

KUMPULAN PERANGSANG SELANGOR BERHAD
(Company No. 197501002218/ 23737-K)
(Incorporated in Malaysia)

Minutes of the Forty-Fourth Annual General Meeting (“44th AGM”) of Kumpulan Perangsang Selangor Berhad (“KPS or the Company”) held virtually from the KPS Corporate Office, 17th Floor, Plaza Perangsang, Persiaran Perbandaran, 40000 Shah Alam, Selangor Darul Ehsan and via the TIIH online website at <https://tiih.online> on Tuesday, 25 May 2021 at 10.00 a.m.

Present live streaming via TIIH Online website at <https://tiih.online> with Remote Participation and Voting (“RPV”) facilities : **Members, Corporate Representatives and Proxies**
As per Attendance List in **Appendix 1.**

Present at KPS Corporate Office

Board of Directors (“Board”)

- 1) Dato’ Nor Azmie bin Diron (Chairman)
- 2) Encik Ahmad Fariz bin Hassan, Managing Director/ Group Chief Executive Officer (“MD/GCEO”)

Present via Zoom platform

- 3) Encik Soffan Affendi bin Aminudin
- 4) YBhg Dato’ Idris bin Md Tahir
- 5) YBhg Dato’ Ikmal Hijaz bin Hashim
- 6) Puan Norliza binti Kamaruddin
- 7) Mr Koay Li Onn (Leon)
- 8) YBhg Dato’ Noorazman bin Abd Aziz

Present at KPS Corporate Office

Management

- 1) Puan Suzila binti Khairuddin
Deputy Chief Executive Officer, Finance and Corporate Services (“DCEOFCS”)
- 2) Encik Azlan bin Abd Jalil
Deputy Chief Executive Officer, Strategy & Investments (“DCEOSI”)

Present by invitation via Zoom platform

- 1) Mr Rejesh a/l Balasubramaniam, Representative from Messrs BDO PLT (External Auditors)

In attendance : Puan Hashimah binti Mohd Isa (Company Secretary)
Puan Selfia binti Muhammad Effendi (Company Secretary)

CHAIRMAN

Dato’ Nor Azmie bin Diron (“Dato’ Chairman”) presided as Chairman of the meeting.

NOTICE OF MEETING

The notice convening the meeting, having been circulated earlier to all members of the Company via e-Communication and duly advertised in “The Star” within the prescribed period, was taken as read.

QUORUM

On behalf of the Board and Management, Dato' Chairman welcomed all shareholders and invited guests who were present remotely from various locations through live streaming to the 44th AGM of KPS.

Thereafter, upon confirmation by the Secretary on the presence of the requisite quorum, Dato' Chairman called the meeting to order at 10.05 a.m.

OPENING REMARKS

Dato' Chairman informed the meeting that it is the second time for KPS holding its AGM virtually arising from COVID-19 which is in line with Guidance Notes of the Securities Commission Malaysia ("SC") as well as the advice of the health authorities as part of the safety measures to curb the spread of the virus.

Dato' Chairman added that 2020 was a trying year that demanded the Board and Management action and empathy, as the pandemic affected KPS all in more ways than one. It was a year like no other as it changed the way people live and work. KPS was subjected to significant challenges like other companies, both operationally and financially.

Having exerted efforts to bridge business recovery by closely monitoring the situation, Management ensured timely responses and measures to effectively manage and mitigate operational and financial risks. While safeguarding operational strength and financial capacity, the Board is committed to keep the continuance of value creation initiatives across all of KPS subsidiary companies.

Dato' Chairman informed the shareholders that Encik Koay Li Onn (Leon) ("Encik Leon Koay"), who would be retiring as a director at the conclusion of the forthcoming AGM pursuant to Clause 76(3) of the Company's Constitution, had vide a letter dated 7 May 2021 indicated that he does not wish to seek re-election as Director at this forthcoming AGM. Hence, he would retire and cease to be a director of KPS upon the conclusion of the 44th AGM. As such, the Ordinary Resolution 4 would not be put to vote at this AGM.

Before proceeding with the Agenda, Dato' Chairman invited the MD/GCEO to provide an overview of the Company's performance for 2020, its achievements, strategy and prospects going forward to the shareholders as per **Appendix 2** attached.

The MD/GCEO thanked the shareholders for their participation and shared his presentation entitled 'Business Review and Prospects' covering, the following:

- i) 2020 Report Card;
- ii) 2020 Financial Highlights;
- iii) Share Price Performance & Dividend;
- iv) Commitment to Economic, Environmental, Social and Governance ("EESG");
- v) Awards & Accolades;
- vi) Economic & Industry Outlook
- vii) Prospect & CAPEX Plan;

Following that, Dato' Chairman thanked the MD/GCEO for the presentation and informed the meeting that any questions pertaining to the MD/GCEO's presentation would be addressed during Q&A session later.

Before Dato' Chairman proceeded to the first (1st) item of the Agenda, he drew the shareholders' attention to the procedures in tabling and approving resolutions. The six (6) ordinary resolutions as set out in the AGM Notice shall be put to vote by polling as per Bursa Malaysia Securities Berhad ("Bursa Securities")' Main Market Listing Requirements ("MMLR"). Pursuant to Clause 63(3) of the Company's Constitution, voting by way of poll accords one vote for every one share held by the shareholder.

Thereafter, Dato' Chairman explained the sequence of the flow for the meeting as follows:

- i) He will go through all the six (6) ordinary resolutions as set out in the AGM Notice;
- ii) Followed by the Questions and Answers ("Q&A") session which shareholders/proxies have posted their questions in the query box upon logging in to join the live streaming. Time allocated for the session was approximately 45 minutes and the Board/Management would endeavour to answer the shareholders questions posed which are related to the business of 44th AGM. Nevertheless, in the event that the Board/Management were unable to answer all the relevant questions in the allotted time, the responses to the remaining questions would either be sent via email to the shareholders at the earliest possible, after the meeting or posted on the Company's website;
- iii) After the Q&A session, all the six (6) resolutions would then be put to vote remotely by using the Remote Participation & Voting ("RPV") applications. The Board/Management would also allocate sufficient time for the shareholders to vote via the RPV during the session.

Dato' Chairman added that the Company has appointed Tricor Investor & Issuing House Service Sdn Bhd ("Tricor") as Poll Administrators and Asia Securities Sdn Bhd ("Asia Securities") as Independent Scrutineer.

To facilitate the voting via RPV, the online remote voting would be accessible from 10.00 a.m. until a time to be announced later.

Dato' Chairman invited Tricor to broadcast the video tutorial on the voting procedure and how to raise questions at the meeting through the RPV application.

Dato' Chairman thanked Tricor for the video tutorial and proceeded with the following Agenda of the Meeting.

1. AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020 AND THE REPORTS OF DIRECTORS AND AUDITORS

The Audited Financial Statements for the financial year ended 31 December 2020 together with the Reports of Directors and the Auditors ("AFS") thereon having been circulated to all the shareholders of the Company within the statutory period were tabled to the meeting for discussion.

It was noted that, pursuant to Section 251(1)(a) of the Companies Act 2016 ("CA 2016"), the AFS shall be approved by the Board and as such no formal approval of the shareholders for the AFS was required. Nevertheless, under Section 244(2)(a) of CA 2016 the AFS shall be circulated to the members and laid before the Company at its Annual General Meeting ("AGM").

In view of the above, Dato' Chairman declared that the AFS for the financial year ended 31 December 2020 together with the reports of the Directors and the Auditors laid at this AGM

in accordance with Section 340(1)(a) of the CA2016, be and hereby received.

2. ORDINARY RESOLUTION 1 – DECLARATION OF SINGLE TIER FINAL DIVIDEND OF 2.5 SEN PER SHARE

The meeting proceeded to Ordinary Resolution 1 in relation to single-tier final dividend of 2.5 sen in respect of the financial year ended 31 December 2020.

The single-tier final dividend if approved would be paid on 24 June 2021 to the members based on record of Depositors at the close of business on 31 May 2021.

Dato' Chairman informed the meeting that the motion to vote by poll would be conducted after the Q&A session and henceforth, he proceeded with the next Agenda item.

**3. ORDINARY RESOLUTION 2
- RE-ELECTION OF DIRECTOR – DATO' IDRIS BIN MD TAHIR (“DATO' IDRIS”)**

The meeting proceeded to Ordinary Resolution 2 which was to re-elect Dato' Idris as Independent Director of the Company, who retired pursuant to Clause 76(3) of the Company's Constitution.

Dato' Chairman informed the meeting that Dato' Idris was subjected to retirement pursuant to Clause 76(3) of the Company's Constitution and being eligible for re-election, has offered himself for re-election. Dato' Idris was appointed to the Board since 15 August 2013 and profile of Dato' Idris could be found on page 96 of the Annual Report 2020.

It was noted that in line with the best practice in corporate governance, the Board has conducted assessment on Dato' Idris based on relevant performance criteria. In this respect, the Board has approved the recommendation of its Nomination and Remuneration Committee (“NRC”) that Dato' Idris was eligible to stand for re-election.

Since voting would be conducted on a poll after the Q&A session, Dato' Chairman proceeded with the next item on the Agenda.

**4. ORDINARY RESOLUTION 3
- RE-ELECTION OF DIRECTOR – PUAN NORLIZA BINTI KAMARUDDIN (“PUAN NORLIZA”)**

Dato' Chairman proceeded with Ordinary Resolution 3 which was to re-elect Puan Norliza as Independent Director of the Company, who retired pursuant to Clause 76(3) of the Company's Constitution.

Dato' Chairman informed the meeting that Puan Norliza was subjected to retirement pursuant to Clause 76(3) of the Company's Constitution and being eligible for re-election, has offered herself for re-election. Puan Norliza was appointed to the Board since 6 April 2018 and profile of Puan Norliza could be found on page 98 of the Annual Report 2020.

It was noted that in line with the best practice in corporate governance, the Board has conducted assessment on Puan Norliza based on relevant performance criteria. In this respect, the Board has approved the recommendation of its NRC that Puan Norliza was eligible to stand for re-election.

Since voting would be conducted on a poll after the Q&A session, the meeting proceeded with the next item on the Agenda.

5. RETIREMENT OF ENCIK KOAY LI ONN (LEON) (“ENCIK LEON KOAY”) AS DIRECTOR OF KPS PURSUANT TO CLAUSE 76(3) OF THE COMPANY’S CONSTITUTION

Dato’ Chairman informed the meeting that Encik Leon Koay, who retired as a Director of the Company at the conclusion of this 44th AGM pursuant to Clause 76(3) of the Company’s Constitution, had vide a letter dated 7 May 2020 indicated that he did not wish to seek for re-election as Director at this 44th AGM. Hence, he retired and ceased to be a Director of KPS at the conclusion of the 44th AGM.

**6. ORDINARY RESOLUTION 5
- PAYMENT OF DIRECTORS’ REMUNERATION UP TO AN AMOUNT OF RM1,818,352 IMMEDIATELY AFTER THE 44TH AGM UNTIL THE NEXT AGM OF THE COMPANY**

The meeting proceeded to Ordinary Resolution 5, to consider the recommended payment of Directors’ Remuneration to the Directors up to an amount of RM1,818,352.00 until the next AGM of the Company. Section 230(1) of CA 2016, which provides amongst others, that “the fees” of the directors and “any benefits” payable to the directors of a listed company and its subsidiaries shall be approved at a general meeting.

Dato’ Chairman elaborated that the payment was in respect of the directors’ fees and benefits payable to the Non-Executive Directors’ of the Company and its subsidiaries for the period of about 12 months from 25 May 2021 until the next AGM of the Company. Dato’ Chairman referred to Explanatory Note 4 on page 316 of the Annual Report 2020 for more details on the Ordinary Resolution 5.

Since voting would be conducted on a poll after the Q&A session, Dato’ Chairman proceeded with the next item on the Agenda.

**7. ORDINARY RESOLUTION 6
- PROPOSED RE-APPOINTMENT OF AUDITORS – BDO PLT**

Dato’ Chairman proceeded to Ordinary Resolution 6 and the meeting was requested to consider the re-appointment of the retiring Auditors, Messrs BDO PLT who have indicated their willingness to continue office as Auditors of the Company for the next financial year, and to authorise the Directors to fix the Auditors’ remuneration.

Dato’ Chairman informed the meeting that the Board recommended for approval of the re-appointment of Messrs BDO as the External Auditors of KPS for 2021 based on the Board Audit Committee’s recommendation.

Since voting would be conducted on a poll after the Q&A session, Dato’ Chairman proceeded with the next item on the Agenda.

**8. ORDINARY RESOLUTION 7
- PROPOSED RENEWAL OF EXISTING SHAREHOLDERS’ MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS (“RRPT”) OF A REVENUE OR TRADING NATURE**

The meeting proceeded to Ordinary Resolution 7 which was to obtain the Members’ approval for the Proposed Renewal of Shareholders’ Mandate for RRPT of a Revenue or

Trading nature. The full text of this Ordinary Resolution 7 was set out in the Notice of Meeting.

Since there was no objection, Dato' Chairman declared that the full text of the Ordinary Resolution 7 be taken as read.

Dato' Chairman highlighted that before putting the propose Ordinary Resolution 7 to vote, those who were deemed interested in the proposal including himself as detailed in the Circular to Shareholders dated 26 April 2021, were reminded to abstain from voting on the same. However, he informed that he would vote in his capacity as proxy in accordance with instructions received from non-interested shareholders who have appointed the Chairman of the meeting, as their proxy.

Besides that, Dato' Chairman informed the meeting that the Ordinary Resolution 7, if passed, will authorize the Directors of the Company to complete and do all such acts, deeds and things to give effect to the aforesaid shareholders' mandate and transactions contemplated under this resolution.

Since voting will be conducted on a poll after the Q&A session, Dato' Chairman proceeded with the next item on the Agenda.

9. ANY OTHER BUSINESS

Upon confirmation by the Company Secretary, Dato' Chairman informed the meeting that the Company has not received notice to transact any other business of which due notice shall have been given in accordance with the Company's Constitution and the CA 2016.

10. QUESTIONS AND ANSWER SESSION

Dato' Chairman informed the meeting that there were questions received during pre-AGM as well as via the query box and 45 minutes would be allocated for the Q&A session.

Dato' Chairman invited the MD/GCEO to brief the shareholders by reading out some of the questions submitted by the shareholders prior to the meeting as well as questions received via query box from the shareholders, corporate representatives and proxies during the meeting together with the Management's responses thereof, details of which was attached as **Appendix 3**.

Dato' Chairman concluded the Q&A session and thanked the shareholders for the questions raised and should there be any questions that the Board/Management are unable to answer within the allotted time, the responses to the remaining questions will either be sent via email to the shareholders at the earliest possible, after the meeting or posted on the Company's website.

11. VOTING ON THE RESOLUTIONS AND DECLARATION OF POLL RESULTS

Dato' Chairman reiterated that polling at this AGM will be conducted using remote electronic voting. Dato' Chairman adjourned the meeting at 11.20 a.m. until the casting and verification of the votes were completed.

The meeting resumed at 11.50 a.m. and Dato' Chairman called the meeting to order. The Poll Administrator handed over summary of the Poll Results to Dato' Chairman for declaration as follows:

1. Ordinary Resolution 1

Description	To approve a single tier final dividend of 2.5 sen per share in respect of the financial year ended 31 December 2020.	
Shareholder's Action	For Voting	
Voted	For	Against
No. of Shareholders	359,842,254	21,515
No. of Shares	234	38
% of Voted Shares	99.9940	0.0060
Result	Accepted	

2. Ordinary Resolution 2

Description	To re-elect YBhg Dato Idris bin Md Tahir who retires pursuant to Clause 76(3) of the Company's Constitution and who being eligible offers himself for re-election.	
Shareholder's Action	For Voting	
Voted	For	Against
No. of Shareholders	359,193,487	670,282
No. of Shares	218	54
% of Voted Shares	99.8137	0.1863
Result	Accepted	

3. Ordinary Resolution 3

Description	To re-elect Puan Norliza binti Kamaruddin who retires pursuant to Clause 76(3) of the Company's Constitution and who being eligible offers herself for re-election.	
Shareholder's Action	For Voting	
Voted	For	Against
No. of Shareholders	359,088,926	774,843
No. of Shares	218	54
% of Voted Shares	99.7847	0.2153
Result	Accepted	

4. Ordinary Resolution 5

Description	To approve the payment of Directors remuneration to the Directors up to an amount of RM1,818,352.00 from the 44th AGM until the next AGM of the Company.	
Shareholder's Action	For Voting	
Voted	For	Against
No. of Shareholders	359,036,721	827,048
No. of Shares	205	67
% of Voted Shares	99.7702	0.2298
Result	Accepted	

5. Ordinary Resolution 6

Description	To re-appoint Messrs BDO PLT as Auditors of the Company and to authorise the Directors to fix their remuneration.	
Shareholder's Action	For Voting	
Voted	For	Against
No. of Shareholders	359,166,998	669,671
No. of Shares	216	55
% of Voted Shares	99.8139	0.1861
Result	Accepted	

6. Ordinary Resolution 7

Description	Proposed Renewal of Existing Shareholders Mandate for Recurrent Related Party Transactions (RRPT) of a Revenue or Trading Nature.	
Shareholder's Action	For Voting	
Voted	For	Against
No. of Shareholders	9,979,943	772,543
No. of Shares	216	49
% of Voted Shares	92.8152	7.1848
Result	Accepted	

Ordinary Resolution 1:

- To approve a single tier final dividend of 2.5 sen per share in respect of the financial year ended 31 December 2020.

Based on the votes casted, Dato' Chairman declared that that by majority votes of 99.9940%, the following motion be and hereby duly carried:

"THAT a single tier final dividend of 2.5 sen per share in respect of the financial year ended 31 December 2020 be and hereby approved."

Ordinary Resolution 2:

- To re-elect YBhg Dato' Idris bin Md Tahir who retires pursuant to Clause 76(3) of the Company's Constitution and who being eligible offers himself for re-election.

Based on the votes casted, Dato' Chairman declared that by majority votes of 99.8137%, the following motion be and hereby duly carried:

"THAT YBhg Dato' Idris bin Md Tahir who retires pursuant to Clause 76(3) of the Company's Constitution, be re-elected as Director of the Company."

Ordinary Resolution 3:

- To re-elect Puan Norliza binti Kamaruddin who retires pursuant to Clause 76(3) of the Company's Constitution and who being eligible offers himself for re-election.

Based on the votes casted, Dato' Chairman declared that by majority votes of 99.7847%, the following motion be and hereby duly carried:

"THAT Puan Norliza binti Kamaruddin who retires pursuant to Clause 76(3) of the Company's Constitution, be re-elected as Director of the Company."

Ordinary Resolution 5:

- To approve the payment of Directors' remuneration to the Directors up to an amount of RM1,818,352.00 from 25 May 2021 (44th AGM) until the next AGM of the Company.
- Based on the votes casted, Dato' Chairman declared that by majority votes of 99.7702%, the following motion be and hereby duly carried:

"THAT the payment of Directors' Remuneration to the Directors up to an amount of RM1,818,352.00 from 25 May 2021 (44th AGM) until the next AGM of the Company be hereby approved".

Ordinary Resolution 6:

- To re-appoint Messrs BDO PLT as Auditors of the Company and to authorise the Directors to fix their remuneration.

Based on the votes casted, Dato' Chairman declared that by majority votes of 99.8139%, the following motion be and hereby duly carried:

"THAT Messrs. BDO PLT be re-appointed as the Company's Auditors for the ensuing year AND THAT the Directors be authorised to fix their remuneration."

Ordinary Resolution 7:

- Proposed Renewal of Existing Shareholders' Mandate for Recurrent Related Party Transactions ("RRPT") of a Revenue or Trading Nature

Based on the votes casted, Dato' Chairman declared that by majority votes of 92.8152%, the following motion be and hereby duly carried:

"THAT pursuant to Paragraph 10.09 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Listing Requirements"), the Company and its subsidiaries ("the Group") be and are hereby authorised to enter into and give effect to the recurrent related party transactions of a revenue or trading nature with the related parties as set out in Section 2.3 of the Circular to Shareholders dated 26 April 2021 ("Related Parties") provided that such transactions and/or arrangements are:-

- a) *necessary for the day-to-day operations;*
- b) *undertaken in the ordinary course of business at arm's length basis and are on normal commercial terms and transaction prices which are not more favourable to the Related Parties than those generally available to the public; and*
- c) *not detrimental to the minority shareholders of the Company,*

(collectively known as "Proposed Shareholders' Mandate");

AND THAT such approval, shall continue to be in force until:-

- a) the conclusion of the next AGM of the Company at which time the authority will lapse, unless the authority is renewed by a resolution passed at such AGM; or
- b) the expiration of the period within which the next AGM of the Company after that date is required to be held under Section 340(2) of the Companies Act, 2016 ("CA 2016") (but must not extend to such extension as may be allowed pursuant to Section 340(4) of the CA 2016); or
- c) revoked or varied by ordinary resolution passed by the shareholders of the Company in general meeting,

whichever is earlier;

AND THAT the Directors of the Company be and are hereby authorised to complete and do all such acts, deeds and things to give effect to the aforesaid Shareholders' Mandate and transactions contemplated under this resolution."

12. APPRECIATION NOTE FOR RETIRING DIRECTOR – ENCIK LEON KOAY

On behalf of the Board, Dato' Chairman placed on record the Board's utmost appreciation to Encik Leon Koay who will be retiring as Director of the Company at the conclusion of the 44th AGM.

It has been a great honour and privilege to have been working with him and his valuable contribution to the Board and to the Company. On behalf of the Board and the Company, we wish him well and every success in his next endeavour.

13. CLOSURE

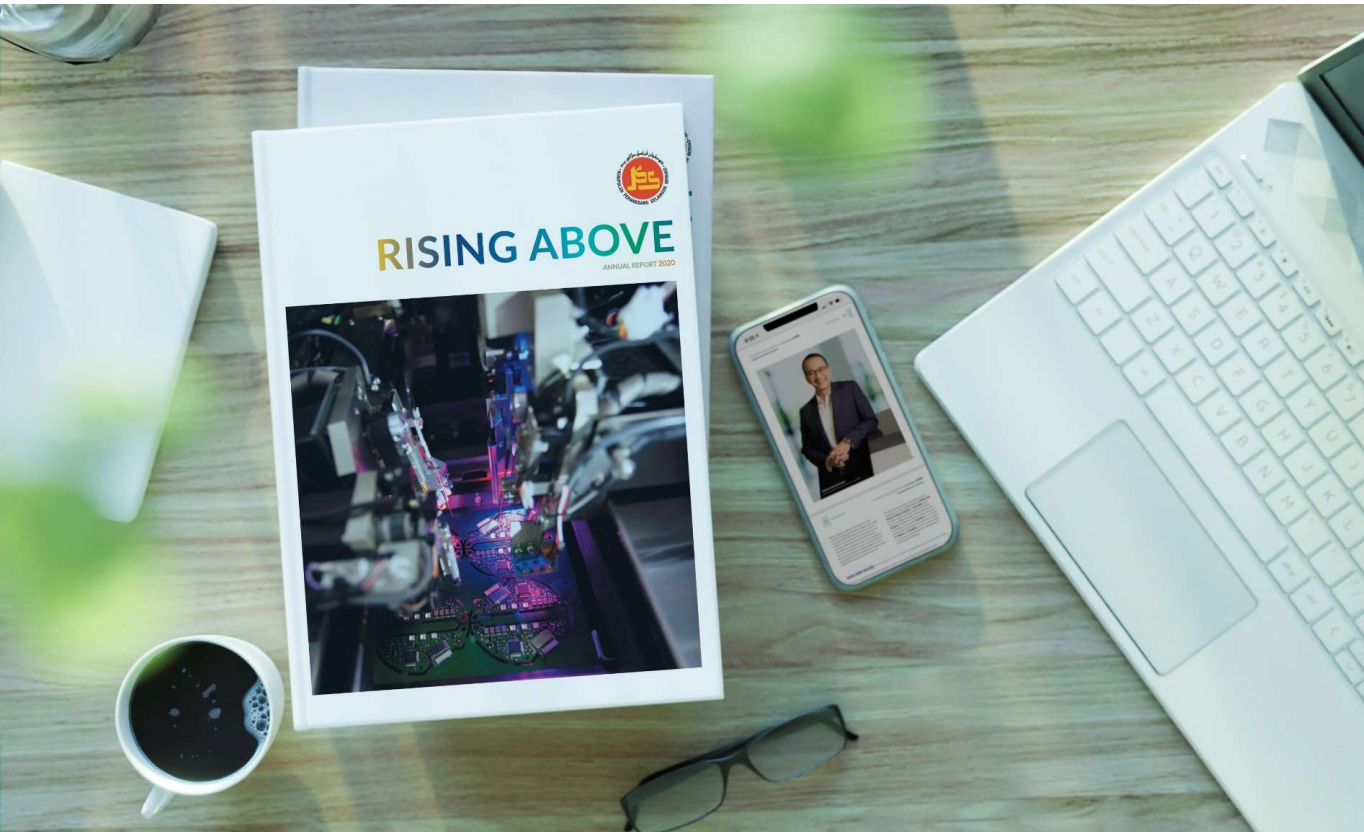
Dato' Chairman thanked everyone present at the AGM and declared the 44th AGM of KPS as concluded at 11.55 a.m.

CONFIRMED AS A CORRECT RECORD



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CHAIRMAN

Dated: 9 June 2021



44th AGM

BUSINESS REVIEW & PROSPECTS

Tuesday, 25 May 2021



Ahmad Fariz Hassan
Managing Director / Group CEO











01

2020 Report Card

What We Delivered in 2020

The Unprecedented Challenges Notwithstanding, Achieved Better-Than-Expected Results

GROUP	Revenue Achieved: RM1.1 bil Target: RM891.0 mil	EBITDA Achieved: RM138.2 mil Target: RM81.0 mil	PBT Achieved: RM57.3 mil Target: RM1.2 mil
SUBSIDIARY COMPANIES	 TOYOPLAS Secured 4 New Customers (Target 3) 2 New Industry/ Sub-industry (Target 1)	 CPI Secured 4 New Customers (Target 3) 1 New industry/ sub-industry (Target 1)	 CBB Secured 4 New Customers (Target 3) Relocation of OEM: Oct '20 (Target Sep '20) JV Carton in Northern: Aug '20 (Target July '20)
	 K I N G Secured 4 New Retail Accounts (Target 3) Marketing & Product Innovation: Achieved in 2Q20 (Target 2Q20)	 Aqua-Flo Secured 2 New Customers (Target 2)	 Smartpipe No New Contracts Secured (Target RM2.0 mil)

What We Had Done to Rise Above the Challenges in 2020

Balancing Tactical Decisions to Build Operational and Financial Resilience

Put People Safety First Against COVID-19	Ensure Business Continuity & Resilience	Engage Stakeholders	Secure Liquidity
<p>What We Did</p> <ul style="list-style-type: none"> • Prioritised employees' wellbeing • Adopted technology 	<ul style="list-style-type: none"> • Achieved RM1 billion Revenue 	<ul style="list-style-type: none"> • Engaged with suppliers and customers to explore alternative supply sources and materials 	<ul style="list-style-type: none"> • Maintained and secured adequate liquidity to support the Group's business
<p>How We Did Them</p> <ul style="list-style-type: none"> • Preserved employment • Adhered to SOPs and guidelines by the authorities • Activated BCP and work-from-home for non-operational employees 	<ul style="list-style-type: none"> • Agile business strategies <ul style="list-style-type: none">     • Growth driven by Manufacturing: <ul style="list-style-type: none"> ✓ Acquisition of new customers; ✓ Securing new projects; ✓ New Products & Industry. <div style="display: flex; justify-content: space-around; align-items: center;">     </div>	<ul style="list-style-type: none"> • Made advanced shipping arrangements; • Maintain a healthy inventory of raw materials and finished goods. 	<ul style="list-style-type: none"> • Identified available cash and due payments; • Allocated cash reserves;  • Forecasted cashflows;  • Monitored financial covenants; • Reviewed tax planning.



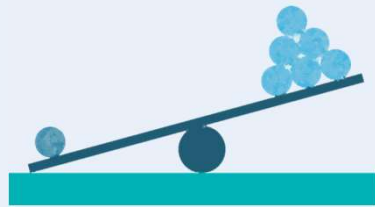
02

Financial Highlights

Navigated Challenging Operating Environment

But Benefitted from Trade Diversion

Uneven Economic Recovery



- Challenging Socio-Economic Equality thus Affecting Demand and Purchasing Power.
- Disruption in Supply Chain Posing Challenge to Ecosystem.

High Freight & Raw Material Costs



- Causing Input Cost to Increase. However, Will Improve with Progress and Effectiveness of COVID-19 Inoculation.
- Moderating GP Margin and Shrinking Bottomline Numbers.






Trade Diversion



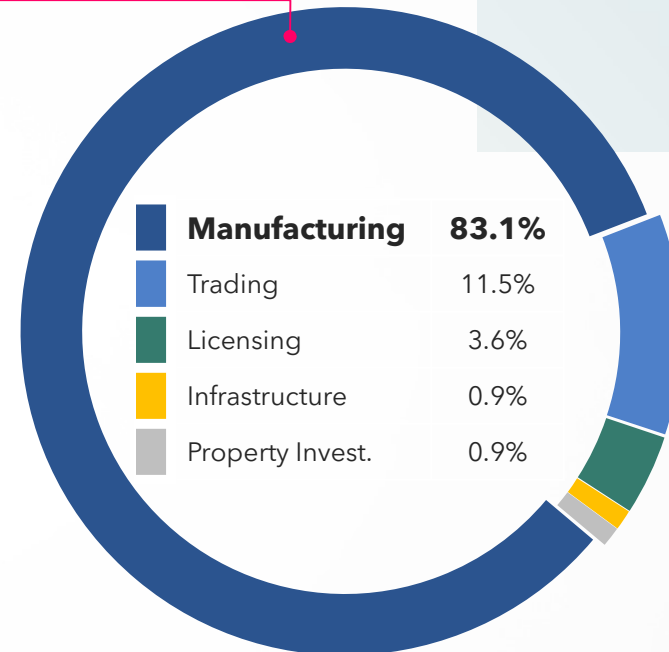
- New Demand from the E&E and Consumer Products Sectors.
- Leverage on geographical presence of subsidiary companies.

Group Revenue Surpassed RM1 Billion Mark

Manufacturing Contributed 83.1% with 11.5% Contribution by Trading and 5.4% by Others

SECTOR	FY2020	FY2019
 Manufacturing	894.6	▲ 650.9
 Trading	124.1	▲ 117.4
 Licensing	39.2	▲ 36.3
 Infrastructure	9.1	▼ 51.4
 Property Inv.	9.5	▼ 10.8
TOTAL (RM million)	1,076.5	▲ 866.8

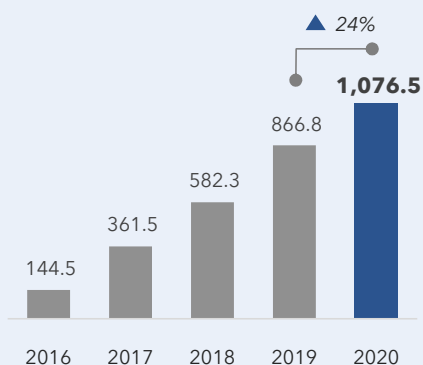
FY2020
REVENUE BREAKDOWN BY SECTOR



Operating Profits Challenged by Higher Input Cost

But Earnings Supported by Lower Finance Costs and Higher Share of Associate Profits

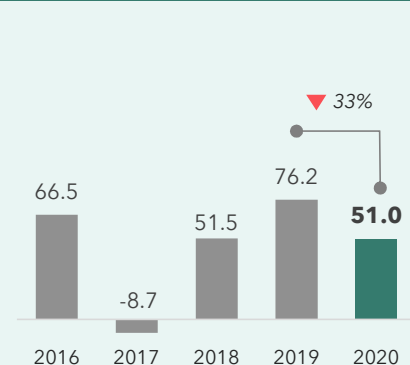
Revenue



FY2020

- Increased due to:
 - ✓ 12-month contribution from Toyoplas;
 - ✓ Higher revenue contribution from KKMW, TMM, CBB and KKLC.

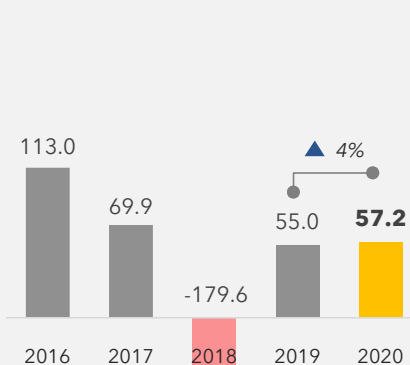
Operating Profit



FY2020

- Moderated due to the pandemic's impact on our manufacturing business, which saw input cost rising.

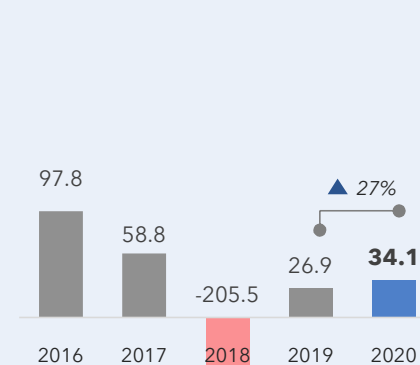
Profit Before Tax



FY2020

- PBT higher due to:
 - ✓ Lower finance cost (FY19: -15%); and
 - ✓ Stronger share of profits from associates, mainly from the securitisation of the remaining proceeds from SPLASH disposal.

Profit Attributable to Owners of the Parent



FY2020

- Similarly, higher due to:
 - ✓ Lower finance cost; and
 - ✓ Higher share of profits from associates.
- EPS notched up to 6.35 sen (FY19: 5.00 sen)

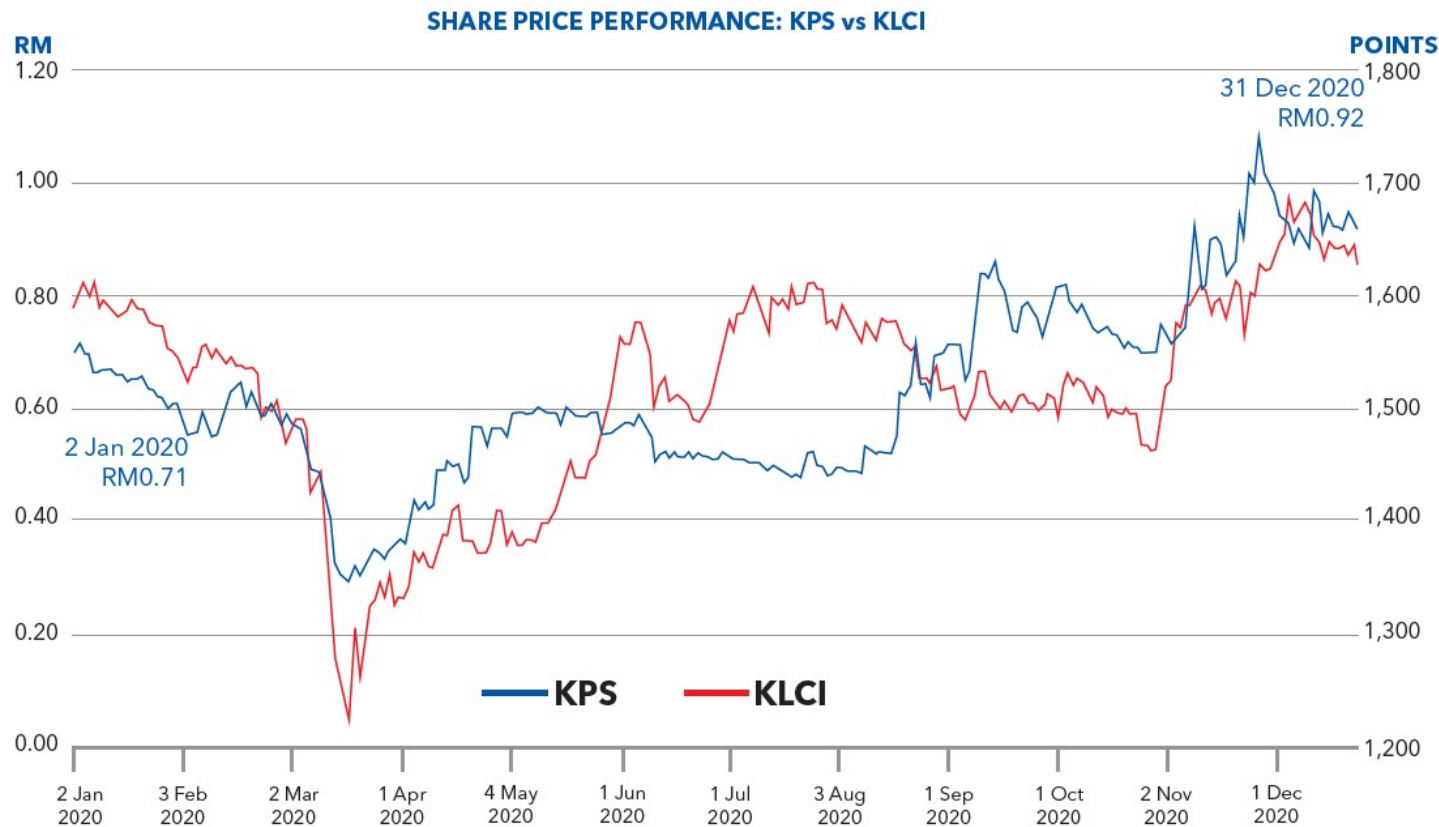


03

Share Price Performance & Dividend

Share Price Outperformed KLCI by 27%

Performance Steadied by the Initiation of Inaugural Analyst Coverage



Initiation of Analyst Coverage

On 6 April 2021, **BIMB Securities Sdn Bhd** Initiated Analyst Coverage on KPS.

Title:
Unleashing Latent Potential

The Share Price Has Since Stabilised to RM1.00 - RM1.10

Target Price:
RM1.60

Proving Financial Commitment to Shareholders

Introduced Dividend Policy and Proposed 2.5 Sen Final Dividend for FY2020

Adopted Dividend Policy

≥ 30%

of the Group's Normalised PATAMI

Approved on 30 March 2021

Proposed FY2020 Final Dividend

2.5 sen

Per Ordinary Share

Subject to the shareholders' approval at the 44th AGM

Dividend Yield

***2.7%**

**Based on share price of RM0.92 as of 31 December 2020.*



04

Commitment to EESG

Embedding Responsible Practices for Sustainable Development

Guided by EESG Aspects to Address Stakeholders' Expectation



Extending Impact Through CSR

Sharing Corporate Growth with 654 Beneficiaries from the Communities



EDUCATION

Developing talent and skills of targeted stakeholders

Provided access to quality education to **34** Orang Asal students

ENTREPRENEURSHIP

Promoting and enabling business opportunities

Developed **210** entrepreneurs

COMMUNITY DEVELOPMENT

Enhancing social progress and stakeholder development

Assisted **89** beneficiaries and more than **100** associations, NGOs, schools and institutions

ENVIRONMENT, SAFETY & HEALTH

Improving society's quality of life and caring for the environment

Assisted **221** beneficiaries





05

Awards & Accolades

Awards & Recognition

Upholding Culture of Excellence

2020



Previous Years





06

Economic & Industry Outlook

Encouraging Global Macroeconomic Development

Expected to Leverage on the Anticipated Economic Recovery

01

Vaccination and Additional Fiscal Support

Progressive distribution of COVID-19 vaccines worldwide and announcements of additional fiscal support in some countries are encouragingly changing economic and business dynamics.

02

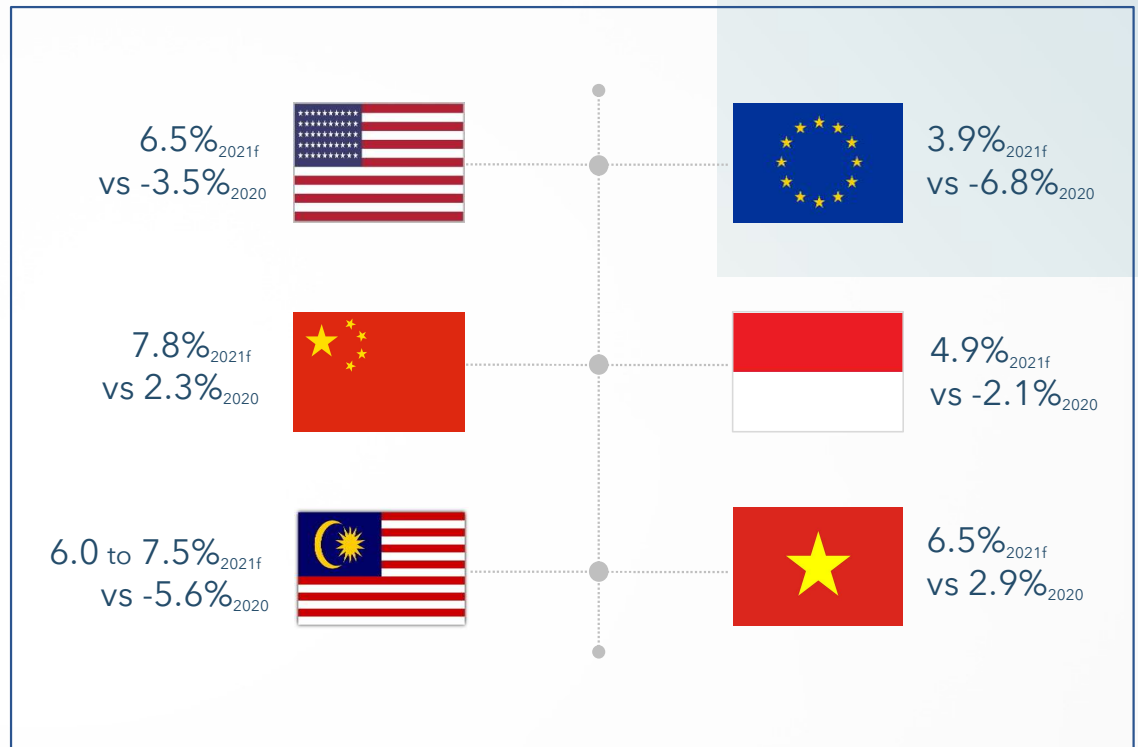
Advanced Economies

Projected to stage robust recoveries, with China leading the way, followed by the US and Eurozone.

03

Turnaround for Malaysia & Indonesia, Vietnam to Double Growth

Projected to stage robust recoveries, with China leading the way, followed by the US and Eurozone.



Sources: Malaysia Economic Outlook 2021 by Ministry of Finance, OECD Interim Report March 2021 and International Monetary Fund

Industry Outlook

Macro Landscape Remains Conducive for Group's Diversified Businesses



Consumer Electronics

- EMS Global market size USD650bil, 5% CAGR for next 5years
- Vietnam as diversion hub due to trade tension



Automotive

- Light vehicles LT global growth between 3% and 4%
- New Demand: electric cars and shifting of e-hailing to true en-route mobility services



Healthcare

- Global healthcare spending to grow at 3.9% CAGR
- Technological advances and expansion of healthcare systems in developing markets to spur future demand



Packaging

- Packaging is growing at annual growth of 3.5% for the past 5 years.
- Growth for carton industry is mainly from the F&B, FMCGs, cosmetics and pharmaceuticals industries



Mattress

- Global mattress market expected to reach about USD44 billion in value by 2025 at 6.2% CAGR
- Growth to be boosted by urbanisation and changing demographics
- Robust demand from domestic, hospitality and property sector

Sources: Global Market Insight EMS Market, July 2020; Deloitte Insights, 2021 Global Health Care Outlook, November 2020; Transparency Market Research, Carton Global Market Analysis, November 2020; and Grandview Research Inc, Global Mattress Outlook, May 2020.



07

Prospect & CAPEX Plan

Creating New Opportunities Amidst Lingering Pandemic Impact

CAPEX Outlay of RM86.1 million in 2021 to Support Future Growth

MANUFACTURING : 95%



TOYOPLAS

CAPEX : RM27.2 mil

- New prospect from existing customers in:
 - ✓ New technology development
 - ✓ Industrial tools
 - ✓ Consumer electronics
- Sales diversification - healthcare sector
- Strengthening footprint in Vietnam.



CPI

CAPEX : RM42.9 mil

- Serving new sub-industries such as acoustic and surveillance.
- Product tiering for customers from the healthcare sector.



CENTURY BOND

CAPEX : RM10.4 mil

- Offset will continue to drive growth - new customers, new products.
- Tapping into Offset and Carton in Singapore.
- Increasing product range and further capitalizing on e-commerce platform for Leo & Hornbill products.



KING KOIL

CAPEX : RM1.2 mil

- Six new key accounts will be the growth driver.
- Strengthen distribution via e-commerce and expanding network beyond west coast.
- Targeting two new licensees in Europe.



AQUA-FLO

CAPEX : RM0.3 mil

- Improving market share in potable water chemicals
- Focussing on new growth area - industrial and municipal water treatment segments.



SMARTPIPE

CAPEX : NIL

- Exploring strategic partnerships with utility specialists.



KPS

CAPEX : RM4.1 mil

- Plaza Perangsang
- Upgrading of IT Hardware & Software

Thank You

Investor Relations & Strategic Communication

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KUMPULAN PERANGSANG SELANGOR BERHAD
(Company No. 197501002218/ 23737-K)
(Incorporated in Malaysia)

APPENDIX 3 OF THE MINUTES OF 44TH ANNUAL GENERAL MEETING (“AGM”) OF KUMPULAN PERANGSANG SELANGOR BERHAD (“KPS” OR “THE COMPANY”) HELD FULLY VIRTUAL AT KPS CORPORATE OFFICE, 17TH FLOOR, PLAZA PERANGSANG, PERSIARAN PERBANDARAN, 40000 SHAH ALAM, SELANGOR DARUL EHSAN AND VIA THE TIIH ONLINE WEBSITE AT <https://tjih.online> on TUESDAY, 25 MAY 2021 AT 10.00 A.M.

QUESTIONS READ OUT BY THE MANAGING DIRECTOR/GROUP CHIEF EXECUTIVE OFFICER (“MD/GCEO”) DURING THE 44TH AGM LIVE BROADCAST WHICH WAS RECEIVED FROM THE SHAREHOLDERS OF KPS PRIOR TO THE AGM AND DURING THE LIVE AGM MEETING TOGETHER WITH THE RELEVANT MANAGEMENT’S RESPONSES THEREOF:

NO.	QUESTION OR COMMENT FROM SHAREHOLDER	THE COMPANY’S RESPONSE/ ANSWER
1.	Is the Company giving door gifts to shareholders attending the virtual AGM?	➤ There is no door gift for the AGM. Instead of one-off gifts, KPS is focusing more on creating long-term values for the shareholders. The adoption of dividend policy and the proposed final dividend FY2020 of 2.5 sen amidst this challenging environment serve as an evidence of the Company creating such value.
2.	Is there an update to Smartpipe? Recall from last year AGM some discussion with Kedah and other state authorities is ongoing.	➤ The State political shift announced in May 2020 has resulted in further delay in relation to Darul Aman Water Solutions Sdn Bhd (“DAWS”)’s NRW reduction program proposal for the State. The planned initiative was revamped and had to undergo a full restart having to revive discussions with the new government.
3.	What is the total expenditure allocated per year in pursuing the Environment, Social and Governance (ESG) activities under the Sustainability Program?	➤ For last year, KPS allocated RM2.0 million for future undertaking as approved by Sustainability Board Committee (SBC). Management shall aspire to pivot the CSR spending at 2% of PBT, with a minimum amount of RM2.0 million. The maximum CSR spending should not be more than the regional practice of 3.5% of PBT.
4.	How robust are KPS cash flow and its liquidity in current COVID-19 climate in meeting its short-term obligation? And will KPS be expecting cash flow shortages in near future? (Cash flows Page 189 to 191)	➤ KPS is expected to remain solvent and able to meet all its obligations mainly contributed by proceeds from SPLASH securitization, while KPS subsidiaries business is expected to fully recover in year 2022.

NO.	QUESTION OR COMMENT FROM SHAREHOLDER	THE COMPANY'S RESPONSE/ ANSWER
5.	How is KPS plan to utilise the cash of RM440 million in current Pandemic situation?	<ul style="list-style-type: none"> ➤ There was higher cash balance in FY2020 compared to FY2019 was due to securitisation of deferred payment of nine (9) equal annual instalments of 2nd Tranche of SPLASH Disposal. ➤ Other than for working capital and capital expenditure (Capex), a portion of the cash would be reserved for schedule repayment of loan and borrowings during this uncertainty Pandemic situations to ensure KPS Group still have sufficient cash so that it will not disrupt the whole operations and businesses.
6.	What is KPS plan to mitigate Forex risk given the huge unrealised loss recorded in FY 2020?	<ul style="list-style-type: none"> ➤ The unrealised loss recorded in FY2020 was mainly due to Ringgit appreciating against USD, contributed by huge receivables amount in USD at TMM Group as at end of FY2020. However, the realised forex loss was minimal as KPS Group practiced hedging strategy in order to minimise forex impact as per KPS Forex Policy.
7.	What are the plans for the Plaza Perangsang?	<ul style="list-style-type: none"> ➤ Due to Movement Control Order ("MCO"), there was only one bidder submitted the bid for the open tender for the disposal of Plaza Perangsang. The transaction did not materialise due to the Purchaser's failure to get the financing to part finance the acquisition of Plaza Perangsang. As such, the sale transaction was terminated. KPS would continue with the marketing activities for the disposal of Plaza Perangsang and have received positive feedback from several interested parties beginning of 2021. Management shall continue to follow up with the parties that have shown interest to purchase Plaza Perangsang.
8.	Are we expecting any new acquisitions or disposal of subsidiaries in 2021?	<ul style="list-style-type: none"> ➤ There will likely be no major acquisitions this year. Should there be any, it would be complementary to the existing operations and align with the Company's business plan i.e., LEAP 25. Disposal of subsidiaries would be considered if the price is right. He added that Management has plans for the non-

NO.	QUESTION OR COMMENT FROM SHAREHOLDER	THE COMPANY'S RESPONSE/ ANSWER
		core assets, however, COVID-19 has already dampened business sentiment, resulting in us probably taking longer time to materialize those plans.
9.	There was a rumour about privatisation of KPS in the news. Will it happen in the near future?	➤ The Board and Management have no formal knowledge of the rumoured privatization. To this effect, there has not been any formal discussion between Darul Ehsan Investment Group Sdn Bhd ("DEIG") and KPS on this matter. Therefore, the market speculation and rumours in the public domain on the alleged imminent moves to delist KPS and take it private at this point are premature.
10.	From the annual report, it shows that engagements were actively carried out in 2020. Who from the investment community did KPS engage?	➤ The engagements were carried out with the analysts and sales personnel from the sell-side i.e., BIMB Securities, CGS-CIMB, Affin Hwang, Alliance, Hong Leong and many more. KPS had also engaged buy-side firms, focussing on middle-tier potential institutional shareholders.
11.	Why didn't the share price go up after so many engagements done with the investment community?	➤ Over 2020, the share price did go up from the lowest of around RM0.25 to about RM1.00. However, the objectives of our engagement are mainly to increase awareness and understanding of the Group's strategy, business direction, and investment appeal. Share price is beyond our control. Engagement is not a determinant of share price direction as is the strength of the Group's fundamentals.
12.	Which subsidiary company(ies) brought the operating profit down in 2020?	➤ Toyoplas, CPI, CBB and KKMW have brought the operating profit down in 2020 mainly due to the pandemic's impact on our manufacturing business, which saw input cost rising.
13.	Why organisation chart is not balanced – DCEOFCS is overseeing 10 portfolios while DCEOSI only overseeing one. Is this structure effective and efficient?	➤ On the contrary, it is balanced with respect to the spectrum of the functions. Strategic Planning & Investments led by the DCEOSI has purviews over all KPS' investments locally and globally, which in aggregate, run more than 10 manufacturing plants. The organisational structure is part of the

NO.	QUESTION OR COMMENT FROM SHAREHOLDER	THE COMPANY'S RESPONSE/ ANSWER
		Organisational Management Structure ("OMS"), which caters for KPS' current and future businesses, approved by the Board on 28 February 2017.
14.	What is the future direction in your sustainability agenda?	➤ The Board and Management would be looking at ways to make further inroads concerning waste management and waste conversion to reduce our environmental footprint. Going forward, Management intends to fortify efforts in addressing one of the most challenging environmental issues facing businesses and society today: Climate Change. The Board and Management are taking a keen interest in exploring the risks and opportunities in measuring and monitoring Scope 1 and Scope 2 GHG emissions throughout our operations, with a clear intention to manage our carbon footprint.
15.	The Ministry of Human Resource Malaysia (MOHR) had announced that RM1,200 the new minimum wage effective 1 February 2020. Has KPS and subsidiary companies implement it.?	➤ The RM1,200 /month wages announced by the Ministry of Human Resource under the "Minimum Wage Order" has been fully observed and implemented by KPS and its subsidiaries.
16.	I refer to slide 18 of your presentation today. How much of the Group future revenue is expected to be generated by demand from those six countries?	➤ In the long run, roughly, about 50% of the projected sales would be driven by demand from Malaysia, 20% from the US and 15% from China. Demands from Indonesia and Vietnam are expected to drive Group's sales by roughly 10% and 5%, respectively.