

ADVANCED PACKAGING TECHNOLOGY (M) BERHAD

Registration No. 198201003236 (82982-K)

(Incorporated in Malaysia)

Summary of the key matters discussed at the Thirty-Ninth Annual General Meeting of Advanced Packaging Technology (M) Bhd held fully virtual via online meeting platform at <https://meeting.boardroomlimited.my> (Domain Registration No. with MYNIC – D6A357657) on Friday, 17 September 2021 at 11.00 a.m.

In view of the absence of Datuk Ismail bin Haji Ahmad, Dato' Haji Ghazali B. Mat ("the Chairman") was appointed as Chairman of the Thirty-Ninth Annual General Meeting ("39th AGM" or "the meeting"). The Chairman called the meeting to order at 11.00 a.m. after confirmation of the requisite quorum being present. The Chairman highlighted to the shareholders that pursuant to Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in the notice of the 39th AGM must be voted by way of poll.

The following were the queries raised by the shareholders and replied by the Company at the 39th AGM:-

<p>Question 1 The following questions were raised: -</p> <ol style="list-style-type: none">1) What is the Company's future and outlook?2) What is the impact of the Movement Control Order ("MCO") to the Company?3) Is there any cost saving of holding the virtual AGM as compared to a physical AGM?4) Whether the Board will consider giving e-vouchers, e-wallets, or other gifts for those participating in this virtual AGM?	<p>Answer 1</p> <ol style="list-style-type: none">1) The Company's outlook is positive based on the current business trend.2) In view of the Covid-19 situation and MCO, the Company was slightly affected due to the operational capacity restrictions and the general economic slow-down that affected some of the customers of the Company.3) The cost of organising the virtual AGM platform is more than the rental cost of the physical AGM venue.4) The Board had not planned to provide any e-vouchers, e-wallets, or other virtual gifts for this AGM. However, the Board will strongly consider the issuance of such virtual gifts or vouchers for future virtual AGMs going forward.
<p>Question 2 What are the Company's long-term plan and whether the Company is looking to diversify into non-packaging related businesses.</p>	<p>Answer 2 The Company remains focused and invested in growing its Flexible Packaging business but remains open to new investment opportunities in other industries across domestic and international markets, subject to the timing and suitability of such investments.</p>
<p>Question 3 The Company had spent approximately RM5 million in the 2017 financial year and approximately RM2 million over the last twelve (12) months on capital expenditure ("Capex"). Why the (aforementioned) Capex has not helped the Company breakthrough from its existing revenue levels of approximately RM20 million?</p>	<p>Answer 3</p> <ol style="list-style-type: none">1) One (1) new machinery and a major overhaul of another existing heavy machinery, were necessary in ensuring the retention of existing key customers, promote long-term operational sustainability and allow for future growth of the business. Some of the implementations, with respect to the Capex, were delayed due to the on-going Covid-19 pandemic. <p>The Company foresees that additional Capex is still required, as there are still some old machines that need to be replaced. Nevertheless, the Company still has the required capacity to grow its revenue beyond its current level and Management is focusing its efforts to penetrate new markets across domestic and international regions.</p>

<p>2) Why there was no dividends given to shareholders, substantial capital gains or breakthrough from the current business performance?</p>	<p>2) Most of the Management's focus has been on the upgrading and improvement of current operations and infrastructure, while also managing the challenges posed by the Covid-19 pandemic. Such improvements have included the acquisition of new machineries and the upgrade of existing facilities. Once the Company has completed such plans and the required upgrades, the Board plans to reward shareholders with dividends once again, where permitted. Ultimately, the Company's focus is on long-term growth and the sustainability of its operations – which the Board believes is in the full, long-term interest of all shareholders.</p>
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The Statutory Financial Statements for the year ended 31 December 2020 together with the Directors' and Auditors' Report thereon were received by the Shareholders.

The following Ordinary Resolutions were voted by way of poll and were duly passed by the shareholders at the 39th AGM held on 17 September 2021:-

1. Approval of the payment of Directors' Fees of RM212,500 per annum for the year ended 31 December 2020.
2. Approval of the payments of Directors' Benefit (excluding Directors' Fees) up to an amount of RM220,000 from 25 May 2021 until the next AGM of the Company.
3. Re-election of Mr Law Mong Yong as director who retired in accordance with Clause 96 of the Company's Constitution.
4. Re-election of Dato' Haji Ghazali B. Mat Ariff as director who retired in accordance with Clause 96 of the Company's Constitution.
5. Re-election of Mr Peter Ling Ee Kong as director who retired in accordance with Clause 102 of the Company's Constitution.
6. Re-appointment of Messrs PKF as Auditors of the Company and to authorise the Directors to fix their remuneration.
7. Retention of Dato' Haji Ghazali bin Mat Ariff as Independent Non-Executive Director in accordance with the Malaysian Code on Corporate Governance 2017.
8. Retention of Mr Mah Siew Seng as Independent Non-Executive Director in accordance with the Malaysian Code on Corporate Governance 2017.
9. Approval of renewal of Shareholders' Mandate for the Company to buy-back its own shares.

There being no other matters to be transacted, the meeting was called to a close by the Chairman at 12.05 p.m. with a vote of thanks accorded to the Chair.

Summary of question received from shareholders subsequent to the closure of Questions and Answer session which were not addressed at the 39th AGM.

The following were the questions raised by the shareholders and responses from the Board of Directors:-

<p>Question 1</p> <p>Whether the Management could give some updates as to the Company's business and operations.</p>	<p>Answer 1</p> <p>The Company had reported a turnover of RM 23.5 million in the 2020 financial year, and that it was fortunate that the Company was permitted to operate during the Covid-19 pandemic – in compliance with the operational capacity restrictions, where one of the priorities of the Management was to ensure the health and safety of the Company's employees. Beyond that, the majority of Management's focus has been on the upgrading and improvement of current operations and infrastructure, which the Management believes will pay-off well in the long run.</p>
<p>Question 2</p> <p>Whether the strategy of the Company around the likes of Thong Guan, Scientex and other similar companies which are many times larger than the Company and as to the slow progress of the Company.</p>	<p>Answer 2</p> <p>The flexible packaging industry remains fragmented, with some companies having downstream and/or upstream operations. The referred- to companies have diversified their operations with heavy investments across a wide range of industries and have a large paid-up share capital and asset base. Though the Company is significantly smaller, the Board hopes the Company will strive, while providing a competitive Return on Equity, without the shareholders having to commit additional capital and money in a competitive industry.</p>
<p>Question 3</p> <p>Whether the Company sources its machines domestically?</p>	<p>Answer 3</p> <p>The machineries invested by the Company are originated from international sources, including Japan and China.</p>
<p>Question 4</p> <p>Whether a shareholder enquired as to whether the Company can give more details on the 5-year business plan.</p>	<p>Answer 4</p> <p>The Company's principle focus is on the existing business and enhancing its operating capabilities. Beyond that, the Management does plan to broaden and diversify the earningbase of the Company over the next five (5) years. In addition, the Management is open to explore new investments and other business opportunities.</p>