



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

(82982-K)

先進包裝工業(馬)有限公司

# LAPORAN TAHUNAN 1999 ANNUAL REPORT

# 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, 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.

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

ADVANCED PACKAGING TECHNOLOGY (M) BHD.

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# NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Eighteenth 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, 30 May 2000 at 10.30 a.m. for the following purposes:-

## AGENDA

- 1) To receive the Audited Accounts for the year ended 31 December 1999 and the Directors' and Auditors' Reports thereon. **(Resolution 1)**
- 2) To approve the payment of a tax exempt final dividend of 4.95% and a tax exempt special dividend of 3.00% for the financial year ended 31 December 1999. **(Resolution 2)**
- 3) To approve the payment of Directors' Fees of RM198,000.00 for the year ended 31 December 1999. (1998: RM120,000.00) **(Resolution 3)**
- 4) To re-elect the following Directors who retire in accordance with Article 80 of the Company's Articles of Association:
  - Dato' Law Sah Lim **(Resolution 4)**
  - Tuan Haji Ghazali b. Mat Ariff **(Resolution 5)**
  - Mr Mah Siew Seng **(Resolution 6)**
- 5) To re-elect Mr Ng Choo Phuan @ Kuan Choo Phuan pursuant to Section 129(6) of the Companies Act, 1965 **(Resolution 7)**
- 6) To re-appoint Messrs Pannell Kerr Forster as Auditors of the Company and to authorise the Directors to fix their remuneration **(Resolution 8)**
- 7) To transact any other ordinary business for which due notice shall have been given.

# Notice Of Annual General Meeting (Cont'd)

## NOTICE OF BOOKS CLOSURE

NOTICE IS HEREBY GIVEN that the Share Transfer Books and Register of Members will be closed from 3 July 2000 to 4 July 2000, both dates inclusive, to determine shareholders' entitlement to payment of a tax exempt final dividend of 4.95% and a tax exempt special dividend of 3.00% for the financial year ended 31 December 1999. The dividend, if approved, will be paid on 18 July 2000 to shareholders registered in the books of the Company at the close of business on 30 June 2000.

A Depositor shall qualify for entitlement only in respect of:

- a) Shares transferred to the Depositor's securities account before 12.30 p.m. on 30 June 2000 in respect of ordinary transfers.
- 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

12 May 2000

## NOTES:

1. 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.
2. 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.
3. The instrument appointing a proxy must be deposited at the Company's Registered Office at 23B, Jalan 52/1, 46200 Petaling Jaya, Selangor Darul Ehsan not less than forty-eight hours before the time appointed for holding the meeting or any adjournment thereof.

# CORPORATE INFORMATION

## 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**

**Haji Ghazali B. Mat Ariff**

**Mah Siew Seng**

**Datuk Ismail Bin Haji Ahmad**

## SECRETARY

**Goon Kok Keong**  
(MAICSA 0698849)

## AUDITORS

**Pannell Kerr Forster**  
Public Accountants

## AUDIT COMMITTEE

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

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

**Yeo Tek Ling**  
Executive Director

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

## REGISTERED OFFICE

23B, Jalan 52/1  
46200 Petaling Jaya  
Selangor Darul Ehsan  
Tel: 03-757 0094

## 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  
(Formerly known as  
Bank of Commerce (M) Berhad)

## STOCK EXCHANGE LISTING

Kuala Lumpur Stock Exchange Second Board

# AUDIT COMMITTEE

## TERMS OF REFERENCE

### 1. 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.

## Audit Committee (Cont'd)

### 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 three meetings in 1999 in the presence of external auditors.



# CHAIRMAN'S STATEMENT

On behalf of the Board of Directors, I am pleased to present to you the Annual Report and Accounts for the financial year ended 31 December, 1999.

## FINANCIAL PERFORMANCE

The company recorded an overall improvement in its performance for the year ended 31 December, 1999 as a result of economic recovery in the country. Net profit before tax and exceptional items rose 37.37% from RM4.74 million in 1998 to RM6.51 million in 1999. Turnover also improved by 21.16% from RM21.77 million in the previous corresponding year to RM26.38 million in 1999.

## PROSPECTS

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 and a tax exempt special dividend of 3 sen per share for the financial year ended 31 December 1999 for approval at the forthcoming Annual General Meeting.

## ACKNOWLEDGEMENT

I would like to take this opportunity to extend our appreciation and gratitude to our valued customers, business associates, bankers, government authorities and shareholders for their continued support.

I also wish to place on record my sincere appreciation to the Management and staff for their invaluable contribution and hard work during the year and I hope that their contribution will continue in the years ahead.

**DATO' LAW SAH LIM**

Chairman

20 April 2000

# REPORT OF THE AUDITORS TO THE MEMBERS

We have audited the accounts set out on pages 13 to 20 of Advanced Packaging Technology (M) Bhd, comprising of the balance sheet of the Company and the notes to the accounts at 31 December 1999 and of the profit and loss accounts and the cash flow statement of the Company for the year ended on that date.

The preparation of the financial statements are 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 issued by the Malaysian Institute of Accountants. These standards require that we plan and perform the audit to obtain all the information and explanations, which we considered necessary to provide us with sufficient evidence to give reasonable assurance that the financial statements are free of material misstatement. Our audit includes examining, on a test basis, evidence relevant to the amounts and disclosures in the financial statements. Our audit 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 which have been prepared under the historical cost convention, are properly drawn up in accordance with the provisions of the Companies Act, 1965 and applicable approved accounting standards so as to give a true and fair view of:
  - (i) the matters required by Section 169 of the Companies Act, 1965 to be dealt with in the accounts of the Company;
  - (ii) the state of affairs of the Company as at 31 December 1999 and of the results of the operations and of the cash flows of the Company for the year ended on that date; 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. 251/3/01 (J/PH)**  
**PARTNER OF THE FIRM**

Kuala Lumpur

20 April 2000

# DIRECTORS' REPORT

The Directors have pleasure in submitting their report and the audited accounts of the Company for the financial year ended 31 December 1999.

## PRINCIPAL ACTIVITIES

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

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

## FINANCIAL RESULTS

	RM
Profit after taxation and exceptional item	6,429,529
Retained profits brought forward	15,041,574
	<hr/>
Profits available for appropriation	21,471,103
Dividend:	
Proposed tax exempt dividend of 4.95% (1998: 4.95%)	(902,187)
Proposed tax exempt special dividend of 3.00% (1998: Nil)	(546,780)
	<hr/>
Retained profits carried forward	20,022,136

In the opinion 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 for the financial year ended 31 December 1998 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 and a tax exempt special dividend of 3.00% amounting to RM546,780 for the financial year ended 31 December 1999.

## Directors' Report (Cont'd)

### RESERVES AND PROVISIONS

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

### DIRECTORS

The Directors of the Company 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  
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, Dato' Law Sah Lim, Haji Ghazali B. Mat Ariff and Mah Siew Seng retire and, being eligible, offer themselves for re-election.

Ng Choo Phuan @ Kuan Choo Phuan who is over seventy years of age, retires in accordance with Section 129(2) of the Companies Act, 1965 and offers himself 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' INTEREST IN SHARES

The Directors in office holding an interest in shares in the Company at the end of the financial year, according to the register required to be kept under Section 134 of the Companies Act, 1965, are as follows:-

	NUMBER OF ORDINARY SHARES OF RM1 EACH		
	Balance as at 1.1.99	Acquired/(Disposed)	Balance as at 31.12.99
Dato' Law Sah Lim	4	-	4
Md. Marzuki Bin Ahmad	728,636	(147,000)	581,636
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.

## Directors' Report (Cont'd)

### DIRECTORS' 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 10 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 or debentures in the Company or any other body corporate.

### OTHER STATUTORY INFORMATION

Before the profit and loss account and balance sheet of the Company were made out, the Directors took reasonable steps:

- (a) to ascertain that 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 or provided for bad and doubtful debts of the Company inadequate to any material extent or the values attributed to current assets of the Company misleading; 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.

## Directors' Report (Cont'd)

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

### AUDITORS

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

On behalf of the Board,

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**TJIN KIAT @ TAN CHENG KEAT**

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**NG CHOO TIM**

Petaling Jaya

20 April 2000

# BALANCE SHEET

## AS AT 31 DECEMBER 1999

	Note	1999 RM	1998 RM
ASSETS EMPLOYED:			
FIXED ASSETS	3	8,487,210	9,528,550
CURRENT ASSETS			
Stocks	4	6,854,124	3,651,083
Trade debtors	5	7,408,913	5,211,558
Other debtors, deposits & prepayments		367,312	684,281
Deposits with licensed banks		20,000,000	18,500,000
Cash & bank balances		1,930,843	2,566,100
		<b>36,561,192</b>	<b>30,613,022</b>
CURRENT LIABILITIES			
Trade creditors		2,115,622	1,230,337
Bills payable		91,207	324,947
Other creditors & accruals		1,375,454	1,324,915
Amount owing to Directors	6	198,000	120,000
Taxation		-	1,346,733
Proposed dividend		1,448,967	902,187
		<b>5,229,250</b>	<b>5,249,119</b>
NET CURRENT ASSETS		<b>31,331,942</b>	<b>25,363,903</b>
		<b>39,819,152</b>	<b>34,892,453</b>
FINANCED BY:			
SHARE CAPITAL	7	18,226,000	18,226,000
RETAINED PROFITS	8	20,022,136	15,041,574
SHAREHOLDERS' FUNDS		<b>38,248,136</b>	<b>33,267,574</b>
DEFERRED TAXATION	9	1,314,000	1,416,000
PROVISION FOR RETIREMENT BENEFITS		257,016	208,879
		<b>39,819,152</b>	<b>34,892,453</b>

*The annexed notes form an integral part of the accounts*

# PROFIT AND LOSS ACCOUNT

## FOR THE YEAR ENDED 31 DECEMBER 1999

	Note	1999 RM	1998 RM
TURNOVER	2(e)	<b>26,380,996</b>	21,773,738
PROFIT BEFORE TAXATION AND EXCEPTIONAL ITEM	10	<b>6,506,058</b>	4,736,008
EXCEPTIONAL ITEM	11	<b>(48,797)</b>	73,045
PROFIT BEFORE TAXATION BUT AFTER EXCEPTIONAL ITEM		<b>6,457,261</b>	4,809,053
TAXATION	12	<b>(27,732)</b>	(1,470,559)
PROFIT AFTER TAXATION AND EXCEPTIONAL ITEM		<b>6,429,529</b>	3,338,494
RETAINED PROFITS BROUGHT FORWARD		<b>15,041,574</b>	12,605,267
		<b>21,471,103</b>	15,943,761
LESS : PROPOSED DIVIDEND @ 4.95% (TAX EXEMPTED)		<b>(902,187)</b>	(902,187)
PROPOSED SPECIAL DIVIDEND @ 3.00% (TAX EXEMPTED)		<b>(546,780)</b>	-
RETAINED PROFITS CARRIED FORWARD		<b>20,022,136</b>	15,041,574
EARNINGS PER SHARE	13	<b>35.28 SEN</b>	18.32 SEN

*The annexed notes form an integral part of the accounts*



# CASH FLOW STATEMENT

## FOR THE YEAR ENDED 31 DECEMBER 1999

	1999 RM	1998 RM
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation but after exceptional item	6,457,261	4,809,053
Adjustments for :		
Depreciation	1,105,852	1,259,115
Fixed assets written off	-	2,241
Interest income	(1,408,118)	(1,756,315)
Profit on sale of fixed assets	(57,865)	(662)
Provision for doubtful debts:		
- Specific	(39,080)	351,568
- General	155,000	150,000
Retirement benefits	48,137	33,905
<b>Operating profit before working capital changes</b>	<b>6,261,187</b>	<b>4,848,905</b>
(Increase)/Decrease in inventories	(3,203,041)	1,204,528
(Increase)/Decrease in trade and other receivables	(1,996,306)	409,439
Increase/(Decrease) in trade and other payables	780,084	(330,103)
<b>Cash generated from operations</b>	<b>1,841,924</b>	<b>6,132,769</b>
Income taxes paid	(1,476,465)	(1,597,826)
Retirement benefits paid	-	(14,292)
<b>Net cash from operating activities</b>	<b>365,459</b>	<b>4,520,651</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of fixed assets	(66,997)	(139,388)
Proceeds from sale of fixed assets	60,350	10,000
Interest received on fixed deposits	1,408,118	1,756,315
<b>Net cash generated from investing activities</b>	<b>1,401,471</b>	<b>1,626,927</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Dividends paid	902,187	902,187
<b>Net cash used in financing activities</b>	<b>(902,187)</b>	<b>(902,187)</b>
<b>Net increase in cash and cash equivalents</b>	<b>864,743</b>	<b>5,245,391</b>
<b>Cash and cash equivalents at beginning of the year</b>	<b>21,066,100</b>	<b>15,820,709</b>
<b>Cash and cash equivalents at end of the year</b>	<b>21,930,843</b>	<b>21,066,100</b>

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*The annexed notes form an integral part of the accounts*

# NOTES TO THE ACCOUNTS

31 DECEMBER 1999

## 1. PRINCIPAL ACTIVITIES

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

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

## 2. SIGNIFICANT ACCOUNTING POLICIES

### (a) Basis of Accounting

The accounts of the Company have been prepared under the historical cost convention and comply with approved accounting standards.

### (b) Fixed Assets and Depreciation

Fixed assets are stated at cost less accumulated depreciation.

Depreciation on fixed assets is calculated on a straight line basis at the following annual rates based on their estimated useful lives:-

Building	2% - 10%
Factory Equipment & Tools	10%
Furniture & Fittings	10%
Long Term Leasehold Land	1%
Motor Vehicles	20%
Office Equipment	10% - 20%
Plant & Machinery	7 <sup>1</sup> / <sub>2</sub> % - 10%

### (c) Stocks

Stocks 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 stocks 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 converted into Malaysian Ringgit at the rate of exchange ruling at the date of transactions. Assets and liabilities in foreign currencies at the balance sheet date have been translated into Malaysian Ringgit at the rate of exchange ruling at that date. Gains or losses on foreign exchange are taken up in the profit and loss account.

### (e) Turnover

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

## Notes To The Accounts (Cont'd)

### (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 accounts 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 and bank balances, and deposits with licensed banks.

## 3. FIXED ASSETS

	Building RM	Factory Equipment & Tools RM	Furniture & Fittings RM	Long Term Leasehold Land RM	Motor Vehicles RM	Office Equipment RM	Plant & Machinery RM	Total RM
<b>COST</b>								
At beginning of year	4,094,920	413,057	102,624	739,000	799,991	280,195	13,216,618	19,646,405
Additions	-	290	3,435	-	-	17,171	46,101	66,997
Disposals	-	(14,705)	-	-	-	(3,870)	(1,987,251)	(2,005,826)
At end of year	<u>4,094,920</u>	<u>398,642</u>	<u>106,059</u>	<u>739,000</u>	<u>799,991</u>	<u>293,496</u>	<u>11,275,468</u>	<u>17,707,576</u>
<b>ACCUMULATED DEPRECIATION</b>								
At beginning of year	896,238	220,859	65,894	101,675	538,125	181,414	8,113,650	10,117,855
Charge for the year	82,273	34,991	8,766	7,390	124,624	28,054	819,754	1,105,852
Disposal during the year	-	(14,705)	-	-	-	(1,387)	(1,987,249)	(2,003,341)
At end of year	<u>978,511</u>	<u>241,145</u>	<u>74,660</u>	<u>109,065</u>	<u>662,749</u>	<u>208,081</u>	<u>6,946,155</u>	<u>9,220,366</u>
<b>NET BOOK VALUE</b>								
At 31 December 1999	<u>3,116,409</u>	<u>157,497</u>	<u>31,399</u>	<u>629,935</u>	<u>137,242</u>	<u>85,415</u>	<u>4,329,313</u>	<u>8,487,210</u>
At 31 December 1998	<u>3,198,682</u>	<u>192,198</u>	<u>36,730</u>	<u>637,325</u>	<u>261,866</u>	<u>98,781</u>	<u>5,102,968</u>	<u>9,528,550</u>

## Notes To The Accounts (Cont'd)

### 4. STOCKS

	1999 RM	1998 RM
Raw materials	4,964,710	2,581,653
Indirect materials	10,198	13,558
Work-in-progress	487,321	328,840
Finished goods	707,672	341,549
Cylinder stocks	388,432	325,953
Consumable stock	116,897	51,582
Goods-in-transit	178,894	7,948
	<u>6,854,124</u>	<u>3,651,083</u>

### 5. TRADE DEBTORS

	1999 RM	1998 RM
Amounts outstanding	8,458,200	6,529,262
Less: Provision for doubtful debts		
- specific	(144,287)	(567,704)
- general	(905,000)	(750,000)
	<u>7,408,913</u>	<u>5,211,558</u>

### 6. AMOUNT OWING TO DIRECTORS

The amount owing to Directors consists of Directors' fees which is unsecured, interest free and with no fixed terms of repayment.

### 7. SHARE CAPITAL

	1999 RM	1998 RM
Ordinary shares of RM1 each:		
Authorised	25,000,000	25,000,000
Issued and fully paid	<u>18,226,000</u>	<u>18,226,000</u>

## Notes To The Accounts (Cont'd)

### 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 1999 without incurring additional tax liability.

Subject to agreement with the tax authorities, the Company has tax exempt profits of approximately RM9,191,000 (1998: RM2,456,000) to distribute as tax exempt dividends.

### 9. DEFERRED TAXATION

	1999 RM	1998 RM
As at 1 January	1,416,000	1,440,000
Transferred to Profit and Loss Account	(102,000)	(24,000)
As at 31 December	<u>1,314,000</u>	<u>1,416,000</u>

### 10. PROFIT BEFORE TAXATION

	1999 RM	1998 RM
Profit before taxation and exceptional item is arrived at:-		
After charging:		
Auditors' remuneration	18,000	18,000
Bad debts written off	-	4,445
Cost of goods sold	18,972,814	16,642,920
Depreciation (Note 3)	1,105,852	1,259,115
Directors' remuneration	198,000	120,000
- Fees	362,136	331,526
- Salaries & EPF	156,085	154,674
- Bonus & EPF	23,900	23,900
Estimated cash value of benefits-in-kind for Directors	-	2,241
Fixed assets written off	(39,080)	351,568
Provision for doubtful debts	155,000	150,000
- specific	48,137	33,905
- general	83,064	139,508
Retirement benefits		
Stocks written off		
After crediting:		
Bad debt recovered	384,336	293,541
Gain on exchange	34,961	202,674
Interest income	1,408,118	1,756,315
Profit on sale of fixed assets	<u>57,865</u>	<u>662</u>

## Notes To The Accounts (Cont'd)

### 11. EXCEPTIONAL ITEM

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

### 12. TAXATION

	1999 RM	1998 RM
Malaysian taxation based on the results for the year	-	1,346,733
Under provision in previous year	129,732	147,826
	<u>129,732</u>	<u>1,494,559</u>
Transferred from deferred taxation (Note 9)	(102,000)	(24,000)
	<u>27,732</u>	<u>1,470,559</u>

In view of the waiver granted under the Income Tax (Amendment) Bill 1999, no provision for taxation has been made in the accounts.

### 13. EARNINGS PER SHARE

Earnings per share for the current year is based on profit after taxation and exceptional item of RM6,429,529 (1998: RM3,338,494) over the issued share capital of 18,226,000 (1998: 18,226,000) ordinary shares.

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

	1999 RM	1998 RM
Cash and bank balances	1,930,843	2,566,100
Deposits with licensed banks	20,000,000	18,500,000
	<u>21,930,843</u>	<u>21,066,100</u>

### 15. CAPITAL COMMITMENTS

	1999 RM	1998 RM
Approved and contracted for	<u>4,500,000</u>	<u>-</u>

### 16. SEGMENT INFORMATION

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

## 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 accompanying balance sheet of the Company as at 31 December 1999 and the profit and loss account and the cash flow statement of the Company for the year then ended, together with the notes thereto, give a true and fair view of the state of affairs of the Company as at 31 December 1999 and of the results and cash flows of the Company for the year then ended, and have been properly drawn up in accordance with applicable approved accounting standards.

On behalf of the Board,

TJIN KIAT @ TAN CHENG KEAT	)	
	)	
	)	Directors
	)	
NG CHOO TIM	)	

20 April 2000

## 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 the accompanying balance sheet of the Company as at 31 December 1999 and the related profit and loss account and the cash flow statement of the Company for the year then ended, together with the notes thereto are, to the best of my knowledge and belief 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 TJIN KAT @ TAN CHENG KEAT	)	TJIN KIAT @ TAN CHENG KEAT
at Kuala Lumpur in Wilayah Persekutuan	)	
this 20 day of April 2000	)	

Before me,

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

## LIST OF PROPERTIES

AS AT 31 DECEMBER 1999

Location	Description / Existing Use	Land (Built-up) Area Sq. m.	Tenure	Age of Building	Net Book Value
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	16 years old	RM3,746,344

## ANALYSIS OF SHAREHOLDINGS

AS AT 31 MARCH 2000

### SHAREHOLDERS

The company had 1,203 shareholders as at 31 March 2000. There is only one class of share, namely ordinary share of RM1.00 each

### ANALYSIS BY SIZE OF SHAREHOLDINGS AS AT 31 MARCH 2000

Size of Shareholdings	Shareholders	%	Shareholdings	%
1 - 499	5	0.42	896	0.01
500 - 5,000	1,018	84.62	1,735,755	9.52
5,001 - 10,000	83	6.90	639,746	3.51
10,001 and Above	97	8.06	15,849,603	86.96
<b>GRAND TOTAL</b>	<b>1,203</b>	<b>100.00</b>	<b>18,226,000</b>	<b>100.00</b>



## Analysis Of Shareholdings (Cont'd)

### SUBSTANTIAL SHAREHOLDERS AS AT 31ST MARCH 2000

Name of Shareholders	No of Shares	%
Gim Bee Holdings Sdn Bhd	1,545,110	8.48
Permodalan Nasional Berhad	1,335,000	7.32
Lee Ng Mah @ Lee Wai Chan	1,058,347	5.81
Chee Chin Tsai	906,415	4.97
Tjin Kiat @ Tan Cheng Keat	897,057	4.92
Chee Chin Hung	859,105	4.71
Liew Say Fah	800,000	4.39
Md. Marzuki Bin Ahmad	581,636	3.19
Siow Chung Peng	497,000	2.73
Cartaban Nominees (Asing) Sdn Bhd (Bank of Tokyo Mitsubishi Luxembourg A/c for Osterreichische Volksbanken AG)	452,000	2.48
Ng Choo Tim	444,264	2.44
Ng Chow Yok	441,464	2.42
Teoh Ee Yeong @ Teoh Keat Siang	431,000	2.36
Eu Hock Seng	395,965	2.17

### DIRECTORS' SHAREHOLDINGS AS AT 21 JANUARY 2000

Name	No of Shares	%
Dato' Law Sah Lim	4	-
Md. Marzuki bin Ahmad	581,636	3.19
Tjin Kiat @ Tan Cheng Keat	897,057	4.92
Yeo Tek Ling	10,817	0.06
Ng Choo Tim	444,264	2.44
Eu Hock Seng	395,965	2.17
Ng Choo Phuan @ Kuan Choo Phuan	232,885	1.28
Chee Sam Fatt	9,000	0.05
Haji Ghazali b. Mat Ariff	-	-
Mah Siew Seng	-	-
Datuk Ismail bin Haji Ahamd	-	-

## Analysis Of Shareholdings (Cont'd)

### TWENTY(20) LARGEST SHAREHOLDERS AS AT 31ST MARCH 2000

Name of Shareholders	No of Shares	%
Gim Bee Holdings Sdn Bhd	1,545,110	8.48
Permodalan Nasional Berhad	1,335,000	7.32
Lee Ng Mah @ Lee Wai Chan	1,058,347	5.81
Chee Chin Tsai	906,415	4.97
Tjin Kiat @ Tan Cheng Keat	897,057	4.92
Chee Chin Hung	859,105	4.71
Liew Say Fah	800,000	4.39
Md. Marzuki Bin Ahmad	581,636	3.19
Siow Chung Peng	497,000	2.73
Cartaban Nominees (Asing) Sdn Bhd (Bank of Tokyo Mitsubishi Luxembourg A/c for Osterreichische Volksbanken AG)	452,000	2.48
Ng Choo Tim	444,264	2.44
Ng Chow Yok	441,464	2.42
Teoh Ee Yeong @ Teoh Keat Siang	431,000	2.36
Eu Hock Seng	395,965	2.17
Law Mong Yong	350,378	1.92
Ng Soh Hin	316,000	1.73
Tan Wooi Bee @ Nur Huda Tan	290,825	1.60
Ng Choo Phuan @ Kuan Choo Phuan	232,885	1.28
Tan Kok Chiew	226,285	1.24
Citicorp Nominees (Tempatan) Sdn Bhd (Wong Chee Weng)	205,000	1.12



**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, 30 May 2000 at 10.30 a.m. and at any adjournment thereof on the following resolutions in the manner indicated below:-

RESOLUTIONS	FOR	AGAINST
1) To receive the Audited Accounts and the Directors' and Auditors' Reports thereon		
2) To approve the payment of a tax exempt final dividend of 4.95% and a tax exempt special dividend of 3.00%		
3) To approve the payment of Directors' Fees		
4) To re-elect Dato' Law Sah Lim as Director		
5) To re-elect Tuan Haji Ghazali b. Mat Ariff as Director		
6) To re-elect Mr. Mah Siew Seng as Director		
7) To re-elect Mr. Ng Choo Phuan @ Kuan Choo Phuan as Director		
8) 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 .....2000

.....  
Signature

No. of Shares held

**Notes:**

- 1) 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.
- 2) 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.
- 3) 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:**

Ref. No: .....

Date received: .....

Officer in charge: .....

Date of first contact with complainant: .....

**STATUS AFTER 14 DAYS:**

☐ Resolved

☐ Pending

**DETAILS**

.....

.....

.....

.....

.....

.....

**CONTACT DETAILS**

Group Communications Division

Kuala Lumpur Stock Exchange

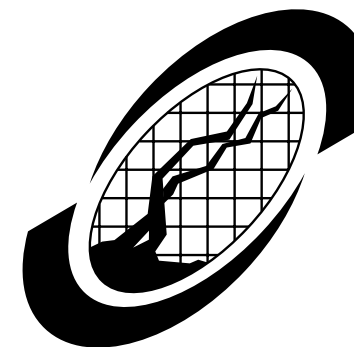
Exchange Square, Bukit Kewangan

50200 Kuala Lumpur

Tel : (03) 468 0755

Fax : (03) 206 3700

**KUALA LUMPUR STOCK EXCHANGE**



**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 occurs.

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 : .....

Telephone no : House .....

Business .....

H/Phone .....

#### DETAILS OF PUBLIC LISTED COMPANY

Name : .....

Address : .....

#### 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.

.....

.....

.....

#### 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 : .....