified true copy of Newco's board of directors' resolution authorising the signatory;	To be met
12.	To furnish Bursa Securities with the undertaking letters duly signed by the directors of Newco (in the format prescribed in Annexures PN21-C and PN21-D of the Listing Requirements); and	To be met
13.	To furnish Bursa Securities with a copy of the schedule of distribution showing compliance to the public share spread requirements based on the enlarged issued share capital of Newco on the first day of listing.	To be met
(ii)	the approval of the shareholders of APT at the CCM to be convened for the Proposed Internal Reorganisation;	
(iii)	the approval of the shareholders of APT at the EGM to be convened for the Proposals;	
(iv)	the order of the High Court sanctioning the Proposed Internal Reorganisation, to be obtained subsequent to the CCM;	
(v)	the approval and/or consent of any relevant financier(s)/creditor(s) of APT, if required; and	
(vi)	the approval, consent and/or sanction of any other relevant authority(ies)/party(ies), if required.	

The Proposed Share Exchange and Proposed Transfer of Listing Status are inter-conditional upon each other. The Proposed Acquisition, Proposed Share Split and Proposed Internal Reorganisation are not inter-conditional upon each other. However, the Proposed Internal Reorganisation will be implemented after the Proposed Share Split.

Save as disclosed above, the Proposals are not conditional upon any other corporate exercise undertaken or to be undertaken by our Company.

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## **11. PERCENTAGE RATIO**

Pursuant to Paragraph 10.02(g) of the Listing Requirements, the highest percentage ratio applicable to the Proposed Acquisition is approximately 23.14%, calculated based on the total Purchase Consideration 2 against the NA for the FYE 31 December 2021.

However, Subject Property 2 is situated next to Subject Property 1 which was acquired within the past 12 months, as announced on 5 October 2021. Pursuant to Paragraph 10.12(1) of the Listing Requirements, Bursa Securities may aggregate separate transactions and treat such transactions as if they were one transaction if the terms of such transactions were agreed upon within a period of 12 months ("**Rules of Aggregation**"). More specifically in Paragraph 10.12(2)(c) of the Listing Requirements, this includes transactions involving the acquisition or disposal of various parcels of land contiguous to each other.

Pursuant to the Rules of Aggregation, the highest percentage ratio applicable to the Proposed Acquisition (in aggregation with the Previous Acquisition) is approximately 46.28%, based on the total purchase consideration for Subject Properties against the NA for the FYE 31 December 2021.

## **12. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDER(S), CHIEF EXECUTIVE AND/OR PERSONS CONNECTED WITH THEM**

None of the Directors, major shareholders and/or chief executive of our Company and/or persons connected with them have any interest, either direct or indirect, in the Previous Acquisition and Proposals, save for their respective entitlements as shareholders of our Company, if any, under the Proposed Share Split and the Proposed Share Exchange, which are also available to all our other shareholders on a pro-rata basis.

## **13. DIRECTORS' STATEMENT AND RECOMMENDATION**

Our Board, having considered all aspects of the Previous Acquisition and Proposals including but not limited to the rationale and effects of the Previous Acquisition and Proposals, is of the opinion that the Previous Acquisition and Proposals are in the best interest of our Company.

Accordingly, our Board recommends that you vote in favour of the relevant resolutions pertaining to the Proposals to be tabled at our forthcoming EGM and CCM.

## **14. CORPORATE EXERCISE ANNOUNCED BUT PENDING COMPLETION**

Save for the Proposals which are the subject matter of this Explanatory Statement/Circular, our Board confirms that there are no other outstanding corporate exercises announced by our Company but not yet completed as at the LPD.

## **15. ESTIMATED TIMEFRAME FOR COMPLETION AND TENTATIVE TIMETABLE FOR IMPLEMENTATION**

Barring any unforeseen circumstances and subject to all the requisite approvals being obtained, our Board expects the Proposals to be completed by the 3<sup>rd</sup> quarter of 2022.

The tentative timetable for the implementation of the Proposals is set out below:

<b>Key events</b>	<b>Tentative Date</b>
Convening of the CCM and EGM	29 June 2022
Announcement on the Book Closure Date	Early July 2022

<b>Key events</b>	<b>Tentative Date</b>
Book Closure Date	Mid July 2022
Completion of the Proposed Acquisition	End July 2022
Listing of and quotation for the Subdivided Shares on the Main Market of Bursa Securities	End July 2022
Completion of the Proposed Share Split	End July 2022
Submission of application to the High Court for sanction of the Scheme of Arrangement	End July 2022
High Court sanction for the Scheme of Arrangement	Early September 2022
Suspension of trading of APT Shares	End September 2022
Entitlement Date	End September 2022
Delisting of APT Shares and listing of Newco Shares	End September 2022
Completion of the Proposed Internal Reorganisation	End September 2022

## **16. CCM AND EGM**

### **(i) CCM**

The CCM for our shareholders, the notice of which is enclosed with this Explanatory Statement/Circular, will be held at Bangi Resort Hotel, Off Persiaran Bandar, 43650 Bandar Baru Bangi, Selangor on Wednesday, 29 June 2022 at 11.30 a.m., or immediately following the conclusion of our Company's 40<sup>th</sup> Annual General Meeting (which will be held at the same venue and on the same day at 10.00 a.m.), whichever is later, or at any adjournment thereof, for purpose of considering and, if thought fit, approving, with or without modification, the resolution set out in the notice of CCM.

The voting will be conducted by way of poll. If you are unable to attend and vote at the CCM, you are requested to complete, sign and return the enclosed Form of Proxy in accordance with the instructions contained therein, to be deposited at our Company's Share Registrar, Boardroom Share Registrars Sdn. Bhd. at Ground Floor or 11<sup>th</sup> Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia or email to [BSR.Helpdesk@boardroomlimited.com](mailto:BSR.Helpdesk@boardroomlimited.com) at least 48 hours before the time appointed for the CCM or at any adjournment thereof. The lodging of the Form of Proxy for the CCM will not preclude you from attending and voting at the CCM, should you subsequently decide to do so.

### **(ii) EGM**

The EGM, the notice of which is enclosed with this Explanatory Statement/Circular, will be held at Bangi Resort Hotel, Off Persiaran Bandar, 43650 Bandar Baru Bangi, Selangor on Wednesday, 29 June 2022 at 12.00 p.m. or immediately following the conclusion of the CCM (which will be held at the same venue and on the same day at 11.30 a.m.), whichever is later, or at any adjournment thereof, for the purpose of considering and if thought fit, passing with or without modifications, the resolutions set out in the notice of EGM.

The voting will be conducted by way of poll. If you are unable to attend and vote at the EGM, you are requested to complete, sign and return the enclosed Form of Proxy in accordance with the instructions contained therein, to be deposited at our Company's Share Registrar, Boardroom Share Registrars Sdn. Bhd. at Ground Floor or 11<sup>th</sup> Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia or email to [BSR.Helpdesk@boardroomlimited.com](mailto:BSR.Helpdesk@boardroomlimited.com) at least 48 hours before the time appointed for the EGM or at any adjournment thereof.

The lodging of the Form of Proxy for the EGM will not preclude you from attending and voting at the EGM, should you subsequently decide to do so.

It is pertinent to note that, once the Proposed Share Exchange is approved by the shareholders at the forthcoming CCM and EGM and sanctioned by the High Court (with or without modifications) becomes effective, it will be binding upon the Entitled Shareholders for Share Exchange, whether or not the Entitled Shareholders for Share Exchange were present at the CCM or EGM in person or by proxy or voted for or against the said resolution(s) at the CCM or EGM or voted at all.

For clarity, please note that the requisite majority for passing a resolution at the CCM is different from the requisite majority required for passing of a resolution at the EGM. In essence, the requisite majority for the CCM is a majority in number representing three-fourths in value of the members present and voting either in person or by proxy at the relevant class meeting, whereas the requisite majority for EGM, depending on the nature of the proposed transactions, will be simple majority (namely a majority of more than 50% of the members present and voting either in person or by proxy).

## **17. FURTHER INFORMATION**

You are requested to refer to the appendices set out in this Explanatory Statement/Circular for further information.

Yours faithfully,  
For and on behalf of our Board  
**ADVANCED PACKAGING TECHNOLOGY (M) BHD.**

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

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**SALIENT TERMS OF THE SPA 1**


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1. Vendor 1 agrees to sell and SPSB agrees to purchase from Vendor 1, Subject Property 1 on an “as is where is” basis in its present state and condition, free from encumbrances and with vacant possession at the Purchase Consideration 1.
2. Upon signing of the SPA 1, SPSB shall pay a deposit consisting of a retention sum of RM285,000 to SPSB’s solicitor and a balance deposit of RM665,000 to Vendor 1 (the retention sum and balance deposit shall collectively be referred to as the “**Deposit**”) of which such amounts shall be part payment towards the Purchase Consideration 1.
3. The balance of the Purchase Consideration 1 amounting to RM8,550,000 (“**Balance of Purchase Price**”) shall be paid by SPSB to Vendor 1’s solicitors as stakeholders on or before 120 days from the date of the Agreement (the “**Payment Date**”) or a further period of 30 days from the Payment Date (the “**Extended Payment Date**”).
4. In the event that SPSB shall default in payment of the Balance of Purchase Price not due to the fault or omission of Vendor 1, Vendor 1 may by notice in writing to SPSB terminate the SPA 1 whereupon the Deposit equivalent to 10% of the Purchase Consideration 1 shall be absolutely forfeited by Vendor 1 as agreed liquidated damages but all other monies paid by SPSB under SPA 1 shall be refunded to SPSB free of interest within 14 days of termination in exchange for:
  - (a) the return of the original title in relation to the Subject Property 1 and Vendor 1’s statutory declaration of non-bankruptcy and Vendor 1’s undertaking to refund which were delivered to SPSB’s solicitors or SPSB’s financier’s solicitors with Vendor 1’s interest intact (if applicable); and
  - (b) redelivery of vacant possession of the Subject Property 1, fair wear and tear excepted (if applicable),

thereafter, SPA 1 shall be null and void and of no further force and effect and neither party shall have any further rights against the other. If Vendor 1 fails to refund the other monies as aforesaid, Vendor 1 shall pay SPSB an interest at the rate of 8% per annum calculated on daily basis on the monies remaining unpaid from the due date of payment until the same is so paid.
5. Notwithstanding any provision herein contained, in the event that Vendor 1 shall default, refuse or fail to complete the sale and purchase of the Subject Property 1, SPSB shall be entitled at its sole discretion:
  - (a) either by notice in writing to Vendor 1 to terminate SPA 1 and to require Vendor 1 to refund to SPSB whatever sums so far received by Vendor 1 pursuant to SPA 1 (including the Deposit) free of interests together with a further sum equivalent to the Deposit as agreed liquidated damages for the default, refusal or failure to complete or breach of the terms and conditions of the SPA 1 within 14 days of termination in exchange for: -
    - (i) the return of the original title to the Subject Property 1 and Vendor 1’s Statutory Declaration of Non-Bankruptcy and Vendor 1’s Undertaking to Refund which were delivered to SPSB’s solicitors or SPSB’s financier’s solicitors with the Vendor 1’s interest intact (if applicable); and

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**SALIENT TERMS OF THE SPA 1 (*Cont'd*)**

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- (ii) redelivery of vacant possession of the Subject Property 1, fair wear and tear excepted (if applicable),

failing which Vendor 1 shall pay to SPSB interest at the rate of 8% per annum calculated on daily basis on the monies remaining unpaid from the due date of payment until the same is so paid and thereafter the SPA 1 shall terminate and rendered null and void;

- (b) or to proceed to apply for a decree of specific performance against Vendor 1 and all costs and expenses that may be incurred by SPSB be borne by Vendor 1 absolutely.

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**SALIENT TERMS OF THE SPA 2**


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**1. Payment of Purchase Consideration 2**

Prior to signing of the SPA 2, SPSB had on 26 November 2021 paid an earnest deposit of RM190,000 ("**Earnest Deposit**") to Vendor 2's authorised agent. Upon signing of SPA 2 on 28 January 2022, a balance deposit of RM760,000 has been paid to Vendor 2's solicitors as stakeholders (the Earnest Deposit and balance deposit shall collectively be referred to as the "**Deposit**").

The balance of the Purchase Consideration 2 amounting to RM8,550,000 ("**Balance of Purchase Price**") shall be paid by SPSB to Vendor 2's solicitors as stakeholders on or before 6 months from the date of the SPA 2 (the "**Payment Date**") \* or a further period of 30 days from the Payment Date (the "**Extended Payment Date**").

**2. Balance of Purchase Price**

The Balance of Purchase Price shall be paid by SPSB to Vendor 2's solicitors as stakeholders on or before the Payment Date or Extended Payment Date in accordance with the terms and conditions set out in SPA 2.

If SPSB fails to pay the Balance of Purchase Price on or before the Payment Date, the Vendor shall automatically grant an Extended Payment Date provided the Purchaser shall pay to the Vendor non-refundable interest of 8% per annum on the unpaid portion of the Balance of Purchase Price.

**3. Condition precedent**

SPA 2 is conditional upon APT obtaining approval from its shareholders for the Proposed Acquisition at the EGM to be convened. The SPA 2 shall become unconditional once the certified true copy of the resolution of APT's shareholders ("**Resolution**") is delivered to the Vendor 2's solicitors whereby SPSB's solicitors shall within 3 working days from the receipt of the Resolution forward the same to the Vendor 2's solicitors.

If the Resolution on the Proposed Acquisition is not obtained by 15 May 2022\*, both parties shall have the option to mutually extend delivery of the Resolution to a later date. In the event that delivery of the Resolution is not mutually extended, either party shall be entitled to terminate SPA 2 by issuing a termination notice to the other party.

Upon termination of SPA 2, SPSB shall request in writing for Vendor 2 to refund all monies paid by SPSB to Vendor 2 (save for the Earnest Deposit) within 14 days from the date of such request provided that SPSB withdraws all private caveats or encumbrances attributable to the SPSB and/or SPSB's financier at the cost and expenses of SPSB.

If Vendor 2 fails to refund the monies as aforesaid, Vendor 2 shall pay SPSB interest at the rate of 8% per annum. Thereafter, SPA 2 shall be terminated and rendered null and void, and neither party shall have any further rights against the other save and except for any antecedent breaches.

**4. Default by SPSB**

In the event that SPSB shall default in payment of the Balance of Purchase Price not due to the fault or omission of Vendor 2, Vendor 2 may terminate SPA 2 and the Deposit shall be forfeited by Vendor 2 as agreed liquidated damages. All other monies paid by SPSB under SPA 2 shall be refunded to SPSB free of interest within 14 days of termination.

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**SALIENT TERMS OF THE SPA 2 (Cont'd)**

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**5. Default by Vendor 2**

In the event that Vendor 2 does not complete the sale and purchase of the Subject Property 2, SPSB shall be entitled to:

- (i) terminate SPA 2 by notice in writing to Vendor 2 and to require Vendor 2 to refund SPSB the monies received by Vendor 2 pursuant to SPA 2 (including the Deposit) together with a further sum equivalent to the Deposit as agreed liquidated damages for the default, refusal or failure to complete or breach of the terms and conditions of SPA 2 within 14 days of termination; or
- (ii) proceed to apply for a decree of specific performance against Vendor 2 and all costs and expenses that may be incurred by SPSB shall be borne by Vendor 2.

Note:

- \* *The Company had on, 11 April 2022, received confirmation from Vendor 2's solicitors that Vendor 2 has agreed to extend the deadline for our Company to obtain approval from our shareholders at an EGM to be convened for the Proposed Acquisition to 30 June 2022 and Payment Date for the Balance of Purchase Price to, on or before 27 August 2022.*

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## VALUATION CERTIFICATE



**PA INTERNATIONAL**  
**PROPERTY CONSULTANTS (KL) SDN BHD**  
 (200601029159) (748916W) (V (1) 0077/5)  
 PA国际物业顾问(吉隆坡)有限公司

Our Ref. : KL/VAL220216

16<sup>th</sup> March 2022

**Messrs. Sino Peak Sdn Bhd**  
**c/o Advanced Packaging Technology (M) Berhad**  
 Lot 2, Jalan P/2A, Kawasan MIEL,  
 Bangi Industrial Estate,  
 43650 Bandar Baru Bangi,  
SELANGOR DARUL EHSAN

29A & 31A, Jalan 52/1,  
 Petaling Jaya New Town,  
 46200 Petaling Jaya,  
 Selangor Darul Ehsan.  
 ☎ 03-7958 5933  
 ☎ 03-7957 5933  
 ✉ pakl@pa.com.my  
 ● www.pa.com.my



Dear Sirs,

**RE : CERTIFICATE OF VALUATION FOR TITLE NO. HSD 21417, LOT 38491, MUKIM AND DISTRICT OF KUALA LUMPUR, STATE OF WILAYAH PERSEKUTUAN KUALA LUMPUR [NO. 162A, JALAN MAAROF, TAMAN BANDARAYA, 59100 KUALA LUMPUR]**

#### **Instructions**

We have been instructed by Messrs. Sino Peak Sdn Bhd c/o Advanced Packaging Technology (M) Berhad to ascertain the Market Value of the freehold interest in the above-mentioned property (hereinafter referred to as the "subject property") for the purpose of submission to Bursa Malaysia Securities Berhad.

We are pleased to certify that we have prepared a formal valuation report and valued the legal interest in the subject property as at the Date of Valuation on 8<sup>th</sup> February 2022.

#### **Valuation**

The valuation report has been prepared based on the Asset Valuations Guidelines issued by the Securities Commission Malaysia and professional standards prescribed by the Board of Valuers, Appraisers, Estate Agents and Property Managers Malaysia. The basis of valuation for the purpose of the valuation report is **MARKET VALUE**, which as defined in the **MALAYSIAN VALUATION STANDARDS** is as follows:-

"Market Value" is the estimated amount for which an asset or liability should exchange on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.

The necessary title search has been conducted at the Wilayah Persekutuan Registry of Land Titles in Kuala Lumpur. The valuation report has been prepared with reference to all relevant records of Sale and Purchase Agreement and other relevant information as provided by Messrs. Sino Peak Sdn Bhd. All data and information as obtained from the said sources are deemed correct for the purpose of this valuation.

This Certificate of Valuation is to be read in conjunction with the full Valuation Report.

Page 1 of 7



Registered Valuers • Property Consultants • Plant & Machinery Valuers

Chairman : K. Parampathy Managing Director : Jerome Hong Boon Peng Deputy Managing Director : Siew Kok Kong Executive Director : A. Subramaniam  
 Directors : Ong May May, Sam Ang Yaw Poh



(A Member of PA International Group of Companies)

**OFFICES :** Kuala Lumpur • Johor Bahru • Klang • Seremban • Klang • Petaling Jaya • Ipoh • Penang • Kedah  
**REPRESENTATIVE OFFICE :** Ho Chi Minh City (Vietnam)



## VALUATION CERTIFICATE (Cont'd)

**Terms of Reference**

Instructions to us are to ascertain the Market Value of the freehold interest in the Subject Property for the purpose of submission to Bursa Malaysia.

**Subject Property**

The subject property is a double-storey bungalow with limited commercial potential (currently being used as an office) and bearing the postal address of No. 162A, Jalan Maarof, Taman Bandaraya, 59100 Kuala Lumpur.

Salient details of the subject property are as follows:-

<b>Particulars of Subject Property</b>	<p><b><u>The subject property</u></b></p> <p>The subject property is a double-storey bungalow with limited commercial potential (currently being used as an office) and bearing the postal address of No. 162A, Jalan Maarof, Taman Bandaraya, 59100 Kuala Lumpur.</p> <p><b><u>Title Particulars</u></b></p> <p>Title No. : HSD 21417</p> <p>Lot No. : Lot 38491</p> <p>Mukim : Mukim Kuala Lumpur</p> <p>District : Kuala Lumpur</p> <p>State : Wilayah Persekutuan Kuala Lumpur</p> <p>Provisional Titled Land Area : 507.699 square metres</p> <p>Tenure : Freehold</p> <p>Quit Rent : RM168.00</p> <p>Category of Land Use : Bangunan</p> <p>Express Conditions : The land herein described shall be used for building purposes.</p> <p>Restrictions In-Interest : Not stated</p> <p>Registered Proprietor : * Wong Teng Kheong @ Wong Ting Khuan</p> <p>Encumbrances : -</p> <p>Other Endorsements : -</p> <p><b>The above particulars are deemed correct as at the date of Valuation.</b></p> <p><b>Note :-</b> * Vide a Sale and Purchase Agreement dated 28<sup>th</sup> January 2022, Wong Teng Kheong @ Wong Ting Khuan (the Vendor) sold the subject property to Sino Peak Sdn Bhd (the Purchaser) for a consideration of RM9,500,000/-.</p>
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## VALUATION CERTIFICATE (Cont'd)



<b>General Description</b>	<p><b><u>Location</u></b></p> <p>The subject property bears direct frontage onto Jalan Maarof within Taman Bandaraya, Bangsar, Kuala Lumpur. The latter in the foregoing is situated about 7 kilometres to the west of the Kuala Lumpur city centre.</p> <p><b><u>Accessibility</u></b></p> <p>The subject scheme is easily accessible from the Kuala Lumpur city centre via Jalan Travers, thence onto Jalan Bangsar and PJ Bangsar Bypass before turning onto Jalan Maarof, the metalled frontage road.</p> <p>Pusat Bandar Damansara MRT station is located about 750 metres away from the subject property and Bangsar LRT station located approximately 2 kilometres away from the subject property whilst a RapidKL bus stop is located about 60 metres away from the subject property.</p> <p>A shopping mall known as "Bangsar Shopping Centre" is located within a short walking distance to the north-west of the subject property.</p> <p><b><u>The subject property</u></b></p> <p>The subject site is a plot of building land designated for residential use, near rectangular in shape and contains a provisional titled land area of 507.699 square metres (approximately 5,465 square feet).</p> <p>The subject land is of split level with its front portion lies slightly higher than the metalled frontage road level.</p> <p>The subject property is an extended and renovated bungalow of developer's design.</p> <p>The subject property has been issued with a Certificate of Fitness for Occupation (CFO) by Dewan Bandaraya Kuala Lumpur (DBKL) dated 10<sup>th</sup> July 1978, bearing Reference No. BP. 419/73 under an old Master Lot No. 10670.</p> <p>However, at the time of our inspection, we noted that the subject building has been renovated and extended.</p> <p>Our on-site measurements revealed that these extensions measures approximately 63.45 square metres (about 683 square feet). Our further investigation revealed that no approval have been obtained for the said extensions. As such, we have disregarded these portions in our computation of Market Value.</p> <p>The approximate gross floor area of subject property excluding the disregarded portion is about 247.77 square metres (about 2,667 square feet).</p> <p>The subject property is in an overall good state of repair and maintenance.</p>
<b>Planning Control</b>	<p>The subject property is a building land as expressly stipulated in the title document and is designated for residential use.</p> <p>Our further enquiries at Dewan Bandaraya Kuala Lumpur revealed that the subject property is zoned for limited commercial use with a permissible plot ratio of 1:1.</p>
<b>Occupancy</b>	<p>The subject property is tenanted to Linds Furniture (KL) Sdn Bhd for a term of three (3) years, commencing on 1<sup>st</sup> April 2019 and expiring on 31<sup>st</sup> March 2022, at a monthly rental of RM10,500.00.</p> <p>Upon the expiry of this tenancy, the client has indicated that it will be rented out to AOT Gallery Sdn Bhd, at a monthly rental of RM28,000/-.</p>

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VALUATION CERTIFICATE (Cont'd)

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**Valuation Approaches**

We have adopted the following two valuation approaches in this valuation:-

- a) Comparison Approach via Comparison Method
- b) Income Capitalisation Approach via Investment Method

In the **Comparison Approach**, it entails comparing the subject property with similar properties that have been sold recently and those that are currently being offered for sale in the vicinity or other comparable localities. The characteristics, merits and demerits of these properties are noted and appropriate adjustments thereof are then made to arrive at the value of the subject property.

We have adopted an indirect comparison approach by analysing the land and building values separately as two components, with the aim to reflect the market derived rates and to arrive at the market value of the subject property.

The subject scheme was originally built as standard developer's designed bungalow. Our investigations have revealed most of the bungalows along Jalan Maarof have undergone extensive renovations and extensions to suit for commercial use.

In the **Income Capitalisation Approach**, we have adopted the **Investment Method**. It entails using the annual rental income presently received or expected to command over a period of time relating to the subject property is estimated and deducting therefrom the expenses or outgoings incidental to the ownership of the property to obtain the net annual rental value. This net annual income is then capitalised at an appropriate capitalisation rate or years purchase figure to arrive at the present capital value of the subject property.

The relevant capitalisation rate is chosen based on the investment rate of return to be expected from the type of property concerned taking into consideration such factors as risk, capital appreciation, security of income, ease of sale and management of the Premises.

In this approach, we have adopted the potential rental expected from the proposed tenancy upon expiry of the current tenancy as the base for this valuation.

## VALUATION CERTIFICATE (Cont'd)



## Comparison Approach

In adopting the comparison approach, we have considered the following transactions along Jalan Maarof as comparables for the valuation:-

Comparable No.	1	2	3	4
Type of Property	A double-storey building with limited commercial potential	A double-storey building with limited commercial potential	A 1.5-storey building with limited commercial potential	A double-storey building with limited commercial potential
Address / Locality	No. 162, Jalan Maarof, Taman Bandaraya, 59100 Kuala Lumpur	No. 158, Jalan Maarof, Taman Bandaraya, 59100 Kuala Lumpur	No. 75, Jalan Maarof, Taman Bandaraya, 59100 Kuala Lumpur	No. 61, Jalan Maarof, Taman Bandaraya, 59100 Kuala Lumpur
Title Particulars	Title No. H.S.(D) 21418, PT 38492, Mukim and District of Kuala Lumpur, State of Wilayah Persekutuan Kuala Lumpur	Title No. HSD 21420, Lot 38494, Mukim and District of Kuala Lumpur, State of Wilayah Persekutuan Kuala Lumpur	Title No. Geran 16007, Lot 14928, Mukim and District of Kuala Lumpur, State of Wilayah Persekutuan Kuala Lumpur	Title No. Geran 16081, Lot 14947, Mukim and District of Kuala Lumpur, State of Wilayah Persekutuan Kuala Lumpur
Approximate Land Area	5,486 sq. ft.	5,829 sq. ft.	7,007 sq. ft.	6,641 sq. ft.
Gross Floor Area (Estimated)	5,075 sq. ft.	2,809 sq. ft.	3,270 sq. ft.	6,862 sq. ft.
Tenure	Freehold	Freehold	Freehold	Freehold
Consideration	RM9,500,000/-	8,300,000/-	RM10,500,000/-	RM13,500,000/-
Vendor (s)	Chong Yew Chzon & Ong Mui Keow	Plot Design Sdn Bhd	Roca Malaysia Sdn Bhd	Artega (Asia) Sdn. Bhd.
Purchaser (s)	Sino Peak Sdn Bhd	N & J Depot Sdn Bhd	Trapo Malaysia Sdn Bhd	Meridian Commercial Properties Sdn. Bhd.
Date of Transaction	5 <sup>th</sup> October 2021	24 <sup>th</sup> June 2021	6 <sup>th</sup> October 2020	27 <sup>th</sup> November 2018
Estimated age and condition of the buildings (as at the date of transaction)	Approximately > 40 years old but renovated and seemed well maintained	Approximately > 40 years old but renovated and seemed slightly rundown on the exterior facade of building	Approximately > 40 years old & seemingly in a rundown state prior to the renovation done by the new purchaser	Approximately > 40 years old but renovated and seemed well maintained
Depreciated Building Value	RM1,015,000/-	RM526,688/-	RM431,640/-	RM1,372,354/-
Analysed Land Value	RM1,546.72 per sq. ft.	RM1,333.60 per sq. ft.	RM1,436.84 per sq. ft.	RM1,826.09 per sq. ft.
Sources	Jabatan Penilaian dan Perkhidmatan Harta (JPPH) and form 14A search			
Adjustment Factors	No adjustment made	No adjustment made	Upwards Land area	Upwards Land size Downwards Location and exposure
Adjusted Market Rate	RM1,546.72 per sq. ft.	RM1,333.60 per sq. ft.	RM1,508.68 per sq. ft.	RM1,597.83 per sq. ft.

It can be summarised from the above that the analysed adjusted land values fall within the region of of RM1,333.60 per sq. ft. to RM1,597.83 per sq. ft

We opined Comparable No. 1 to be the best evidence, being the most similar, nearest and latest transaction to derive at the Market Value of the subject property. The analysed rate derived from Comparable No. 1 is at RM1,546.72 per sq. ft.

Therefore, we have adopted the adjusted rate of Comparable No. 1 as the base land rate to derive at the Market Value of the subject property.

Based on JUBM & Arcadis Construction Cost Handbook Malaysia 2021, the construction cost for developer's designed bungalows is ranging from RM222/- psf to RM306/- psf. We are of the opinion that RM250/- psf is a fair and reasonable building rate for the subject property.

The subject building is approximately 44 years old. As the building is well maintained and in good state of repairs and maintenance, we have adopted a 20% depreciation as a fair margin for the subject property.

In view of the above, we have arrived at the Market Value of the subject property using Comparison Approach at **RM9,000,000/-**

## VALUATION CERTIFICATE (Cont'd)



## b) Income Capitalisation Approach via Investment Method

The parameters adopted in this method are described as follows:-

Parameters	Justification
Rental Rate	<p><b>Current Term</b> Based on the tenancy agreement dated 1<sup>st</sup> April 2019 (which is expiring on 31<sup>st</sup> March 2022), the subject property is currently rented out to Linds Furniture (KL) Sdn Bhd at a monthly rental of RM10,500/- which is deemed lower than the surrounding market rate.</p> <p><b>Reversionary Term</b> For the reversionary period, gross rental income is determined based on asking rentals of similar properties along Jalan Maarof and guided by the offer letter dated 12<sup>th</sup> February 2022. In this valuation, we have adopted the fair market rate in reversionary term of RM28,000/- per month.</p>
Outgoings	We have adopted 15% of the annual rental income for the outgoings in the Current and Reversionary Terms based on the actual and estimated outgoings i.e. fire insurance, quit rent and assessment as well as repair and maintenance elements.
Capitalisation Rate (Yield)	<p>We have analysed several transactions / lettings of similar type of properties along Jalan Maarof, which revealed a yield band of 2.43% to 3.07%.</p> <p>In the light of the above, we have adopted the same yield of 3.00% for the current and reversionary terms considering the fact that the current passing rental falls below the market average and the remaining tenancy period is too short.</p>
Allowance for Void	We have considered a 5% allowance for void due to the location of the property which are fully occupied.

Accordingly, we have arrived at the Market Value of the Premises using the Investment Method at **RM8,900,000.00**.

**Reconciliation of Values**

From our deliberations, the Market Values for the subject property using both Comparison and Income Capitalisation Approaches are summarised as follows:-

Comparison Approach via	
Comparison Method	- RM9,000,000/- (refer Annexe I)
Income Capitalisation Approach via	
Investment Method	- RM8,900,000/- (refer Annexe II)

We have adopted the Market Value as derived via the Comparison Method. The Investment Method is merely used as cross check.



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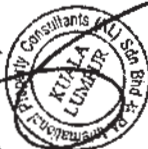
**VALUATION CERTIFICATE (Cont'd)**

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**Conclusion**

Having carried out all necessary investigations and consideration of all relevant factors, we are of the opinion that the present Market Value of the freehold interest in the subject property, held under Title No. HSD 21417, Lot 38491, Mukim and District of Kuala Lumpur, State of Wilayah Persekutuan Kuala Lumpur, together with the building erected thereon, bearing the postal address, No. 162A, Jalan Maarof, Taman Bandaraya, 59100 Kuala Lumpur, in its existing condition, free from all encumbrances and with vacant possession, as at 8<sup>th</sup> February 2022, is **RM9,000,000/- (RINGGIT MALAYSIA: NINE MILLION ONLY)**.

Yours faithfully  
for and on behalf of  
**PA INTERNATIONAL  
PROPERTY CONSULTANTS (KL) SDN. BHD.**



**Sr SUBRAMANIAM A/L ARUMUGAM, FRISM, MRICS, FPEPS, MMIPFM**  
Chartered Valuation Surveyor  
& Registered Valuer (V-450)  
SUB/Nad

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**INFORMATION ON NEWCO**


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**1. HISTORY AND BUSINESS**

Newco was incorporated in Malaysia under the Act as a public company under the name of Greater Bay Holdings Berhad on 17 March 2022.

Newco is currently dormant but is principally intended for investment holding activities.

**2. SHARE CAPITAL**

As at the LPD, Newco has an issued share capital of RM2 comprising 2 Newco Shares.

**3. SHAREHOLDERS**

As at the LPD, the shareholders and their respective shareholdings in Newco are as follows:

Shareholders of Newco	Nationality	Direct shareholdings		Indirect shareholdings	
		No. of shares	%	No. of shares	%
Edward Teow Eu Wuen	Malaysian	1	50.0	-	-
Goh Kaa Sian	Malaysian	1	50.0	-	-

**4. DIRECTORS AND DIRECTORS' SHAREHOLDINGS**

As at the LPD, the Directors of Newco are Edward Teow Eu Wuen and Goh Kaa Sian. They hold 1 Newco Share each. During the implementation of the Proposed Share Exchange, Newco's Board will be appointed to mirror our Board whilst the current Directors of Newco shall resign.

**5. SUBSIDIARIES AND ASSOCIATE COMPANIES**

As at the LPD, Newco does not have any subsidiary or associate company. Upon completion of the Proposed Internal Reorganisation, our Company will be a direct wholly-owned subsidiary of Newco.

Please refer to **Section 6.1** of this Explanatory Statement/Circular for further details on the corporate structure of Newco upon completion of the Proposed Internal Reorganisation.

**6. PROFIT AND DIVIDEND RECORD**

Newco was incorporated on 17 March 2022 to facilitate the implementation of the Proposed Internal Reorganisation and has not commenced operations. As at the LPD, Newco does not have any business operations, profit or dividend record.



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**FURTHER INFORMATION**


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**1. DIRECTORS' RESPONSIBILITY STATEMENT**

This Explanatory Statement/Circular has been seen and approved by our Board, and our Directors individually and collectively accept full responsibility for the accuracy of the information contained in this Explanatory Statement/Circular and confirm that, after making all reasonable enquiries and to the best of their knowledge and belief, there are no false or misleading statements contained in this Explanatory Statement/Circular or other facts, the omission of which would make any statements or information herein false or misleading.

**2. CONSENTS****2.1 Principal Adviser**

HLIB, being the Principal Adviser for the Proposals, has given and has not subsequently withdrawn its written consent to the inclusion in this Explanatory Statement/Circular of its name and all references thereto in the form and context in which they appear in this Explanatory Statement/Circular.

**2.2 Legal Counsel**

Murad Yee Partnership, being the due diligence solicitors and the legal counsel in respect of the Proposed Share Split and Proposed Internal Reorganisation, has given and has not subsequently withdrawn its written consent to the inclusion in this Explanatory Statement/Circular of its name and all references thereto in the form and context in which they appear in this Explanatory Statement/Circular.

**2.3 Independent Property Valuer**

PA International, being the Independent Property Valuer for the Proposed Acquisition, has given and has not subsequently withdrawn its written consent to the inclusion of its name and Valuation Certificate and all references thereto in the form and context in which they appear in this Explanatory Statement/Circular.

**3. CONFLICTS OF INTERESTS****3.1 Principal Adviser**

HLIB, its subsidiaries and associated companies as well as its penultimate holding company, namely Hong Leong Financial Group Berhad, and the subsidiaries and associated companies of Hong Leong Financial Group Berhad (collectively, the "**Hong Leong Group**") form a diversified financial group and are engaged in a wide range of investment and commercial banking, brokerage, securities trading, assets and funds management and credit transaction services businesses.

In its ordinary course of business, any member of the Hong Leong Group may at any time offer or provide its services to or engage in any transaction (on its own account or otherwise) with APT Group, hold long or short positions, and may trade or otherwise effect transactions for its own account or the account of its customers in debt or equity securities or senior loans of APT Group.

As at the LPD, there are no credit facilities granted by Hong Leong Group to APT Group.

HLIB has confirmed that it is not aware of any other circumstance which would or is likely to give rise to a possible conflict of interest situation in HLIB's capacity as our Principal Adviser for the Proposals.

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**FURTHER INFORMATION (Cont'd)**


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**3.2 Legal Counsel**

Murad Yee Partnership has given its written confirmation that it is not aware of any conflict of interest which exists or is likely to exist in its capacity as the due diligence solicitors and the legal counsel in respect of the Proposed Share Split and Proposed Internal Reorganisation.

**3.3 Independent Property Valuer**

PA International has given its written confirmation that it is not aware of any conflict of interest, which exists or is likely to exist in its capacity as the Independent Property Valuer for the Proposed Acquisition.

**4. MATERIAL LITIGATION, CLAIMS OR ARBITRATION**

As at the LPD, neither APT nor its subsidiary is engaged in any material litigation, claim or arbitration, either as plaintiff or defendant, which has or may have a material effect on the financial position or business of APT and/or its subsidiary and our Board is not aware of any proceedings pending or threatened against APT and/or its subsidiary or any fact likely to give rise to any proceedings which may materially or adversely affect the financial position or business of our Group.

As at LPD, there are no material litigation, claims or arbitrations, proceedings pending or threatened, against the Subject Property 2, or of any facts likely to give rise to any proceedings which may materially and adversely affect the Subject Property 2.

As at the LPD, Newco is not engaged in any material litigation, claim or arbitration, either as plaintiff or defendant, which has or may have a material effect on the financial position or business of Newco and the board of directors of the Newco is not aware of any proceedings pending or threatened against the Newco or any fact likely to give rise to any proceedings which may materially or adversely affect the financial position or business of Newco.

**5. MATERIAL CONTRACTS**

Save and except for the following, neither our Company nor our subsidiary have entered into any material contracts (not being contracts entered into in the ordinary course of business) within 2 years preceding the LPD:

- (i) the IRA;
- (ii) the SPA 1; and
- (iii) the SPA 2.

Save and except for the IRA, Newco has not entered into any material contracts (not being contracts entered into in the ordinary course of business) within 2 years preceding the LPD.

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**FURTHER INFORMATION (Cont'd)**


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**6. MATERIAL COMMITMENTS AND CONTINGENT LIABILITIES****6.1 Material commitments**

Save as disclosed below, as at the LPD, our Board, after making all reasonable enquiries, is not aware of any material commitments incurred or known to be incurred by the APT Group, which upon becoming enforceable, may have a material impact on the financial results/position of APT Group:

	<b>APT Group RM'000</b>	<b>Newco RM'000</b>
<b>Approved and contracted for:</b>		
Property, plant and equipment	10,756	Nil

**6.2 Contingent liabilities**

As at the LPD, our Board, after making all reasonable enquiries, is not aware of any contingent liabilities incurred or known to be incurred by the APT Group, which upon becoming enforceable, may have a material impact on the financial results/position of APT Group.

**7. DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents will be available for inspection at our Registered Office at 12<sup>th</sup> Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan during normal office hours from Mondays to Fridays (except for public holidays) from the date of this Explanatory Statement/Circular up to and including the date of the CCM and EGM:

- (i) the constitution of APT;
- (ii) the draft constitution of Newco;
- (iii) the Valuation Certificate as set out in **Appendix III** of this Explanatory Statement/Circular and the valuation report for the Subject Property 2 dated 16 March 2022 prepared by PA International;
- (iv) audited consolidated financial statement of APT Group for the FYE 31 December 2021 and for APT for the FYE 31 December 2020, as well as the latest unaudited quarterly report on the consolidated results of APT Group for the financial period ended 31 March 2022;
- (v) the letters of consent and declaration of conflicts of interest referred to in **Section 2** and **Section 3** of this **Appendix V**; and
- (vi) material contracts as referred to in **Section 5** of this **Appendix V**.



**ADVANCED PACKAGING TECHNOLOGY (M) BHD.**  
Registration No. 198201003236 (82982-K)  
(Incorporated in Malaysia)

**NOTICE OF COURT CONVENED MEETING  
IN THE HIGH COURT OF MALAYA AT KUALA LUMPUR  
IN THE STATE OF WILAYAH PERSEKUTUAN, KUALA LUMPUR  
(COMMERCIAL DIVISION)  
ORIGINATING SUMMONS NO: WA-24NCC-605-04/2022**

In the matter of ADVANCED PACKAGING TECHNOLOGY (M) BHD. (Company Registration No. 198201003236 (82982-K))

And

In the matter of a Proposed Members' Scheme of Arrangement between the Applicant and the Scheme Members pursuant to Section 366 of the Companies Act 2016

And

In the matter of the Rules of Court 2012

**ADVANCED PACKAGING TECHNOLOGY (M) BHD.**  
(Company Registration No: 198201003236 (82982-K))

**...APPLICANT**

**NOTICE OF MEETING SUMMONED PURSUANT TO THE ORDER OF THE HIGH COURT OF MALAYA AT KUALA LUMPUR IN RESPECT OF A PROPOSED MEMBERS' SCHEME OF ARRANGEMENT OF THE APPLICANT**

**NOTICE IS HEREBY GIVEN** that by an Order of the High Court of Malaya ("**Court**") under Section 366(1) of the Companies Act 2016 ("**Act**") given on 18 May 2022 in respect of the above matter ("**Order**"), the Court has directed that a meeting of the members of the abovenamed Applicant ("**Company**") ("**Scheme Members**"), be convened in accordance with section 366(1) of the Act ("**Court Convened Meeting**") for the purposes of considering and, if thought fit, to approve (with or without modification) a proposed members' scheme of arrangement between the Company and the Scheme Members ("**Proposed Scheme of Arrangement**").

The following resolution is proposed to be voted upon and approved in the Court Convened Meeting of the Company:

***"THAT** subject to the necessary sanction of the Court, the approval of Bursa Malaysia Securities Berhad ("**Bursa Securities**") and the approval of any other relevant authority(ies) in relation to the Proposed Scheme of Arrangement, approval be and is hereby given for the implementation under Section 366(1) of the Act of the Proposed Scheme of Arrangement, details of which are set out in Section 4 of the Explanatory Statement cum Circular to Shareholders of the Company dated 8 June 2022, which entails amongst others, the following proposals:-*

- (a) *proposed exchange of the entire issued and paid up share capital of the Company ("**APT Share(s)**") with the corresponding number of new ordinary shares in Greater Bay Holdings Berhad ("**Newco**") ("**Newco Share(s)**") on the basis of one (1) Newco Share for every one (1) existing APT Share held by the existing shareholders of the Company as at an entitlement date to be determined and announced by the board of directors of the Company ("**Board**"); and*

- (b) *proposed transfer of the listing status of the Company to Newco, the admission of Newco to and withdrawal of the Company from the Official List of the Main Market of Bursa Securities and the listing of and quotation for the entire issued and paid up share capital of Newco on the Main Market of Bursa Securities.*

*(collectively referred to as the “**Proposed Internal Reorganisation**”)*

**AND THAT** the Board be and is hereby authorised to take any and all actions and steps and do all such acts, deeds and things to complete and give full effect to the Proposed Internal Reorganisation as the Board may consider necessary, expedient or appropriate with full power to:-

- (a) *execute, sign, deliver or caused to be delivered on behalf of the Company and/or its members any and all such agreements, documents, deeds, instruments, undertakings, declarations, confirmations and/or arrangements in relation to the Proposed Internal Reorganisation (including any supplementary or variation agreements and documents in connection therewith) to give full effect to and complete the Proposed Internal Reorganisation; and*
- (b) *assent to any conditions, modifications, variations and/or amendments as may be approved, imposed or required by Bursa Securities and any other relevant authorities or as may be deemed necessary and/or expedient by the Board in the best interest of the Company and to take all steps and do all acts and things in any manner as it may deem necessary and/or expedient to finalise, implement, to give full effect to and complete the Proposed Internal Reorganisation,*

**AND THAT** all previous actions taken by the Board for the purpose of or in connection with the Proposed Internal Reorganisation be and are hereby duly adopted, approved and ratified.”

The Court Convened Meeting will be held at Bangi Resort Hotel, Off Persiaran Bandar, 43650 Bandar Baru Bangi, Selangor on 29 June 2022 at 11.30 a.m., or immediately following the conclusion of the Company’s 40<sup>th</sup> Annual General Meeting (which will be held at the same venue and on the same day at 10.00 a.m.), whichever is later, or at any adjournment thereof (as the case may be) at which place and time the Scheme Members are requested to attend.

A copy of the Explanatory Statement cum Circular to Shareholders of the Company together with the scheme paper detailing the Proposed Scheme of Arrangement and containing the Form of Proxy required to be furnished pursuant to Section 369 of the Act is enclosed herewith (“**Scheme Documents**”). Additional copies of the Scheme Documents may be obtained from the registered office of the Company at 12<sup>th</sup> Floor, Menara Symphony, No. 5 Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan on any day from the date of this Notice up to the date of the Court Convened Meeting, from 9.00 a.m. to 5.00 p.m. Mondays to Fridays (except public holidays).

Scheme Members may vote at the Court Convened Meeting or they may appoint another person as proxy to attend and vote in their stead. A proxy may but need not be a member of the Company. A Form of Proxy for the Court Convened Meeting of the Company is enclosed in the Explanatory Statement cum Circular.

The Form of Proxy must be deposited at the office of the Company’s Share Registrar, Boardroom Share Registrars Sdn Bhd at Ground Floor or 11<sup>th</sup> Floor, Menara Symphony, No. 5 Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, no later than forty-eight (48) hours before the time appointed for the Court Convened Meeting or any adjourned thereof.

By the said Order of the Court, the Court has appointed Peter Ling Ee Kong (NRIC No: 541230-13-5245), Managing Director of the Company or failing him and/or in his absence, Brian Ling Yew Han (NRIC No: 940920-14-6687), General Manager of the Company or failing him and/or in his absence, Yip Zhi Hoe (NRIC No: 921011-10-6211), General Manager of the Company, to act as the Chairman of the Court Convened Meeting (“**Chairman**”) and that the result of the Court Convened Meeting be reported by the Chairman to the Court after the Court Convened Meeting of the Company.

The Proposed Scheme of Arrangement will be subject to the subsequent sanction of the Court.

Date: 8 June 2022

.....  
**Messrs Murad Yee Partnership**

Solicitors for the Company  
N-2-10, Plaza Damas  
60, Jalan Sri Hartamas 1  
50480 Kuala Lumpur

**Notes:**

- 1.1 *A member of the Company entitled to attend and vote at this meeting may appoint a maximum of two proxies to vote in his stead. Where a member appoints two proxies, the appointment shall be invalid unless he specifies the proportions of his shareholdings to be represented by each proxy. A proxy may but need not be a member of the Company. If the proxy is not a member of the Company, he shall be any person and there shall be no restriction as to the qualification of the proxy.*
- 1.2 *Where a member is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 (“**SICDA**”), it may appoint at least one proxy (but not more than two) in respect of each Securities Account it holds with ordinary shares of the Company standing to the credit of the said Securities Account.*
- 1.3 *Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account (“**omnibus account**”), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.*
- 1.4 *An exempt authorised nominee refers to an authorised nominee defined under the SICDA which is exempted from compliance with the provisions of subsection 25A(1) of SICDA.*
- 1.5 *The instrument appointing a proxy, in the case of an individual, shall be signed by the appointer or by his attorney duly authorised in writing, and in the case of a corporation, shall be either given under its common seal or under the hand of an officer or attorney duly authorised.*
- 1.6 *The instrument appointing a proxy shall be deposited at the office of Boardroom Share Registrars Sdn Bhd at Ground Floor or 11<sup>th</sup> Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, or email to [BSR.Helpdesk@boardroomlimited.com](mailto:BSR.Helpdesk@boardroomlimited.com), not less than forty-eight (48) hours before the time appointed for holding the meeting or any adjournment thereof.*
- 1.7 *Only members whose names appear in the Record of Depositors on 22 June 2022 shall be entitled to attend, speak and vote at the Court Convened Meeting.*
- 1.8 *Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the resolution set out in the Notice of the Court Convened Meeting will be put to vote by poll.*



**ADVANCED PACKAGING TECHNOLOGY (M) BHD.**

Registration No. 198201003236 (82982-K)  
(Incorporated in Malaysia)

## **NOTICE OF EXTRAORDINARY GENERAL MEETING**

**NOTICE IS HEREBY GIVEN THAT** the Extraordinary General Meeting of Advanced Packaging Technology (M) Bhd. (“**APT**” or the “**Company**”) will be held at Bangi Resort Hotel, Off Persiaran Bandar, 43650 Bandar Baru Bangi, Selangor, on Wednesday, 29 June 2022 at 12.00 p.m., or immediately following the conclusion of the Court Convened Meeting for shareholders of the Company (which will be held at the same venue and on the same day at 11.30 a.m.), whichever is later, or at any adjournment thereof, for the purpose of considering and if thought fit, passing with or without modifications, the following resolutions:

### **ORDINARY RESOLUTION 1**

**PROPOSED ACQUISITION BY SINO PEAK SDN BHD (“SPSB”), A 70%-OWNED SUBSIDIARY OF APT FOR A PIECE OF FREEHOLD LAND WITH A DOUBLE-STOREY BUILDING ERECTED THEREON, BEARING THE POSTAL ADDRESS OF 162A, JALAN MAAROF, TAMAN BANDARAYA, 59100 KUALA LUMPUR (“SUBJECT PROPERTY”) FOR A TOTAL CASH CONSIDERATION OF RM9.5 MILLION (“PROPOSED ACQUISITION”);**

“**THAT**, subject to all relevant approvals being obtained from the relevant authorities, approval be and is hereby given to SPSB to acquire the Subject Property, for a cash consideration of RM9.5 million, upon the terms and conditions as stated in the Sale and Purchase Agreement dated 28 January 2022 entered into between SPSB and Wong Teng Kheong @ Wong Ting Khuan (including any amendments and/or extensions thereof as mutually agreed).

**AND THAT**, authority be and is hereby given to the board of directors of the Company (“**Board**”) to give full effect to the Proposed Acquisition with full powers to approve, agree and assent to any conditions, variations, revaluations, modifications, and/or amendments in any manner as may be required/permitted by the relevant regulatory authorities or deemed necessary by the Board, to deal with matters, incidental, ancillary to and/or relating thereto and take all steps and do all acts and to execute or enter into all such agreements, arrangements, undertakings, indemnities, transfers, extensions, assignments, deeds, confirmations, declarations and/or guarantees, with any party or parties, to deliver or cause to be delivered all such documents and to do all such acts and matters as they may consider necessary to implement, finalise and give full effect to and complete the Proposed Acquisition.”

### **SPECIAL RESOLUTION 1**

**PROPOSED SHARE SPLIT INVOLVING THE SUBDIVISION OF EVERY 1 EXISTING ORDINARY SHARE IN APT (“APT SHARE(S)”) HELD INTO 4 SUBDIVIDED APT SHARES (“SUBDIVIDED SHARES”) (“PROPOSED SHARE SPLIT”)**

“**THAT** subject to the approvals of all the relevant authorities or parties being obtained (if applicable), authority be and is hereby given to the Board to subdivide every 1 existing APT Share held by the shareholders of APT (“**Shareholders**”) whose names appear in the Record of Depositors of APT at 5.00 p.m. on an entitlement date to be determined and announced later by the Board into 4 Subdivided Shares;

**THAT** the Subdivided Shares shall, upon allotment and issuance, rank equally in all respects with each other, save and except that the Subdivided Shares will not be entitled to any dividends, rights, allotments and/or any other forms of distributions that may be declared, made or paid to the Shareholders, the entitlement date of which is prior to the date of allotment of the Subdivided Shares;



**AND THAT** the Board be and is hereby authorised to sign and execute all documents (including, without limitation, affixing of the Company's seal, where applicable), do all acts, deeds and things as may be required to give full effect to the Proposed Share Split with full power to assent to any terms, conditions, variations, modifications, and/or amendments in any manner as the Board may deem fit, necessary and/or expedient in the best interest of APT or as a consequence of any requirements imposed by the relevant authorities and to deal with all matters relating thereto and to take all such steps and do all acts, deeds and things in any manner as the Board may deem fit, necessary and/or expedient in the best interest of APT to implement, finalise and give full effect to and complete the Proposed Share Split."

## **SPECIAL RESOLUTION 2**

### **PROPOSED INTERNAL REORGANISATION**

**"THAT**, subject to the relevant regulatory approvals being obtained, and subject to the passing of the following resolution, approval be and is hereby given to the Board to implement the following:

- (a) proposed share exchange of the entire issued and fully paid up share capital of APT, with the corresponding number of new ordinary shares in Greater Bay Holdings Berhad ("**Newco**") ("**Newco Share(s)**"), on the basis of 1 new Newco Share for every 1 existing APT Share held by the existing shareholders of APT as at the entitlement date to be determined and announced later; and
- (b) proposed transfer of the listing status of APT to Newco, the admission of Newco to and withdrawal of APT from the Official List of Main Market of Bursa Malaysia Securities Berhad ("**Bursa Securities**"), and the listing of and quotation for the entire issued and paid up share capital of Newco on the Main Market of Bursa Securities;

(collectively referred to as the "**Proposed Internal Reorganisation**"),

**AND THAT** the Board be and is hereby authorised to take any and all actions and steps and do all such acts, deeds and things to complete and give full effect to the Proposed Internal Reorganisation as the Board may consider necessary, expedient or appropriate with full power to:

- (a) execute, sign, deliver or caused to be delivered on behalf of the Company and/or its members (including, without limitation, affixing of the Company's seal, where applicable) any and all such agreements, documents, deeds, instruments, undertakings, declarations, confirmations and/or arrangements in relation to the Proposed Internal Reorganisation (including any supplementary or variation agreements and documents in connection therewith) to give full effect to and complete the Proposed Internal Reorganisation; and
- (b) assent to any conditions, modifications, variations and/or amendments as may be approved, imposed or required by Bursa Securities and any other relevant authorities or as may be deemed necessary and/or expedient by the Board in the best interest of the Company and to take all steps and do all acts and things in any manner as it may deem necessary and/or expedient to finalise, implement, to give full effect to and complete the Proposed Internal Reorganisation;

**AND THAT** all previous actions taken by the Board for the purpose of or in connection with the Proposed Internal Reorganisation be and are hereby duly adopted, approved and ratified."

BY ORDER OF THE BOARD

**ADVANCED PACKAGING TECHNOLOGY (M) BHD.**

**Leong Shiak Wan (SSM PC No. 202008002757) (MAICSA 7012855)**  
**Zuriati Binti Yaacob (SSM PC No. 202008003191) (LS0009971)**  
Joint Company Secretaries

Petaling Jaya  
8 June 2022

**Notes:**

1. A member of the Company entitled to attend and vote at this meeting may appoint a maximum of two proxies to vote in his stead. Where a member appoints two proxies, the appointment shall be invalid unless he specifies the proportions of his shareholdings to be represented by each proxy. A proxy may but need not be a member of the Company. If the proxy is not a member of the Company, he shall be any person and there shall be no restriction as to the qualification of the proxy.
2. Where a member is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 (“**SICDA**”), it may appoint at least one proxy (but not more than two) in respect of each Securities Account it holds with ordinary shares of the Company standing to the credit of the said Securities Account.
3. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account (“**omnibus account**”), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
4. An exempt authorised nominee refers to an authorised nominee defined under the SICDA which is exempted from compliance with the provisions of subsection 25A(1) of SICDA.
5. The instrument appointing a proxy, in the case of an individual, shall be signed by the appointer or by his attorney duly authorised in writing, and in the case of a corporation, shall be either given under its common seal or under the hand of an officer or attorney duly authorised
6. The instrument appointing a proxy shall be deposited at the office of Boardroom Share Registrars Sdn Bhd at Ground Floor or 11<sup>th</sup> Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan or email to [BSR.Helpdesk@boardroomlimited.com](mailto:BSR.Helpdesk@boardroomlimited.com) not less than forty-eight (48) hours before the time appointed for holding the meeting or any adjournment thereof.
7. Only members whose names appear in the Record of Depositors on 22 June 2022 shall be entitled to attend, speak and vote at the Extraordinary General Meeting.
8. Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the resolution set out in the Notice of Extraordinary General Meeting will be put to vote by poll.



**ADVANCED PACKAGING TECHNOLOGY (M) BHD.**  
Registration No. 198201003236 (82982-K)  
(Incorporated in Malaysia)

**FORM OF PROXY FOR THE COURT CONVENED MEETING**

**IN THE HIGH COURT OF MALAYA AT KUALA LUMPUR  
IN THE STATE OF WILAYAH PERSEKUTUAN, KUALA LUMPUR  
(COMMERCIAL DIVISION)  
ORIGINATING SUMMONS NO: WA-24NCC-605-04/2022**

In the matter of ADVANCED PACKAGING  
TECHNOLOGY (M) BHD. (Company No.  
198201003236 (82982-K))

AND

In the matter of a Proposed Members' Scheme of  
Arrangement between the Applicant and the Scheme  
Members pursuant to Section 366 of the Companies  
Act 2016

AND

In the matter of the Rules of Court 2012

CDS Account No. ....

No. of shares held.....

**FORM OF PROXY**

(Before completing the form please refer to the notes below)

I/WE.....  
(Full name in block letters)

NRIC or Company No.....

of.....  
(Full address)

being a Member/Members of Advanced Packaging Technology (M) Bhd hereby appoint .....

..... NRIC No. ....  
(full name as per NRIC in capital letters)

.....  
(Full address)



or failing him/her, ..... NRIC No.....  
(Full name)

of.....  
(Full address)

or failing him/her, the Chairman of the Meeting as \*my/our proxy, to vote for \*me/us on \*my/our behalf at the Court Convened Meeting of the Company to be held at Bangi Resort Hotel, Off Persiaran Bandar, 43650 Bandar Baru Bangi, Selangor on Wednesday, 29 June 2022 at 11.30 a.m., or immediately following the conclusion of our Company's 40<sup>th</sup> Annual General Meeting (which will be held at the same venue and on the same day at 10.00 a.m.), whichever is later, or at any adjournment thereof.

This proxy is to vote on the resolution set out in the Notice of Court Convened Meeting as indicated with an "X" in the appropriate space provided. If this Form of Proxy is returned without any indication as to how the proxy shall vote, the proxy will vote or abstain from voting at his/her discretion.

RESOLUTION	FOR	AGAINST
PROPOSED INTERNAL REORGANISATION		

Dated this ..... day of ..... 2022

For appointment of proxies, percentage of shareholdings to be represented by the proxies

.....  
Signature/Common Seal of member

	No. of Shares	Percentage
Proxy 1		
Proxy 2		
Total		100%

**Notes:**

1. A member of the Company entitled to attend and vote at this meeting may appoint a maximum of two proxies to vote in his stead. Where a member appoints two proxies, the appointment shall be invalid unless he specifies the proportions of his shareholdings to be represented by each proxy. A proxy may but need not be a member of the Company. If the proxy is not a member of the Company, he shall be any person and there shall be no restriction as to the qualification of the proxy.
2. Where a member is an authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991 ("SICDA"), it may appoint at least one proxy (but not more than two) in respect of each Securities Account it holds with ordinary shares of the Company standing to the credit of the said Securities Account.
3. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("**omnibus account**"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
4. An exempt authorised nominee refers to an authorised nominee defined under the SICDA which is exempted from compliance with the provisions of subsection 25A(1) of SICDA.
5. The instrument appointing a proxy, in the case of an individual, shall be signed by the appointer or by his attorney duly authorised in writing, and in the case of a corporation, shall be either given under its common seal or under the hand of an officer or attorney duly authorised.
6. The instrument appointing a proxy shall be deposited at the office of Boardroom Share Registrars Sdn Bhd at Ground Floor or 11<sup>th</sup> Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan or email to BSR.Helpdesk@boardroomlimited.com not less than forty-eight (48) hours before the time appointed for holding the meeting or any adjournment thereof.
7. Only members whose names appear in the Record of Depositors on 22 June 2022 shall be entitled to attend, speak and vote at the meeting or appoint a proxy to attend, speak and vote on his behalf.



**ADVANCED PACKAGING  
TECHNOLOGY (M) BHD.**

Registration No. 198201003236 (82982-K)

先進包裝工業(馬)有限公司

**ADVANCED PACKAGING TECHNOLOGY (M) BHD.**

Registration No. 198201003236 (82982-K)

(Incorporated in Malaysia)

## FORM OF PROXY FOR THE EXTRAORDINARY GENERAL MEETING

No. of Shares held .....

CDS Account No. ....

\*I/We.....  
(full name as per NRIC/Certificate of Incorporation in capital letters)

Company No./NRIC No. ....  
(full address)

.....  
(full address)

being a Member/Members of Advanced Packaging Technology (M) Bhd. hereby appoint .....

..... NRIC No. ....  
(full name as per NRIC in capital letters)

or failing him/her, .....  
(full name as per NRIC in capital letters)

NRIC No. ....or failing him/her, the Chairman of the Meeting as  
\*my/our proxy, to vote for \*me/us on \*my/our behalf at the extraordinary general meeting of the Company  
to be held at Bangi Resort Hotel, Off Persiaran Bandar, 43650 Bandar Baru Bangi, Selangor on  
Wednesday, 29 June 2022 at 12.00 p.m., or immediately following the conclusion of the Court Convened  
Meeting for shareholders of the Company (which will be held at the same venue and on the same day at  
11.30 a.m.), whichever is later, or at any adjournment thereof.

\*My/Our proxy(ies) \*is/are to vote as indicated below:-

RESOLUTIONS		For	Against
Ordinary Resolution 1	Proposed Acquisition		
Special Resolution 1	Proposed Share Split		
Special Resolution 2	Proposed Internal Reorganisation		

(Please indicate with an "X" in the appropriate box against each Resolution how you wish your vote to be cast. If no specific direction as to how the proxy shall vote, the proxy shall vote as he/she thinks fit or, at his/her discretion, abstain from voting.)



Signed this ..... day of ..... 2022

For appointment of proxies, percentage of shareholdings to be represented by the proxies

.....  
Signature/Common Seal of member

	No. of Shares	Percentage
Proxy 1		
Proxy 2		
Total		100%

**Notes:**

1. A member of the Company entitled to attend and vote at this meeting may appoint a maximum of two proxies to vote in his stead. Where a member appoints two proxies, the appointment shall be invalid unless he specifies the proportions of his shareholdings to be represented by each proxy. A proxy may but need not be a member of the Company. If the proxy is not a member of the Company, he shall be any person and there shall be no restriction as to the qualification of the proxy.
2. Where a member is an authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991 ("**SICDA**"), it may appoint at least one proxy (but not more than two) in respect of each Securities Account it holds with ordinary shares of the Company standing to the credit of the said Securities Account.
3. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("**omnibus account**"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
4. An exempt authorised nominee refers to an authorised nominee defined under the SICDA which is exempted from compliance with the provisions of subsection 25A(1) of SICDA.
5. The instrument appointing a proxy, in the case of an individual, shall be signed by the appointer or by his attorney duly authorised in writing, and in the case of a corporation, shall be either given under its common seal or under the hand of an officer or attorney duly authorised.
6. The instrument appointing a proxy shall be deposited at the office of Boardroom Share Registrars Sdn Bhd at Ground Floor or 11<sup>th</sup> Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan or email to BSR.Helpdesk@boardroomlimited.com not less than forty-eight (48) hours before the time appointed for holding the meeting or any adjournment thereof.
7. Only members whose names appear in the Record of Depositors on 22 June 2022 shall be entitled to attend, speak and vote at the meeting or appoint a proxy to attend, speak and vote on his behalf.

Fold this flap for sealing

Then fold here

AFFIX  
STAMP

**ADVANCED PACKAGING TECHNOLOGY (M) BHD.**  
Registration No. 198201003236 (82982-K)  
(Incorporated in Malaysia)  
Boardroom Share Registrars Sdn Bhd  
Ground Floor or 11<sup>th</sup> Floor Menara Symphony  
No. 5, Jalan Prof. Khoo Kay Kim  
Seksyen 13, 46200 Petaling Jaya Selangor.

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