



**advanced packaging  
TECHNOLOGY (M) BHD.**

(82982-K)

先進包裝工業(馬)有限公司

Laporan Tahunan 2000 Annual Report



BS EN ISO 9002  
REGISTERED FIRM



069

CERT. NO. 42058982

## The Company and Its Business

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Advanced Packaging Technology (M) Bhd was incorporated in Malaysia under the Companies Act, 1965 on 31 March 1982 as a private limited company under the name of Goyo Corporation (M) Sdn Bhd. The Company subsequently changed its name to its present form on 09 June 1982 and was converted to a public company on 27 May 1993. It was listed on the Second Board of the KLSE on 27 May 1994.

The Company commenced operations in April 1985 at its present location at the Bangi Industrial Estate, Selangor Darul Ehsan. Its office, factory and warehouse is sited on a 8,903 square meter ("sq m.") 99-year leasehold land.

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

Flexible packaging materials are generally made of a composite of various base films, papers or foil which are laminated so that the resultant laminates have more enhanced properties than its original substrates. The basic materials used include oriented polypropylene (OPP) film, cellulosic film, polyester film, nylon film, aluminium foil, metallised films, specialty films, linear low density polyethylene (LLDPE) film,

poster paper, polyethylene and polypropylene resin.

Efficient packaging is a must for any product in this modern era. Without it, the brand image and integrity, as well as the quality built into the product during manufacturing and marketing, will be lost when it reaches the consumer. Correct packaging is the principal way of ensuring safe delivery of the product to the end-user in good condition at an economic cost. At Advanced Packaging Technology (M) Bhd, we use our specialised knowledge and skills, as well as specific machinery and facilities to deliver excellence in quality and service to each client.

To demonstrate our commitment in quality, the Company's Quality Management System has been assessed by Zurich Certification Limited, United Kingdom and found to comply with BS EN ISO 9002 : 1994 and the certificate of registration was issued on 8 December 2000. The certification scope covers "Manufacturing and Supply of Flexible Packaging Materials and Blown Film."

Advanced Packaging Technology (M) Bhd currently also produces linear low density polyethylene (LLDPE) film for its internal consumption as well as for external sales.

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# Notice of Annual General Meeting

**NOTICE IS HEREBY GIVEN** that the Nineteenth Annual General Meeting of ADVANCED PACKAGING TECHNOLOGY (M) BHD (“Company”) will be held at Metro Inn, Wisma Metro Kajang, Jalan Semenyih, 43000 Kajang, Selangor Darul Ehsan on Tuesday, 29 May 2001 at 11.00 a.m. for the following purposes:-

## A G E N D A

1. To receive the Audited Accounts for the year ended 31 December 2000 and the Directors' and Auditors' Reports thereon.  
**(Resolution 1)**
2. To approve the payment of a tax exempt final dividend of 4.95% for the financial year ended 31 December 2000.  
**(Resolution 2)**
3. To approve the payment of Directors' Fees of RM198,000.00 for the year ended 31 December 2000. (1999: RM198,000.00)  
**(Resolution 3)**
4. To re-elect the following Directors who retire in accordance with Article 80 of the Company's Articles of Association:
  - Encik Md Marzuki bin Ahmad **(Resolution 4)**
  - Mr Chee Sam Fatt **(Resolution 5)**
  - Mr Eu Hock Seng **(Resolution 6)**
5. To re-appoint Mr Ng Choo Phuan @ Kuan Choo Phuan pursuant to Section 129(6) of the Companies Act, 1965.  
**(Resolution 7)**
6. To re-appoint Dato' Law Sah Lim pursuant to Section 129(6) of the Companies Act, 1965.  
**(Resolution 8)**
7. To re-appoint Messrs Pannell Kerr Forster as Auditors of the Company and to authorise the Directors to fix their remuneration.  
**(Resolution 9)**
8. To transact any other ordinary business for which due notice shall have been given.

### NOTICE OF DIVIDEND ENTITLEMENT

**NOTICE IS HEREBY GIVEN** that, subject to the approval of the shareholders, a tax exempt final dividend of 4.95% in respect of the financial year ended 31 December 2000 will be paid on 19 July 2001 to shareholders whose names appear in the Company's Record of Depositors on 20 June 2001.

A Depositor shall qualify for the entitlement only in respect of:-

- a) Shares transferred into the Depositor's securities account before 12.30 p.m. on 20 June 2001 in respect of ordinary transfers; and
- b) Shares bought on the Kuala Lumpur Stock Exchange on a cum entitlement basis according to the Rules of the Kuala Lumpur Stock Exchange.

By Order of the Board

**GOON KOK KEONG**

(MAICSA 0698849)

*Secretary*

Petaling Jaya

Selangor Darul Ehsan

30 April 2001

### NOTES:

A member of the Company entitled to attend and vote at this meeting may appoint a proxy or proxies to vote in his stead. Where a member appoints two or more proxies, the appointment shall be invalid unless he specifies the proportions of his shareholdings to be represented by each proxy. A proxy need not be a member of the Company.

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.

The instrument appointing a proxy must be deposited at the Company's Registered Office at 23B Jalan 52/1, 46200 Petaling Jaya not less than forty-eight hours before the time appointed for holding the meeting or any adjournment thereof.

## BOARD OF DIRECTORS

**Dato' Law Sah Lim**  
*Chairman*

**Md. Marzuki Bin Ahmad**  
*Deputy Chairman*

**Tjin Kiat @ Tan Cheng Keat**  
*Managing Director*

**Yeo Tek Ling**  
*Finance Director*

**Chee Sam Fatt**

**Eu Hock Seng**

**Ng Choo Phuan @ Kuan Choo Phuan**

**Ng Choo Tim**

**Dato' Haji Ghazali B. Mat Ariff**

**Mah Siew Seng**

**Datuk Ismail Bin Haji Ahmad**

## COMPANY SECRETARY

**Goon Kok Keong**  
*MAICSA 0698849*

## AUDITORS

**Pannell Kerr Forster**  
*Public Accountants*

## AUDIT COMMITTEE

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

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

**Datuk Ismail Bin Haji Ahmad**  
*- Independent Non-Executive Director*

**Yeo Tek Ling**  
*- Executive Director*

## REGISTERED OFFICE

23B Jalan 52/1  
46200 Petaling Jaya  
Selangor Darul Ehsan  
Tel: 03-79570094

## REGISTRAR & SHARE TRANSFER OFFICE

Malaysian Share Registration Services Sdn Bhd  
7th Floor, Exchange Square  
Bukit Kewangan  
50200 Kuala Lumpur

## PRINCIPAL BANKER

Bumiputra-Commerce Bank Berhad

## STOCK EXCHANGE LISTING

Kuala Lumpur Stock Exchange Second Board

## TERMS OF REFERENCE

### I. Membership

The Committee shall be appointed by the Board from amongst the Directors of the Company and shall consist of not less than three (3) members of whom a majority shall be non-executive Directors.

The non-executive Director to be appointed to the Committee shall not be:-

- a) The spouse, parent, brother, sister, son or adopted son, daughter or adopted daughter of an executive Director of the Company or of any related corporation;
- b) The spouse of brother, sister, son or adopted son, daughter or adopted daughter of an executive Director of the Company or of any related corporation; or
- c) Any person having a relationship which, in the opinion of the Board, would interfere with the exercise of independent judgement in carrying out the functions of the Committee.

If the number of members in Committee is reduced to below three (3), the Board shall within three (3) months of that event, appoint such number of new members to make up the minimum number of three (3) members.

The Chairman of the Committee, who shall be a non-executive Director, shall be appointed by the Board.

### II. Attendance at Meetings

At least once a year the Committee shall meet with the external auditors without the presence of any executive Board members.

The Company Secretary shall be the Secretary of the Committee.

### III. Frequency of Meetings

Meetings shall be held not less than twice a year. The external auditors may request a meeting if they consider one necessary.

### IV. Proceedings of Meetings

A Committee member may at any time and the Secretary shall on the requisition of a Committee member summon a meeting of the Committee.

The Chairman shall preside at all meetings of the Committee. In his absence, the Committee shall appoint one of the non-executive Directors present to chair the meeting.

The quorum for a meeting shall be two (2) members. Any questions arising at a meeting shall be decided by a majority of votes.

### V. Authority

The Committee is authorised by the Board to investigate any activity within its terms of reference. It is authorised to seek any information it requires from any employee and all employees are directed to co-operate with any request made by the Committee.

The Committee is authorised by the Board to obtain outside legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary.

### VI. Duties

The duties of the Committee shall be:-

- a) To review with the External Auditor:
  - i) The audit plan and reports;
  - ii) Evaluation of internal controls and establishment of effective controls.
- b) To review the quarterly and annual financial statements before submission to the Board.
- c) To consider the appointment of the External Auditor, the audit fee and any questions of resignation or dismissal.
- d) To review the assistance given by the Company's officer to the External Auditor.
- e) To consider such other topics as may be agreed to by the Committee and the Board.


### VII. Reporting Procedures

The Secretary shall circulate the minutes of meetings of the Committee to all members of the Board.

### VIII. Meetings

The Committee held a total of four meetings in 2000 in the presence of external auditors.



n behalf of the Board of Directors, I am pleased to present the Annual Report and the Audited Financial Statements of Advanced Packaging Technology (M) Bhd for the financial year ended 31 December 2000.

### FINANCIAL PERFORMANCE

For the year under review, the Company registered a turnover of RM23.73 million which is 10.06% lower when compared to the preceding year figures of RM26.38 million. Net profit before tax and exceptional items for the year ended 31 December 2000 was RM4.74 million, a decrease of 26.62% when compared to that of the preceding year. The decrease in turnover was due largely to weaker market conditions particularly in the second half-year. Higher provision in the item doubtful debts (specific provision), higher raw material cost and lower interest income had also resulted in a lower net profit for the year under review.

### PROSPECTS

In view of the economic slowdown, trading conditions in the flexible packaging materials industry will be more competitive. Barring unforeseen circumstances, the Board expects the Company to achieve satisfactory results for the current financial year.

### DIVIDEND

The Directors recommend a tax exempt final dividend of 4.95 sen per share (1999: 4.95 sen per share tax exempt and a tax exempt special dividend of 3 sen per share) for the financial year ended 31 December 2000. The proposed dividend will be subjected to the approval of the shareholders at the Annual General Meeting to be held on 29 May 2001. No interim dividend was paid during the year (1999: nil).

### CORPORATE DEVELOPMENT

I am delighted to report that the Company's Quality Management System has been assessed by Zurich Certification Limited, United Kingdom and found to comply with BS EN ISO 9002:1994 and the certificate of registration was issued on 8 December, 2000.

With this prestigious ISO 9002 Certification, it marked another milestone achievement in the Company's corporate history.

### ACKNOWLEDGEMENT

Before I conclude, on behalf of the Board, I would like to extend our sincere thanks and appreciation to the management and all employees for their hard work, dedication and commitment. My special thanks go to Mr. Yeo Tek Ling, Finance Director and his team who were assigned and have worked very hard for the successful implementation of the above mentioned ISO 9002 project in year 2000.

I would also like to thank all our valuable customers, bankers, government authorities, business associates and shareholders for their continued support and confidence.

**DATO' LAW SAH LIM**

Chairman

18 April 2001

## Report of The Auditors to The Members

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We have audited the financial statements set out on pages 13 to 25 of ADVANCED PACKAGING TECHNOLOGY (M) BHD as at 31 December 2000. The preparation of the financial statements is the responsibility of the Company's directors. Our responsibility is to express an opinion on the financial statements based on our audit.

We conducted our audit in accordance with approved standards on auditing in Malaysia. These standards require that we plan and perform the audit to obtain all the information and explanations which we consider necessary to provide us with sufficient evidence to give reasonable assurance that the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence relevant to the amounts and disclosures in the financial statements. An audit also includes an assessment of the accounting principles used and significant estimates made by the directors as well as evaluating the overall adequacy of the presentation of information in the financial statements. We believe our audit provides a reasonable basis for our opinion.

In our opinion:-

- (a) the financial statements are properly drawn up in accordance with the provisions of the Companies Act, 1965 and applicable approved accounting standards in Malaysia so as to give a true and fair view of:
  - (i) the state of affairs the Company as at 31 December 2000 and of the results of the operations and the cash flows of the Company for the year ended on that date;
  - (ii) the matters required by Section 169 of the Companies Act, 1965 to be dealt with in the financial statements of the Company; and
- (b) the accounting and other records and the registers required by the Companies Act, 1965 to be kept by the Company have been properly kept in accordance with the provisions of the said Act.

**PANNELL KERR FORSTER**

NO. AF 0911

PUBLIC ACCOUNTANTS

**ANTHONY JOSEPH SKELCHY**

NO. 251/03/03 (J/PH)

PARTNER OF THE FIRM

Kuala Lumpur

Date: 18 April 2001

The directors have pleasure in submitting their report together with the audited financial statements of the Company for the financial year ended 31 December 2000.

### PRINCIPAL ACTIVITIES

The Company is principally engaged in the manufacturing and distribution of flexible packaging materials.

There has been no significant change in the nature of these activities during the financial year under review.

### FINANCIAL RESULTS

	RM
Profit for the year attributable to shareholders	3,946,277
Unappropriated profit brought forward	20,022,136
	<hr/>
Profits available for appropriation	23,968,413
Dividend:	
Proposed tax exempt dividend of 4.95% (1999: 7.95%)	(902,187)
	<hr/>
Unappropriated profits carried forward	23,066,226
	<hr/>

In the option of the directors, the results of the operations of the Company during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature.

### DIVIDENDS

Since the end of the previous financial year, the Company has paid a final tax exempt dividend of 4.95% amounting to RM902,187 and a tax exempt special dividend of 3.00% amounting to RM546,780 for the financial year ended 31 December 1999 as proposed in the directors' report for that year.

The directors now recommend a tax exempt final dividend of 4.95% amounting to RM902,187 for the financial year ended 31 December 2000.

### RESERVES AND PROVISIONS

There were no material transfers to and from reserves or provisions during the financial year.

# Directors' Report

(CONTINUED)

## DIRECTORS

The directors in office since the date of the last report are:-

Dato' Law Sah Lim  
Md. Marzuki Bin Ahmad  
Tjin Kiat @ Tan Cheng Keat  
Yeo Tek Ling  
Chee Sam Fatt  
Eu Hock Seng  
Ng Choo Phuan @ Kuan Choo Phuan  
Ng Choo Tim  
Dato' Haji Ghazali B. Mat Ariff  
Mah Siew Seng  
Datuk Ismail Bin Haji Ahmad

In accordance with Article 80 of the Company's Articles of Association, Chee Sam Fatt, Eu Hock Seng and Md. Marzuki Bin Ahmad retire and, being eligible, offer themselves for re-election.

Dato' Law Sah Lim and Ng Choo Phuan @ Kuan Choo Phuan who are over seventy years of age, retire in accordance with Section 129(2) of the Companies Act, 1965 and offer themselves for re-appointment in accordance with Section 129(6) of the said Act to hold office until the conclusion of the next Annual General Meeting of the Company.

## DIRECTORS' INTERESTS IN SHARES

The following directors who held office at the end of the financial year had, according to the register required to be kept under Section 134 of the Companies Act, 1965, an interest in shares of the Company as stated below:-

	NUMBER OF ORDINARY SHARES OF RM1 EACH				Balance as at 31.12.2000
	Balance as at 1.1.2000	Acquired	Disposed	Transferred*	
Dato' Law Sah Lim	4	115,373	(16,000)	(4)	99,373
Md. Marzuki Bin Ahmad	581,636	-	(59,000)	(866)	521,770
Tjin Kiat @ Tan Cheng Keat	897,057	-	-	-	897,057
Yeo Tek Ling	10,817	-	-	-	10,817
Chee Sam Fatt	9,000	-	-	-	9,000
Eu Hock Seng	395,965	-	-	-	395,965
Ng Choo Phuan@ Kuan Choo Phuan	232,885	-	-	-	232,885
Ng Choo Tim	444,264	-	-	-	444,264

None of the other directors in office held any shares in the Company at the end of the financial year.

\* Transferred to the Ministry of Finance for failing to maintain these shares under the Central Depository System.

## DIRECTOR' BENEFITS

Since the end of the previous financial year, no director of the Company has received or become entitled to receive any benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by directors shown in the accounts) by reason of a contract made by the Company with the director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest other than as disclosed in Note 11 to the Accounts.

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

## OTHER STATUTORY INFORMATION

Before the financial statements of the Company were made out, the directors took reasonable steps:

- (a) to ascertain the action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and had satisfied themselves that all known bad debts had been written off and that adequate provision had been made for doubtful debts; and
- (b) to ensure that any current assets which were unlikely to realise their book values in the ordinary course of business had been written down to their expected realisable values.

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

- (a) which would render the amounts written off for bad debts or the amount of the provision for doubtful debts in the financial statements inadequate to any material extent; and
- (b) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Company misleading or inappropriate.

In the interval between the end of the financial year and the date of this report:

- (a) no item, transaction or event of a material and unusual nature has arisen which, in the opinion of the directors, would substantially affect the results of the operations of the Company for the current financial year; and
- (b) no charge has arisen on the assets of the Company which secures the liability of any other person nor have any contingent liabilities arisen in the Company.

No contingent or other liability of the Company has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the directors, will or may affect the ability of the Company to meet its obligations when they fall due.

At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements which would render any amount stated in the financial statements misleading.

# Directors' Report

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(CONTINUED)

## AUDITORS

The auditors, Messrs Pannel Kerr Forster, Public Accountants, have expressed their willingness to continue in office.

On behalf of the Board,

**TJIN KIAT @ TAN CHENG KEAT**

**NG CHOO TIM**

Petaling Jaya  
Date: 18 April 2001

# Balance Sheet

AS AT 31 DECEMBER 2000

	Note	2000 RM	1999 RM
<b>ASSETS</b>			
Property, plant and equipment	3	12,207,503	8,487,210
<b>CURRENT ASSETS</b>			
Inventories	4	5,609,091	6,854,124
Trade debtors	5	5,094,366	7,408,913
Other debtors, deposits and prepayments		1,023,104	367,312
Fixed deposits with licensed banks		22,500,000	20,000,000
Cash and bank balances		1,480,884	1,930,843
		35,707,445	36,561,192
<b>CURRENT LIABILITIES</b>			
Trade creditors		1,660,745	2,115,622
Bills payable		448,535	91,207
Other creditors and accruals		1,560,875	1,375,454
Amount due to directors	6	198,000	198,000
Proposed dividend		902,187	1,448,967
		4,770,342	5,229,250
<b>NET CURRENT ASSETS</b>		30,937,103	31,331,942
		43,144,606	39,819,152
<i>Financed by</i>			
Share capital	7	18,226,000	18,226,000
Retained profits	8	23,066,226	20,022,136
<b>SHAREHOLDERS' FUNDS</b>		41,292,226	38,248,136
<b>LONG TERM AND DEFERRED LIABILITIES</b>			
Deferred taxation	9	1,549,000	1,314,000
Provision for retirement benefits		303,380	257,016
		43,144,606	39,819,152

The annexed notes form an integral part of the financial statements

# Statement of Changes in Equity

FOR THE YEAR ENDED 31 DECEMBER 2000

	Share Capital RM	Retained Profits RM	Total RM
At 1 January 1999	18,226,000	15,041,574	33,267,574
Net profit for the year	-	6,429,529	6,429,529
Dividends			
- tax exempted dividend @ 4.95%	-	(902,187)	(902,187)
- tax exempted special dividend @ 3%	-	(546,780)	(546,780)
At 31 December 1999	18,226,000	20,022,136	38,248,136
Net profit for the year	-	3,946,277	3,946,277
Proposed tax exempted dividend @ 4.95%	-	(902,187)	(902,187)
At 31 December 2000	18,226,000	23,066,226	41,292,226

The annexed notes form an integral part of the financial statements



# Income Statement

FOR THE YEAR ENDED 31 DECEMBER 2000

	Note	2000 RM	1999 RM
Revenue	2(e)	23,726,893	26,380,996
Cost of sales		(17,239,993)	(18,972,814)
<b>GROSS PROFIT</b>		6,486,900	7,408,182
Other operating income		1,453,166	2,377,474
Selling and distribution costs		(1,438,259)	(1,440,147)
Administrative expenses		(1,650,818)	(1,702,380)
Other operating expenses		(69,912)	(92,642)
<b>PROFIT FROM OPERATIONS</b>		4,781,077	6,550,487
Finance costs	10	(42,800)	(44,429)
<b>PROFIT BEFORE TAX AND EXCEPTIONAL ITEM</b>	11	4,738,277	6,506,058
Exceptional item	12	-	(48,797)
<b>PROFIT BEFORE TAX</b>		4,738,277	6,457,261
Income tax expense	13	(792,000)	(27,732)
<b>NET PROFIT FOR THE YEAR</b>		3,946,277	6,429,529
Basic earnings per share (sen)	14	21.65 sen	35.28 sen

The annexed notes form an integral part of the financial statements

# Cash Flow Statement

FOR THE YEAR ENDED 31 DECEMBER 2000

	Note	2000 RM	1999 RM
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before taxation		4,738,277	6,457,261
Adjustments for :			
Depreciation		1,044,940	1,105,852
Plant and equipment written off		5,900	-
Provision for doubtful debts:			
- specific		484,441	(39,080)
- general		(155,000)	155,000
Provision for doubtful debts no longer required:			
- specific		(97,037)	-
Retirement benefits		50,030	48,137
Interest income		(1,067,030)	(1,408,118)
Gain on disposal of plant and equipment		-	(57,865)
<b>Operating profit before working capital changes</b>		<b>5,004,521</b>	<b>6,261,187</b>
Decrease/(Increase) in inventories		1,245,033	(3,203,041)
Decrease/(Increase) in trade and other receivables		2,222,778	(1,996,306)
(Decrease)/Increase in trade and other payables		(222,608)	780,084
<b>Cash generated from operations</b>		<b>8,249,724</b>	<b>1,841,924</b>
Income taxes paid		(1,353,427)	(1,476,465)
Retirement benefits paid		(3,666)	-
<b>Net cash from operating activities</b>		<b>6,892,631</b>	<b>365,459</b>

The annexed notes form an integral part of the financial statements

## Cash Flow Statement

FOR THE YEAR ENDED 31 DECEMBER 2000 (CONTINUED)

	Note	2000 RM	1999 RM
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of plant and equipment	15	(4,460,653)	(66,997)
Proceeds from sale of plant and equipment		-	60,350
Interest received on fixed deposits		1,067,030	1,408,118
<b>Net cash (used in)/generated from investing activities</b>		<b>(3,393,623)</b>	<b>1,401,471</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Dividends paid		1,448,967	902,187
<b>Net cash used in financing activities</b>		<b>(1,448,967)</b>	<b>(902,187)</b>
<b>Net increase in cash and cash equivalents</b>		<b>2,050,041</b>	<b>864,743</b>
<b>Cash and cash equivalents at beginning of the year</b>		<b>21,930,843</b>	<b>21,066,100</b>
<b>Cash and cash equivalents at end of the year</b>	16	<b>23,980,884</b>	<b>21,930,843</b>

The annexed notes form an integral part of the financial statements

# Notes to the Financial Statements

31 DECEMBER 2000

## 1. PRINCIPAL ACTIVITIES

The Company is principally engaged in the manufacturing and distribution of flexible packaging materials.

There has been no significant change in the nature of these activities during the financial year under review.

## 2. SIGNIFICANT ACCOUNTING POLICIES

### (a) Basis of preparation of the financial statements

The financial statements of the Company have been prepared under the historical cost convention and in accordance with the provisions of the Companies Act, 1965, and applicable approved accounting standards in Malaysia.

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

### (b) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation.

Depreciation on property, plant and equipment is calculated on a straight line basis at the following annual rates based on their estimated useful lives:-

Long term leasehold land	1%
Building	2% - 10%
Plant and machinery	7 1/2% - 10%
Motor vehicles	20%
Furniture, fittings and equipment	10% - 20%

### (c) Inventories

Inventories are valued at the lower of cost and net realisable value.

Cost is determined on the first-in, first-out method. Cost of raw materials comprises of the original cost of purchase plus the cost of bringing the inventories to their present condition and location. Cost of manufactured goods and work-in-progress include the cost of raw materials, direct labour and an appropriate proportion of fixed and variable production overheads.

**(d) Foreign currencies**

Transactions in foreign currencies are translated to Ringgit Malaysia at rates of exchange ruling at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated to Ringgit Malaysia at the foreign exchange rates ruling at that date. Foreign exchange differences arising on translation are recognised in the income statement.

**(e) Revenue**

Revenue represents the value of gross sales of goods less returns and discounts.

**(f) Deferred taxation**

Deferred taxation is provided by the liability method at the current tax rate on all timing differences except where it is thought reasonably probable that the timing differences will continue in the foreseeable future.

Deferred tax benefits are recognised only where there is reasonable assurance of their realisation.

**(g) Retirement benefits**

The Company has a non-contributory unfunded retirement benefit scheme for those employees who are eligible under a management agreement. Retirement benefits for employees under the said agreement are estimated and provided for in the financial statements taking into consideration the length of service and basic salary earnings of eligible employees.

**(h) Debtors**

Known bad debts are written off and specific provisions are made for debts considered to be doubtful of collection.

**(i) Cash and cash equivalents**

Cash and cash equivalents consist of cash in hand, cash at bank and deposits with licensed banks.

## Notes to the Financial Statements

(CONTINUED)

### 3. PROPERTY, PLANT AND EQUIPMENT

	Long-term leasehold land RM	Building RM	Plant, machinery and tools RM	Motor vehicles RM	Furniture, fittings and equipment RM	Total RM
<b>COST</b>						
At beginning of year	739,000	4,094,920	11,674,110	799,991	399,555	17,707,576
Additions	-	7,189	4,727,718	-	36,226	4,771,133
Written off	-	(7,000)	(550)	-	(630)	(8,180)
At end of year	739,000	4,095,109	16,401,278	799,991	435,151	22,470,529
<b>ACCUMULATED DEPRECIATION</b>						
At beginning of year	109,065	978,511	7,187,300	662,749	282,741	9,220,366
Charge for the year	7,390	82,332	835,233	88,752	31,233	1,044,940
Written off	-	(1,540)	(328)	-	(412)	(2,280)
At end of year	116,455	1,059,303	8,022,205	751,501	313,562	10,263,026
<b>NET BOOK VALUE</b>						
At 31 December 2000	622,545	3,035,806	8,379,073	48,490	121,589	12,207,503
At 31 December 1999	629,935	3,116,409	4,486,810	137,242	116,814	8,487,210

## 4. INVENTORIES

	2000 RM	1999 RM
Raw materials	4,367,664	4,964,710
Indirect materials	8,192	10,198
Worh-in progress	328,692	487,321
Finished goods	462,700	707,672
Cylinder stocks	261,486	388,432
Consumable stock	180,357	116,897
Goods-in-transit	-	178,894
	<hr/> 5,609,091 <hr/>	<hr/> 6,854,124 <hr/>

## 5. TRADE DEBTORS

	2000 RM	1999 RM
Amounts outstanding	6,348,557	8,458,200
Less : Provision for doubtful debts - specific	(504,191)	(144,287)
- general	(750,000)	(905,000)
	<hr/> 5,094,366 <hr/>	<hr/> 7,408,913 <hr/>

## 6. AMOUNT DUE TO DIRECTORS

The amount due to directors comprising of directors' fees is unsecured, interest free and has no fixed term of repayment.

## 7. SHARE CAPITAL

	2000 RM	1999 RM
Ordinary shares of RM1 each:		
Authorised	25,000,000	25,000,000
	<hr/>	<hr/>
Issued and fully paid	18,226,000	18,226,000
	<hr/>	<hr/>

## Notes to the Financial Statements

(CONTINUED)

### 8. RETAINED PROFITS (DISTRIBUTABLE)

Based on estimated tax credits and exempt profits and prevailing tax rates applicable to dividends, the Company has sufficient tax credits and exempt profits to frank all of its retained earnings as at 31 December 2000 without incurring additional tax liability.

Subject to agreement with the tax authorities, the Company has tax exempt profits of approximately RM10,321,000 (1999: RM8,941,000) to distribute as tax exempt dividends.

### 9. DEFERRED TAXATION

	2000 RM	1999 RM
At beginning of year	1,314,000	1,416,000
Transferred from/(to) Income Statement	235,000	(102,000)
	-----	-----
At end of year	1,549,000	1,314,000
	-----	-----
Timing difference on depreciation and capital allowance on property, plant and equipment on which deferred taxation is provided	5,531,242	4,695,130
	-----	-----

### 10. FINANCE COST

	2000 RM	1999 RM
Bank charges		
- local	22,606	28,613
- overseas	20,194	15,816
	-----	-----
	42,800	44,429
	-----	-----



## 11. PROFIT BEFORE TAX

	2000 RM	1999 RM
Profit before tax and exceptional items is arrived at:		
Auditors' remuneration	18,000	18,000
Bad debts written off	123,414	125,367
Cost of goods sold	17,239,993	18,972,814
Depreciation (Note 3)	1,044,940	1,105,852
Directors' remuneration		
- fees	198,000	198,000
- salaries and EPF	400,384	362,136
- bonus and EPF	136,093	156,085
Estimated cash value of benefits-in-kind for directors	19,525	23,900
Plant and equipment written off	5,900	-
Provision for doubtful debts		
- specific	484,441	(39,080)
- general	(155,000)	155,000
Provision for doubtful debts no longer required		
- specific	(97,037)	-
Retirement benefits	50,030	48,137
Stocks written off	147,521	83,064
After crediting:		
Bad debt recovered	27,500	384,336
Gain on disposal of plant and equipment	-	57,865
Gain on foreign exchange	2,607	34,961
Interest income	1,067,030	1,408,118
	-----	-----

## 12. EXCEPTIONAL ITEM

This represents the write-off of expenses incurred for the amendments made to the Company's Memorandum and Articles of Association.

## Notes to the Financial Statements

(CONTINUED)

### 13. INCOME TAX EXPENSE

	2000 RM	1999 RM
Income tax based on the results for the year	557,000	-
Under provision in previous year	-	129,732
	557,000	129,732
Transferred to/(from) deferred taxation (Note 9)	235,000	(102,000)
	792,000	27,732

### 14. EARNINGS PER SHARE

The basic earnings per share for the current year has been calculated based on profit after taxation and exceptional item of RM3,946,277 (1999: RM6,429,529) over the issued share capital of 18,226,000 (1999: 18,226,000) ordinary shares.

### 15. PLANT AND EQUIPMENT

During the year, the Company acquired plant and equipment with an aggregate cost of RM4,771,133 (1999: RM66,997) by means of the following:-

	2000 RM	1999 RM
Cash payments	4,460,653	66,997
Balance outstanding	310,480	-
	4,771,133	66,997

## 16. CASH AND CASH EQUIVALENTS AT END OF YEAR

	2000 RM	1999 RM
Cash in hand	395	1,001
Cash at bank	1,480,489	1,929,842
Fixed deposits with licensed banks	22,500,000	20,000,000
	<u>23,980,884</u>	<u>21,930,843</u>

## 17. EMPLOYEES INFORMATION

The average number of persons employed by the Company (excluding directors) during the financial year was 115 (1999: 112).

	2000 RM	1999 RM
Staff costs		
Administration	508,111	535,159
Operations	1,333,488	1,254,119
Selling and distribution	408,810	434,208
	<u>2,250,409</u>	<u>2,223,486</u>

## 18. CAPITAL COMMITMENTS

	2000 RM	1999 RM
Approved and contracted for	-	4,500,000
	<u>-</u>	<u>4,500,000</u>

## 19. SEGMENTAL INFORMATION

No segmental information is presented as the Company is involved in a single line product.

## 20. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with the current year's presentation.

## Directors' Statement

---

We, **TJIN KIAT @ TAN CHENG KEAT** and **NG CHOO TIM**, being two of the directors of **ADVANCED PACKAGING TECHNOLOGY (M) BHD**, do hereby state that, in the opinion of the directors, the financial statements set out on pages 13 to 25 are drawn up in accordance with applicable approved accounting standards in Malaysia so as to exhibit a true and fair view of the state of affairs of the Company as at 31 December 2000 and of the results and cash flows of the Company for the year then ended.

On behalf of the Board,

**TJIN KIAT @ TAN CHENG KEAT**

)  
)  
) *Directors*

**NG CHOO TIM**

)  
)

Date: 18 April 2001

## Statutory Declaration

---

I, **TJIN KIAT @ TAN CHENG KEAT**, the director primarily responsible for the financial management of **ADVANCED PACKAGING TECHNOLOGY (M) BHD**, do solemnly and sincerely declare that to the best of my knowledge and belief, the financial statements set out on pages 13 to 25 are correct, and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the  
abovenamed at Kuala Lumpur  
on this 18 day of April 2001

)  
) **TJIN KIAT @ TAN CHENG KEAT**  
)  
)

Before me,

S.S. CHANDRAN  
Commissioner for Oaths  
(NOM W-243)

## List of Properties

AS AT 31 DECEMBER 2000

Location	Description/ Existing Use	Land (Built-up) Area Sq. m	Tenure	Age of Building	Net Book Value RM
Lot HS(M) 9617 PT11447 Mukim of Kajang Daerah Ulu Langat Selangor Darul Ehsan	Industrial Land erected with office, factory and warehouse premises / Own use	8,903 / 5,666	99 years leasehold Expiring on 29 September 2086	17 years old	3,658,351

# Analysis of Shareholdings

AS AT 30 MARCH 2001

## SHAREHOLDERS

The company had 1,187 shareholders as at 30 March 2001. There is only one class of share, namely ordinary share of RM1.00 each. Each share entitles the holder to one vote.

## ANALYSIS BY SIZE OF SHAREHOLDINGS

AS AT 30 MARCH 2001

Size of Shareholdings	Shareholders	%	Shareholdings	%
Less than 1,000	9	0.76	4,523	0.02
1,000 - 5,000	990	83.40	1,731,147	9.50
5,001 - 10,000	70	5.90	559,000	3.07
10,001 and Above	118	9.94	15,931,330	87.41
<b>GRAND TOTAL</b>	<b>1,187</b>	<b>100.00</b>	<b>18,226,000</b>	<b>100.00</b>

## SUBSTANTIAL SHAREHOLDERS

AS AT 30 MARCH 2001

No.	Name of Shareholders	No. of Shares	%
1.	Permodalan Nasional Berhad	1,335,000	7.32
2.	Lee Ng Mah @ Lee Wai Chan	1,058,347	5.81
3.	Siow Chung Peng	947,000	5.20
4.	Chee Chin Tsai	906,415	4.97
5.	Tjin Kiat @ Tan Cheng Keat	897,057	4.92
6.	Chee Chin Hung	859,105	4.71
7.	Gim Bee Holdings Sdn Bhd	772,110	4.24
8.	Md Marzuki Bin Ahmad	516,770	2.84
9.	Lee Kim Mua @ Lim Kim Moi	480,582	2.64
10.	Cartaban Nominees (Asing) S/B (A/C For Osterreichische Volksbanken AG)	452,000	2.48
11.	Ng Choo Tim	444,264	2.44
12.	Ng Chow Yok	441,464	2.42
13.	Law Mong Yong	439,597	2.41
14.	Teoh Ee Yeong @ Teoh Keat Siang	431,000	2.36

## DIRECTORS' SHAREHOLDINGS

AS AT 21 JANUARY 2001

No.	Name	No. of Shares	%
1.	Dato' Law Sah Lim	93,373	0.51
2.	Md Marzuki Bin Ahmad	521,770	2.86
3.	Tjin Kiat @ Tan Cheng Keat	897,057	4.92
4.	Yeo Tek Ling	10,817	0.06
5.	Chee Sam Fatt	9,000	0.05
6.	Eu Hock Seng	395,965	2.17
7.	Ng Choo Phuan @ Kuan Choo Phuan	232,885	1.28
8.	Ng Choo Tim	444,264	2.44
9.	Dato' Haji Ghazali B. Mat Ariff	0	0.00
10.	Mah Siew Seng	0	0.00
11.	Datuk Ismail Bin Haji Ahmad	0	0.00

## Analysis of Shareholdings

(CONTINUED)

### TWENTY (20) LARGEST SHAREHOLDERS

AS AT 30 MARCH 2001

No.	Name of Shareholders	No. of Shares	%
1.	Permodalan Nasional Berhad	1,335,000	7.32
2.	Lee Ng Mah @ Lee Wai Chan	1,058,347	5.81
3.	Siow Chung Peng	947,000	5.20
4.	Chee Chin Tsai	906,415	4.97
5.	Tjin Kiat @ Tan Cheng Keat	897,057	4.92
6.	Chee Chin Hung	859,105	4.71
7.	Gim Bee Holdings Sdn Bhd	772,110	4.24
8.	Md Marzuki Bin Ahmad	516,770	2.84
9.	Lee Kim Mua @ Lim Kim Moi	480,582	2.64
10.	Cartaban Mominees (Asing) S/B (A/C For <i>Osterreichische Volksbanken AG</i> )	452,000	2.48
11.	Ng Choo Tim	444,264	2.44
12.	Ng Chow Yok	441,464	2.42
13.	Law Mong Yong	439,597	2.41
14.	Teoh Ee Yeong @ Teoh Keat Siang	431,000	2.36
15.	Liew Say Fah	350,000	1.92
16.	Eu Chin Fen	336,866	1.85
17.	Ng Soh Hin	316,000	1.73
18.	Tan Wooi Bee @ Nur Huda Tan	290,825	1.60
19.	Citicorp Nominees (Tempatan) Sdn Bhd (A/C For <i>Wong Chee Weng</i> )	269,000	1.48
20.	Law Geok King	254,003	1.39





# Advanced Packaging Technology (M) Bhd.

(Company No. 82982-K)  
(Incorporated in Malaysia)

## Form of Proxy

I/We \_\_\_\_\_  
(Full Name in Block Letters)

of \_\_\_\_\_  
(Address)

being a member / members of ADVANCED PACKAGING TECHNOLOGY (M) BHD. hereby appoint\* "the Chairman of the meeting"

or \_\_\_\_\_  
(Full Name in Block Letters)

of \_\_\_\_\_  
(Address)

or failing him/ her \_\_\_\_\_  
(Full Name in Block Letters)

of \_\_\_\_\_  
(Address)

as my / our proxy to attend and vote for me / us on my / our behalf at the Annual General Meeting of the Company to be held at Metro Inn, Wisma Metro Kajang, Jalan Semenyih, 43000 Kajang, Selangor Darul Ehsan on Tuesday, 29 May 2001 at 11.00a.m. and at any adjournment thereof on the following resolutions in the manner indicated below :

RESOLUTIONS	FOR	AGAINST
1. To receive the Audited Accounts for the year ended 31 December 2000 and the Directors' and Auditors' Reports thereon		
2. To approve the payment of a tax exempt final dividend of 4.95%		
3. To approve the payment of Directors' Fees		
4. To re-elect Encik Md Marzuki bin Ahmad as Director		
5. To re-elect Mr Chee Sam Fatt as Director		
6. To re-elect Mr. Eu Hock Seng as Director		
7. To re-elect Mr. Ng Choo Phuan @ Kuan Choo Phuan as Director		
8. To re-elect Dato' Law Sah Lim as Director		
9. To appoint Messrs Pannell Kerr Forster as Auditors and to authorise the Directors to fix their remuneration		

(Please indicate with an "X" in the appropriate spaces provided above how you wish your votes to be cast. If you do not do so, the proxy will vote or abstain from voting at his discretion.)

\*Delete the words " the Chairman of the meeting" if you wish to appoint some other person(s) to be your proxy.

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2001

Signature

No.of Shares held:

### Notes:

- A member of the company entitled to attend and vote at this meeting may appoint a proxy or proxies to vote in his stead. Where member appoints two or more proxies, the appointment shall be invalid unless he specifies the proportions of his shareholdings to be represented by each proxy. A proxy need not be a member of the Company.
- 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.
- The instrument appointing a proxy must be deposited at the Company's Registered Office at 23B Jalan 52/1, 46200 Petaling Jaya not less than forty-eight hours before the time appointed for holding the meeting or any adjournment thereof.

FOR KLSE'S USE:

**KUALA LUMPUR STOCK EXCHANGE**

Ref.No: \_\_\_\_\_

Date received: \_\_\_\_\_

Officer in charge: \_\_\_\_\_

Date of first contact with complainant: \_\_\_\_\_

STATUS AFTER 14 DAYS:

☐ Resolved

☐ Pending

DETAILS

\_\_\_\_\_

\_\_\_\_\_

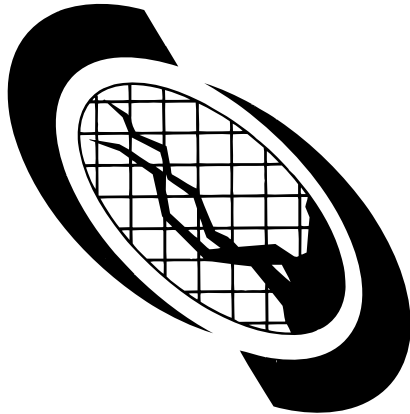
\_\_\_\_\_

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\_\_\_\_\_

\_\_\_\_\_

CONTACT DETAILS  
Group Communications Division  
Kuala Lumpur Stock Exchange  
Exchange Square, Bukit Kewangan  
50200 Kuala Lumpur  
Tel : (03) 468 0755  
Fax : (03) 206 3700



**COMPLAINT AGAINST  
PUBLIC LISTED COMPANY**

This form is intended to facilitate the lodgement of complaints with the KLSE by investors against Public Listed Companies (PLCs) in Malaysia. Investors are encouraged, in the first instance to amicably settle differences directly with the PLC concerned.

**Q : When can you make a complaint?**

A : At anytime, preferably as soon as the problems occur.

Below are some instances when a complaint may be lodged against a PLC:

- Misleading / inaccurate / insufficient disclosure of information;
- Failure to disclose material information in financial statements or annual report;
- Actions/lack of actions detrimental to the interest of shareholders;
- Directors of PLCs;
- Management of PLCs;
- Share Registrars of PLCs; and
- Others (to specify)

**Q : What are the procedures to make a complaint?**

A : Procedure is very simple. For clarity, it is best to be in written form and directed to the KLSE. You can use any of the following methods to submit your complaints:

- Mail the attached Complaint Form to KLSE; or
- Fax the Complaint Form to 03-206 3700

**Q : How will KLSE handle the complaint?**

A : KLSE will handle the matter promptly and in any event, will contact the complainant not later than 14 days from receipt of the complaint.

DETAILS OF COMPLAINANT

Name : \_\_\_\_\_

NRIC No. : \_\_\_\_\_

CDS No. : \_\_\_\_\_

Address : \_\_\_\_\_

Tel. No. : House \_\_\_\_\_

Business \_\_\_\_\_

Mobile \_\_\_\_\_

DETAILS OF PUBLIC LISTED COMPANY

Name : \_\_\_\_\_

Address : \_\_\_\_\_

TYPE OF COMPLAINT

☐ Misleading / inaccurate / insufficient disclosure of information;

☐ Failure to disclose material information in financial statements or annual reports;

☐ Actions/lack of actions detrimental to the interest of shareholders;

☐ Directors of PLCs;

☐ Management of PLCs;

☐ Share Registrars of PLCs; and

☐ Others (to specify)

If others, please specify:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

MY COMPLAINT IS AS FOLLOWS

(Please provide a detailed account of the complaint in chronological order). You may type additional notes in a separate piece of paper.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Signature : \_\_\_\_\_

Date : \_\_\_\_\_

DETAILS OF COMPLAINT

Have you tried to resolve this complaint with the relevant Public Listed Company?

☐ Yes  
☐ No

If yes, kindly indicate the name of the person contacted and his/her department.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_