

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

**Minutes of the Forty-Fifth Annual General Meeting (“45<sup>th</sup> AGM”)** of Kumpulan Perangsang Selangor Berhad (“KPS or the Company”) held virtually from the Broadcast Venue at KPS Corporate Office, 17<sup>th</sup> Floor, Plaza Perangsang, Persiaran Perbandaran, 40000 Shah Alam, Selangor Darul Ehsan and via the Boardroom Smart Investor Portal at <https://investor.boardroomlimited.com> on Tuesday, 7 June 2022 at 10.00 a.m.

Present live streaming via Boardroom Smart Investor Portal at 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) YB Dato’ Haris bin Kasim (Chairman)
- 2) Encik Ahmad Fariz bin Hassan, Managing Director/ Group Chief Executive Officer (“MD/GCEO”)

Present via Ms Teams platform

- 3) Puan Norita binti Mohd Sidek
- 4) YBhg Dato’ Idris bin Md Tahir
- 5) YBhg Dato’ Ikmal Hijaz bin Hashim
- 6) Puan Norliza binti Kamaruddin
- 7) YBhg Dato’ Noorazman bin Abd Aziz
- 8) Ms Sharmila Sekarajasekaran

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”)
- 3) Puan Selfia binti Muhammad Effendi  
Company Secretary

Present by invitation via MS Teams platform

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

**CHAIRMAN**

YB Dato’ Haris bin Kasim (“Dato’ Chairman”) presided as Chairman of the 45<sup>th</sup> AGM (“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 45<sup>th</sup> 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 that the attendance at the 45<sup>th</sup> AGM was restricted to shareholders/proxy holders and authorised representatives of corporate shareholders who have registered to join the Meeting remotely. Dato Chairman reminded the Meeting that any visual or audio recording of the Meeting was strictly prohibited unless the Company’s prior written consent was obtained. He added that the Questions and Answers (“Q&A”) session would only be conducted after all the items on the Agenda had been tabled.

Dato’ Chairman further reminded the Company had made the necessary effort to ensure smooth live streaming, however, the broadcast quality may be affected by the participants’ internet bandwidth connection and stability.

Before proceeding with the Agenda, Dato’ Chairman invited the MD/GCEO to provide an overview of the Company’s performance for 2021, its achievements, strategy and prospects 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) KPS New Brand Identity;
- ii) Report Card;
- iii) Financial Highlights;
- iv) Share Price Performance;
- v) Commitment to Economic, Environmental, Social and Governance (“EESG”);
- vi) Economic & Industry Outlook;
- vii) Prospect and Capital Expenditure (“CAPEX”) Plan; and
- viii) Awards & Recognitions.

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 the Q&A session later.

Before Dato’ Chairman proceeded to the first (1<sup>st</sup>) item of the Agenda, he drew the shareholders’ attention to the procedures in tabling and approving resolutions. The nine (9) ordinary resolutions as set out in the AGM Notice shall be put to the 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 poll accords one vote for every one (1) share held by the shareholder.

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

- i) To go through all the nine (9) ordinary resolutions as set out in the AGM Notice;
- ii) Q&A session to answer the questions posted by the shareholders/proxies via the Boardroom Smart Investor Portal commencing from 27 April 2022 to 5 June 2022 and live questions posted in the query box upon during the live streaming;

At this juncture, Dato' Chairman informed the meeting that the Board/Management would endeavour to answer the shareholders questions posed and in the event that the Board/Management were unable to answer all the relevant questions during the meeting, 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; and

- iii) Upon conclusion of the Q&A session, all the nine (9) resolutions would be put to the 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 had appointed Boardroom Share Registrars Sdn Bhd ("Boardroom") as Poll Administrators and SKY Corporate Services Sdn Bhd ("SKY Corporate Services") as Independent Scrutineer.

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

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

## **1. AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 AND THE REPORTS OF DIRECTORS AND AUDITORS**

The Audited Financial Statements for the financial year ended 31 December 2021 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 2021 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**

Dato' Chairman 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 2021.

The single-tier final dividend if approved would be paid on 6 July 2022 to the members based on the Record of Depositors at the close of business on 10 June 2022.

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 – YB DATO' HARIS BIN KASIM (“DATO' HARIS”)**

The Meeting proceeded to Ordinary Resolution 2 to re-elect Dato' Haris as Non-Independent Director of the Company, who retired pursuant to Clause 78 of the Company's Constitution.

Dato' Chairman handed over the meeting chair to the MD/GCEO in view that the above motion was related to his re-election.

The MD/GCEO informed the Meeting that Dato' Haris was subjected to retirement pursuant to Clause 78 of the Company's Constitution and being eligible for re-election, has offered himself for re-election. Dato' Haris was appointed to the Board on 6 December 2021 and the profile of Dato' Haris could be found on page 132 of the Company's Annual Report 2021.

The MD/GCEO handed over the meeting chair to Dato Chairman as the 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 – CIK SHARMILA SEKARAJASEKARAN (“CIK SHARMILA”)**

Dato' Chairman proceeded with Ordinary Resolution 3 to re-elect Cik Sharmila as Independent Director of the Company, who retired pursuant to Clause 78 of the Company's Constitution.

Dato' Chairman informed the Meeting that Cik Sharmila was subjected to retirement pursuant to Clause 78 of the Company's Constitution and being eligible for re-election, has offered herself for re-election. Cik Sharmila was appointed to the Board on 1 September 2021 and the profile of Cik Sharmila could be found on page 138 of the Company's Annual Report 2021.

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

**5. ORDINARY RESOLUTION 4**

**- RE-ELECTION OF DIRECTOR - PUAN NORITA BINTI MOHD SIDEK (“PUAN NORITA”)**

The Meeting proceeded with Ordinary Resolution 4 to re-elect Puan Norita as Non-Independent Director of the Company, who retired pursuant to Clause 78 of the Company's Constitution.

Dato' Chairman informed the Meeting that Puan Norita was subjected to retirement pursuant to Clause 78 of the Company's Constitution and, being eligible for re-election, has offered herself for re-election. Puan Norita was appointed to the Board on 8 April 2022 and the profile of Puan Norita could be found on page 138 of the Company's Annual Report 2021.

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

**6. ORDINARY RESOLUTION 5  
- RE-ELECTION OF DIRECTOR - YBHG DATO' NOORAZMAN BIN ABD AZIZ  
(‘DATO' NOORAZMAN’)**

Dato' Chairman proceeded with Ordinary Resolution 5 to re-elect Dato' Noorazman 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' Noorazman 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. Dato' Noorazman was appointed to the Board on 1 January 2020, and the profile of Dato' Noorazman could be found on page 137 of the Annual Report 2021.

It was noted that in line with the best practice in corporate governance, the Board had conducted an assessment on Dato' Noorazman based on relevant performance criteria. In this respect, the Board has approved the Nomination and Remuneration Committee (“NRC”) recommendation that Dato' Noorazman 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.

**7. ORDINARY RESOLUTION 6  
- RE-ELECTION OF DIRECTOR - ENCIK AHMAD FARIZ BIN HASSAN (“ENCIK  
AHMAD FARIZ”)**

The Meeting proceeded to Ordinary Resolution 6 to re-elect Encik Ahmad Fariz as MD/GCEO of the Company, who retired pursuant to Clause 76(3) of the Company's Constitution.

Dato' Chairman informed the Meeting that Encik Ahmad Fariz 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. Encik Ahmad Fariz was appointed to the Board on 1 January 2019 and the profile of Encik Ahmad Fariz could be found on page 139 of the Annual Report 2021.

It was noted that in line with the best practice in corporate governance, the Board had conducted an assessment on Encik Ahmad Fariz based on relevant performance criteria. In this respect, the Board has approved the recommendation of the NRC that Encik Ahmad Fariz 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.

**8. ORDINARY RESOLUTION 7  
- PAYMENT OF DIRECTORS' REMUNERATION UP TO AN AMOUNT OF  
RM1,814,452 IMMEDIATELY AFTER THE 45<sup>TH</sup> AGM UNTIL THE NEXT AGM OF THE  
COMPANY**

Dato' Chairman proceeded to Ordinary Resolution 7 to consider the recommended payment of Directors' Remuneration to the Directors up to an amount of RM1,814,452.00 until the next AGM of the Company. Section 230(1) of CA 2016 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 twelve (12) months from 7 June 2022 until the next AGM of the Company. Dato' Chairman referred to Explanatory Note 5 on pages 383 and 384 of the Company's Annual Report 2021 for more details on the Ordinary Resolution 7.

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

**9. ORDINARY RESOLUTION 8  
- PROPOSED RE-APPOINTMENT OF AUDITORS – MESSRS BDO PLT**

Dato' Chairman proceeded to Ordinary Resolution 8 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 2022 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.

**10. ORDINARY RESOLUTION 9  
- PROPOSED RENEWAL OF EXISTING SHAREHOLDERS' MANDATE AND NEW SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS ("RRPT") OF A REVENUE OR TRADING NATURE ("PROPOSED SHAREHOLDERS' MANDATE")**

The Meeting proceeded to Ordinary Resolution 9 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 9 was set out in the Notice of Meeting.

Since there was no objection, Dato' Chairman declared that the full text of the Ordinary Resolution 9 was taken as read.

Dato' Chairman highlighted that before putting the proposed Ordinary Resolution 9 to vote, those deemed interested in the proposal, including himself as detailed in the Circular to Shareholders dated 27 April 2022, were reminded to abstain from voting on the same. However, he informed the Meeting that he would vote in his capacity as a 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 9, 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.

## **11. 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 in which due notice shall have been given in accordance with the Company's Constitution and the CA 2016.

## **12. QUESTIONS AND ANSWER SESSION**

Dato' Chairman informed the Meeting that there were questions received during pre-AGM as well as via the query box. 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.

The MD/GCEO, DCEOFCS and DCEOSI, answered most of the questions raised by the shareholders, corporate representatives, and proxies. Details of the Management's responses to the questions raised are attached as **Appendix 3**.

Dato' Chairman concluded the Q&A session, thanked the shareholders for the questions raised and informed the Meeting that 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.

## **13. VOTING ON THE RESOLUTIONS AND DECLARATION OF POLL RESULTS**

Dato' Chairman reiterated that polling at this AGM would be conducted using remote electronic voting. Dato' Chairman adjourned the Meeting at 11.25 a.m. until the casting and verification of the votes were completed by the scrutineer.

Dato' Chairman informed the Meeting that in his capacity as a proxy of the shareholders, he will vote for all the nine (9) resolutions in accordance with instructions received from the shareholders who had appointed himself to vote on their behalf.

The Meeting resumed at 11.40 a.m. and Dato' Chairman called the Meeting to order.

The Poll Administrator handed over a summary of the Poll Results to Dato' Chairman for declaration as follows:

### **1. Ordinary Resolution 1**

<b>Description</b>	To approve a single tier final dividend of 2.5 sen per share in respect of the financial year ended 31 December 2021.	
<b>Shareholder's Action</b>	For Voting	
<b>Voted</b>	For	Against
<b>No. of Shareholders</b>	249	19
<b>No. of Shares</b>	355,193,947	5,712
<b>% of Voted Shares</b>	99.9984	0.0016
<b>Result</b>	Accepted	

## 2. Ordinary Resolution 2

<b>Description</b>	To re-elect YB Dato' Haris bin Kasim who retires pursuant to Clause 78 of the Company's Constitution and who being eligible offers himself for re-election	
<b>Shareholder's Action</b>	For Voting	
<b>Voted</b>	For	Against
<b>No. of Shareholders</b>	215	51
<b>No. of Shares</b>	355,123,642	65,987
<b>% of Voted Shares</b>	99.9814	0.0186
<b>Result</b>	Accepted	

## 3. Ordinary Resolution 3

<b>Description</b>	To re-elect Cik Sharmila Sekarajasekaran who retires pursuant to Clause 78 of the Company's Constitution and who being eligible offers herself for re-election	
<b>Shareholder's Action</b>	For Voting	
<b>Voted</b>	For	Against
<b>No. of Shareholders</b>	217	49
<b>No. of Shares</b>	354,493,788	695,841
<b>% of Voted Shares</b>	99.8041	0.1959
<b>Result</b>	Accepted	

## 4. Ordinary Resolution 4

<b>Description</b>	To re-elect Puan Norita binti Mohd Sidek who retires pursuant to Clause 78 of the Company's Constitution and who being eligible offers herself for re-election	
<b>Shareholder's Action</b>	For Voting	
<b>Voted</b>	For	Against
<b>No. of Shareholders</b>	218	48
<b>No. of Shares</b>	355,135,788	53,841
<b>% of Voted Shares</b>	99.9848	0.0152
<b>Result</b>	Accepted	



**5. Ordinary Resolution 5**

<b>Description</b>	To re-elect YBhg Dato' Noorazman bin Abd Aziz who retires pursuant to Clause 76(3) of the Company's Constitution and who being eligible offers himself for re-election	
<b>Shareholder's Action</b>	For Voting	
<b>Voted</b>	For	Against
<b>No. of Shareholders</b>	215	51
<b>No. of Shares</b>	354,488,503	701,126
<b>% of Voted Shares</b>	99.8026	0.1974
<b>Result</b>	Accepted	

**6. Ordinary Resolution 6**

<b>Description</b>	To re-elect Encik Ahmad Fariz bin Hassan who retires pursuant to Clause 76(3) of the Company's Constitution and who being eligible offers himself for re-election	
<b>Shareholder's Action</b>	For Voting	
<b>Voted</b>	For	Against
<b>No. of Shareholders</b>	218	49
<b>No. of Shares</b>	355,132,771	56,888
<b>% of Voted Shares</b>	99.9840	0.0160
<b>Result</b>	Accepted	

**7. Ordinary Resolution 7**

<b>Description</b>	To approve the payment of Directors Remuneration to the Non-Executive Directors up to an amount of RM1,814,452 for the period immediately after the 45th AGM until the next AGM of the Company	
<b>Shareholder's Action</b>	For Voting	
<b>Voted</b>	For	Against
<b>No. of Shareholders</b>	198	69
<b>No. of Shares</b>	355,064,412	125,247
<b>% of Voted Shares</b>	99.9647	0.0353
<b>Result</b>	Accepted	

### 8. Ordinary Resolution 8

Description	To re-appoint Messrs BDO PLT as Auditors of the Company for the financial year ending 31 December 2022 and to authorise the Directors to fix their remuneration	
Shareholder's Action	For Voting	
Voted	For	Against
No. of Shareholders	227	39
No. of Shares	355,160,394	39,176
% of Voted Shares	99.9890	0.0110
Result	Accepted	

### 9. Ordinary Resolution 9

Description	Proposed Renewal of Existing Shareholders' Mandate and New Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature as set out under Section 2.3 of the Circular to Shareholders dated 27 April 2022	
Shareholder's Action	For Voting	
Voted	For	Against
No. of Shareholders	217	46
No. of Shares	6,042,181	74,371
% of Voted Shares	98.7841	1.2159
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 2021.

Based on the votes casted, Dato' Chairman declared that that by majority votes of 99.9984%, 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 2021 be and hereby approved."*

#### **Ordinary Resolution 2:**

- To re-elect YB Dato' Haris bin Kasim who retires pursuant to Clause 78 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 99.9814%, the following motion be and hereby duly carried:

*"THAT YB Dato' Haris bin Kasim who retires pursuant to Clause 78 of the Company's Constitution, be re-elected as Director of the Company."*

**Ordinary Resolution 3:**

- To re-elect Cik Sharmila Sekarajasekaran who retires pursuant to Clause 78 of the Company's Constitution and who being eligible offers herself for re-election.

Based on the votes casted, Dato' Chairman declared that by majority votes of 99.8041%, the following motion be and hereby duly carried:

*"THAT Cik Sharmila Sekarajasekaran who retires pursuant to Clause 78 of the Company's Constitution, be re-elected as Director of the Company."*

**Ordinary Resolution 4:**

- To re-elect Puan Norita binti Mohd Sidek who retires pursuant to Clause 78 of the Company's Constitution and who being eligible offers herself for re-election.

Based on the votes casted, Dato' Chairman declared that by majority votes of 99.9848%, the following motion be and hereby duly carried:

*"THAT Puan Norita binti Mohd Sidek who retires pursuant to Clause 78 of the Company's Constitution, be re-elected as Director of the Company."*

**Ordinary Resolution 5:**

- To re-elect YBhg Dato' Noorazman bin Abd Aziz 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 99.8026%, the following motion be and hereby duly carried:

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

**Ordinary Resolution 6:**

- To re-elect Encik Ahmad Fariz bin Hassan 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 99.9840%, the following motion be and hereby duly carried:

*"THAT Encik Ahmad Fariz bin Hassan who retires pursuant to Clause 76(3) of the Company's Constitution, be re-elected as Director of the Company."*

**Ordinary Resolution 7:**

- To approve the payment of Directors' remuneration to the Directors up to an amount of RM1,814,452.00 from 7 June 2022 (45<sup>th</sup> AGM) until the next AGM of the Company.

- Based on the votes casted, Dato' Chairman declared that by majority votes of 99.9647%, the following motion be and hereby duly carried:

*"THAT the payment of Directors' Remuneration to the Directors up to an amount of RM1,814,452.00 from 7 June 2022 (45<sup>th</sup> AGM) until the next AGM of the Company be hereby approved"*

**Ordinary Resolution 8:**

- 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 99.9890%, 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 9:**

- Proposed Renewal of Existing Shareholders' Mandate and New 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 98.7841%, 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 27 April 2022 ("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 Proposed Shareholders' Mandate and transactions contemplated under this resolution."*

**14. CLOSURE**

Dato' Chairman thanked everyone present at the AGM and declared the 45<sup>th</sup> AGM of KPS as concluded at 11.50 a.m.

**CONFIRMED AS A CORRECT RECORD**



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**CHAIRMAN**

Dated: 22 June 2022



# 45<sup>th</sup> AGM

## BUSINESS REVIEW & PROSPECTS

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7 June 2022

Ahmad Fariz Hassan  
Managing Director / Group CEO





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01

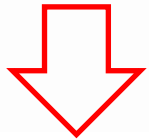
## KPS New Brand Identity

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# The New Logo

Launched on 28 February 2022, Aimed at Enhancing KPS' Brand Equity



There is a strong endorsement for KPS to change its corporate identity

KPS changed its ways of doing things

Current image of KPS does not fit the 'new operating style'

A more international, modern and dynamic identity

A logo that is easy to decipher

Brand colours that are bright and energetic








02

## Report Card

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# What We Delivered in 2021

Gain Stronger Ground by Successfully Battling Lingering Effects from the Pandemic

KEY PERFORMANCE INDICATORS 2021		TARGET FY2021	ACTUAL FY2021	ACHIEVEMENT
 <b>Toyoplas</b>	i. New customers/projects	3	<b>5</b>	■
	ii. No. of projects transferred to Vietnam	1	<b>2</b>	■
 <b>CPI</b>	i. New customers/projects	3	<b>4</b>	■
 <b>CBB</b>	i. New customers for offset business	3	<b>3</b>	■
	ii. New customers for OEM business	2	<b>1</b>	■
	iii. Commencement of production for rigid boxes	August 2021	<b>May 2021</b>	■
 <b>King Koil</b>	i. Sales target for existing customers	US\$27.0 million	<b>US\$23.3 million</b>	■
	ii. New customers/New projects/ New licensee	2	<b>2</b>	■
 <b>Aqua-Flo</b>	i. New customers	2	<b>3</b>	■
	ii. New contracts from existing customers	2	<b>14</b>	■

■ Completed - Stretched

■ Completed - Met

■ Completed - Threshold



## Revenue

FY21: RM1,328.1 mil  
FY20: RM1,076.5 mil

▲ 23.4% YoY



## EBITDA

FY21: RM163.7 mil  
FY20: RM138.2 mil

▲ 18.5% YoY



## PATAMI

FY21: RM57.2 mil  
FY20: RM34.1 mil

▲ 67.7% YoY



03

## Financial Highlights

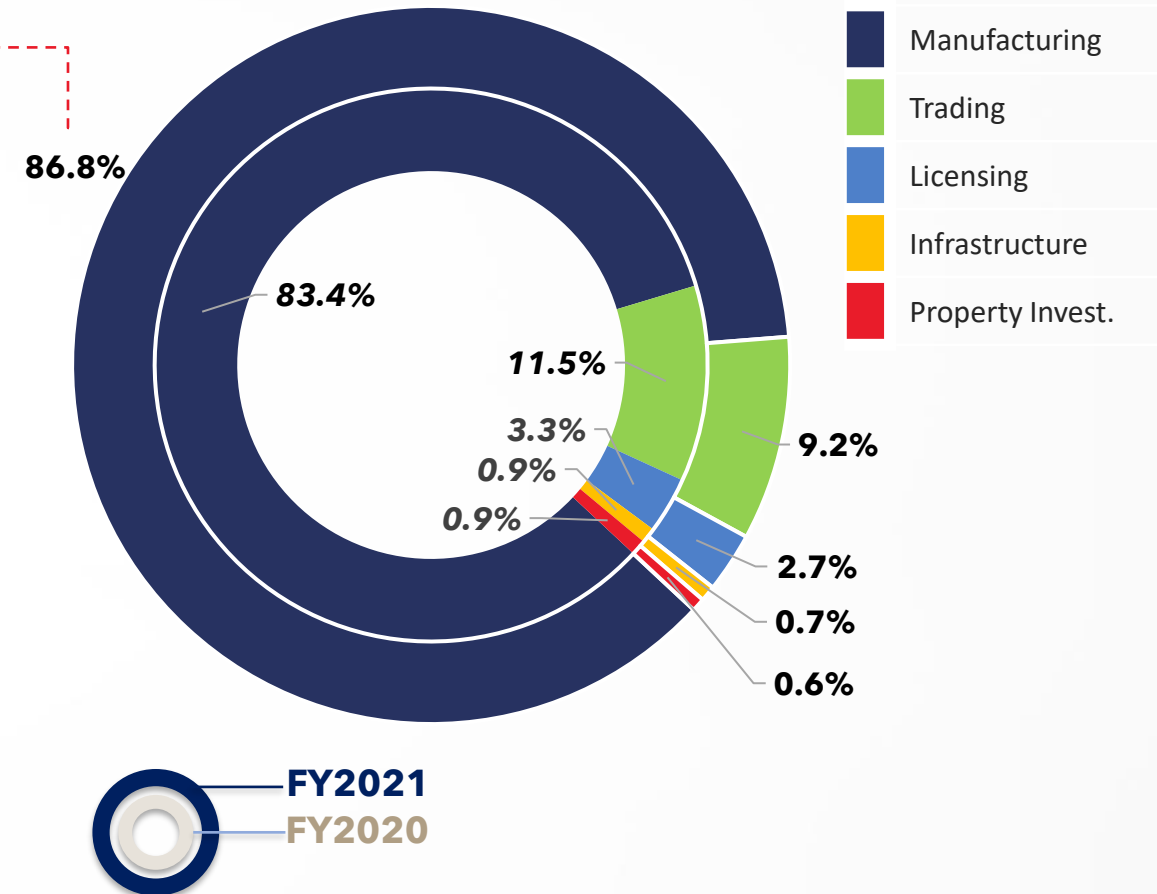
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# Steady Manufacturing Performance

Contributed 87% of the Group Revenue

SECTOR	FY2021	FY2020	Variance
 Manufacturing	<b>1,152.2</b>	898.3	▲ 28.3%
 Trading	<b>121.9</b>	124.1	▼ 1.8%
 Licensing	<b>35.5</b>	35.4	▲ 0.3%
 Infrastructure	<b>9.6</b>	9.2	▲ 4.3%
 Property Inv.	<b>8.9</b>	9.5	▼ 6.3%
<b>TOTAL (RM million)</b>	<b>1,328.1</b>	1,076.5	▲ 23.4%

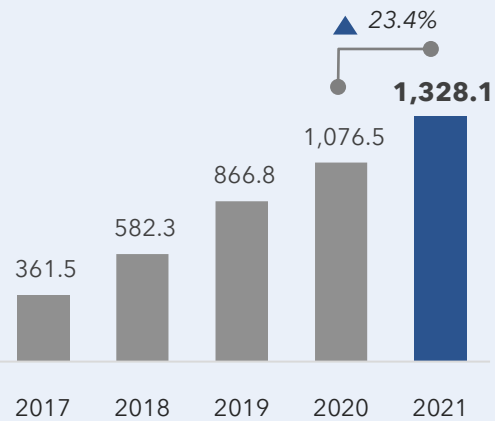
**FY2021  
REVENUE BREAKDOWN BY SECTOR**



# Commendable Year-on-Year Revenue and Earnings Performance

Supported by Strengthened Fundamentals and Lower Finance Costs

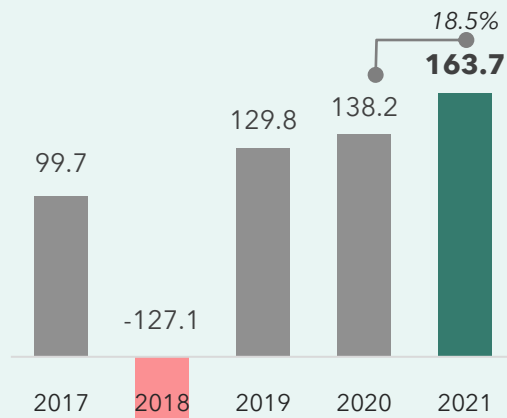
## Revenue



### FY2021

- Increased due to:
  - ✓ Better performance as most businesses operated as usual with upliftment of movement control order.

## EBITDA



### FY2021

- Increased due to:
  - ✓ Higher contribution and improved performance from manufacturing business.
  - ✓ Gain on disposal of properties amounting to RM14.8 mil.

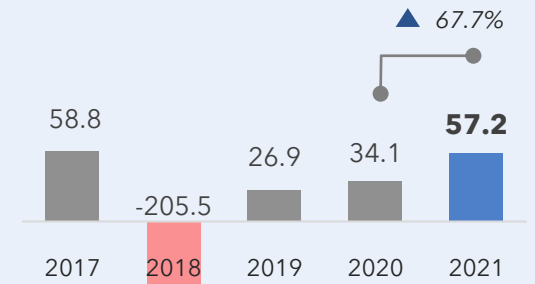
## Operating Profit



### FY2021

- Increased due to:
  - ✓ Better performance by core businesses;
  - ✓ Gain on disposal of properties amounting to RM14.8 mil;
  - ✓ Lower impairment on assets.

## Profit Attributable to Owners of the Parent



### FY2021

- Similarly, higher due to:
  - ✓ Strengthened fundamentals and lower finance costs (21% improvement as compared to FY2020).
- EPS notched up to 10.64 sen. (FY2020: 6.35 sen)



04

## Share Price Performance

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# Share Price Acted In Accordance with Overall Market Sentiment

A choppy down trend in stock market

## SHARE PRICE PERFORMANCE: KPS vs KLCI & FBMSC INDEX

KUPS MK Equity (Kumpulan Perangsang Selangor Bhd)

FBMSC Index (FTSE Bursa Malaysia Small Cap Index)

FBMKLCI Index (FTSE Bursa Malaysia KLCI Index - Kuala Lumpur Composite Index)



Source: Bloomberg

## Bearish Sentiment

- High Covid-19 cases per capita between 2Q-3Q and resulting lockdown measures.
- Fluid domestic politics.
- Budget 2022's "market unfriendly" measures - Prosperity Tax and stamp duty hike.
- China credit contagion fears which caused the risk-off moves, sparked by sharp decline in HK/China markets due to Evergrande's debt crisis.

## Initiation of Analyst Coverage

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

**Target Price:**  
**RM1.60**





05

## Commitment to ESG

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# Responsible Practices for Sustainable Development

Guided by ESG Aspects to Address Evolving Stakeholder Expectations



# Extending Impact Through Community Development

Sharing Corporate Growth Benefiting > 100,000 Community Members



## EDUCATION

Developing talent and skills of targeted stakeholders.

Provided access to quality education to **40** Orang Asal students & Provide digital education to **43** asnaf students collaboration with Maxis

## COMMUNITY DEVELOPMENT

Enhancing social progress and stakeholder development.

Assisted more than **15,000** beneficiaries and more than **45** associations, NGOs, schools and institutions

## ENTREPRENEURSHIP

Promoting and enabling business opportunities.

Developed **92** entrepreneurs

## ENVIRONMENT, SAFETY & HEALTH

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

Assisted more than **100,000** beneficiaries





06

## Economic & Industry Outlook

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# Mix Global Macroeconomic Development

## Speed Bumps on The Path to Recovery – Risks Aplenty

### 01

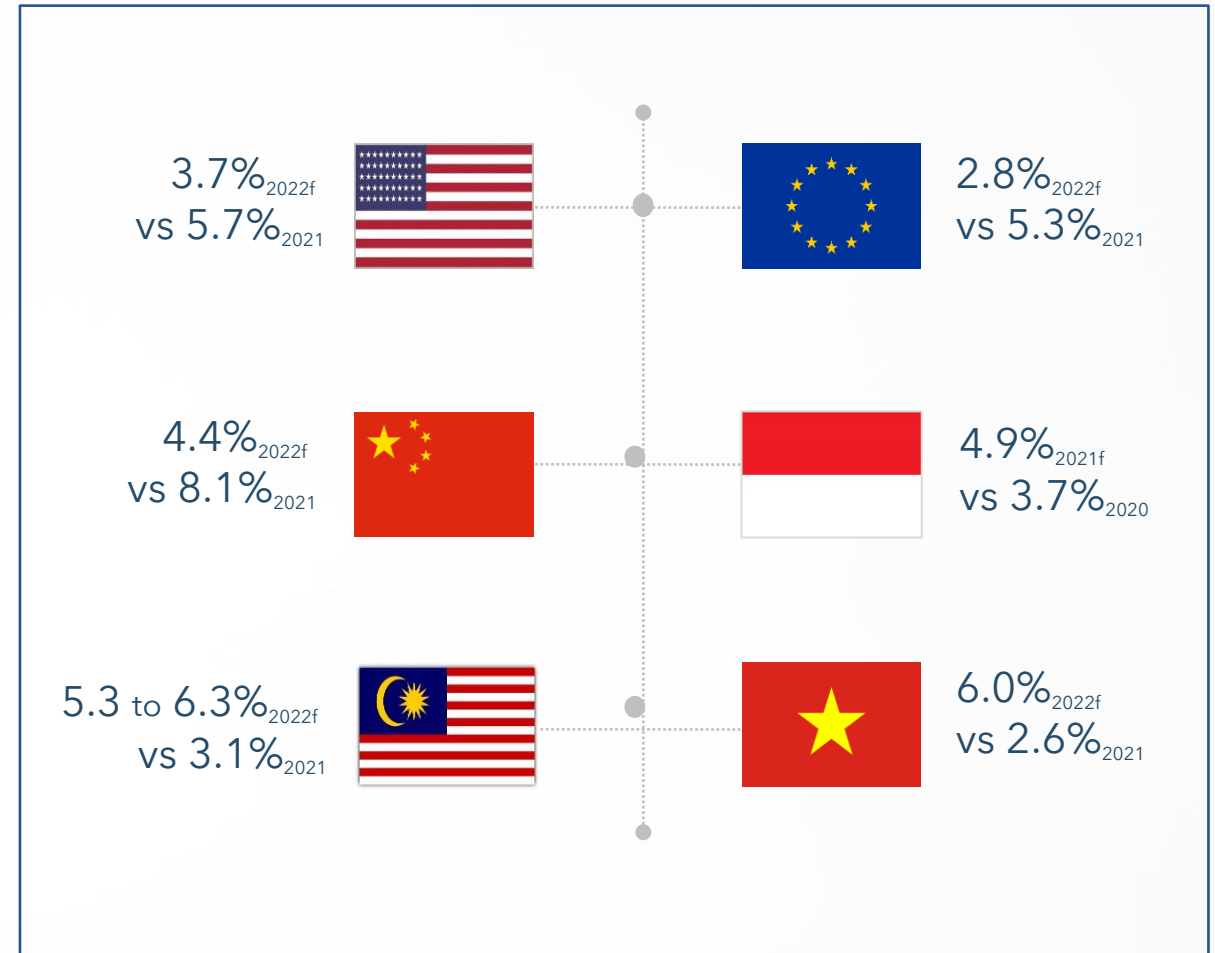
**Fears of potential stagflation in advance economies** - an economy that is experiencing a simultaneous increase in inflation and stagnation of economic output, i.e.: inflation combined with a decline in the GDP. Prolonged high export-import prices that are lifting headline inflation worldwide may ultimately result in a slowdown of the global economy that will inevitably impact global trade activity.

### 02

**High commodity and raw material prices** - expected to stay as demand outstrips supply, China's zero-Covid policy threatens to further disrupt the supply chain cast a shadow over the global supply chain recovery

### 03

**Geopolitical risks are clouding the outlook** - a protracted crisis looks likely, adds to the lengthening list of risk factors that could threaten global growth.

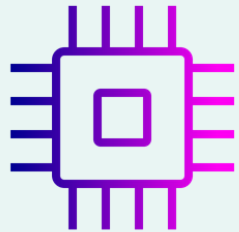


Sources: Malaysia Economic Outlook 2022 by Ministry of Finance, World Bank Report and International Monetary Fund

# Supply Chain Challenges

Expected to Linger Until Demand Pattern Normalises

## Shortage & Prices of Raw Material



- Global chip shortage for EMS industry.
- Could challenge the business prospect for Toyoplas and CPI.
- Paper & resin prices expected to increase given the development in the operating environment.

## High Freight Costs



- Shortage of containers hampering trade recovery.
- Shipping rates to developing regions most affected.



## Labour Availability?

### Points to consider

- Labour cost
- Labour availability
- Labour quality
- Labour stability
- Labour mobility





07

## Prospect & CAPEX Plan

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# Group's Initiatives for FY2022

Capitalise on Emerging Opportunities To Safeguard Operational and Financial Performance



## SALES GROWTH & PRESERVATION

- Developing new product and tapping onto online platform.
- Leveraging on existing capabilities and resources.
- Diversifying product mix, increasing reach and managing market risks.
- Growing together with existing customers and acquiring new customers.
- Focusing on branding & marketing.



## COST SAVINGS & EFFICIENCIES

- Procuring raw materials from various sources.
- Localising supply chain by having in-house machineries.
- Ongoing costs management via effective negotiations to transfer costs to customers.
- Managing and minimising the forex and tax exposure.



## INCREASE PLANT CAPACITY & CAPABILITIES

- Shifting production locations in line with movement of customers to lower shipping costs.
- Leveraging the low-cost sites.
- Continuing the investments in hardware to support growth.
- Completing the construction of new factories to cater for future demand at CPI and TMM.



## SUSTAINABILITY INITIATIVES

- Promoting environmental, social and governance (ESG) efforts among stakeholders and investors.
- Proposing the Installation of solar power system at the factories.



# Creating New Opportunities Amidst Lingering Pandemic Impact

CAPEX Outlay of RM57.4 million in 2022 to Support Future Growth

## MANUFACTURING : 95%

## OTHERS : 5%



### TOYOPLAS

**CAPEX : RM28.2 mil**

- Focusing on sales growth & preservation via
  - ✓ diversifying solutions and exploring untapped market.
  - ✓ new high mix low volume projects
  - ✓ more box build projects.
- Strengthening footprint in Vietnam.
- Optimising costs and improve efficiency.

### CPI

**CAPEX : RM15.7 mil**

- Achieving sales growth via growing with existing/new customers, industry diversification as well as footprint expansion.
- Managing cost and implementing cost pass through mechanism.
- Increasing capacities and capabilities to provide wider range of solutions to the customers.

### CENTURY BOND

**CAPEX : RM8.7 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 : RM1.7 mil**

- Focusing on high margin products and strengthen high-end/ ultra-premium brand positioning.
- Improving operational efficiency and productivity to rebuild profit margins.
- Enhancing plant capacity to support new customers and prepare for the next stage of growth.

### AQUA-FLO

**CAPEX : RM0.4 mil**

- Improving market share in potable water chemicals.
- Focusing on new growth area - industrial and municipal water treatment segments.
- Increasing market share for water meter.

### SMARTPIPE

**CAPEX : NIL**

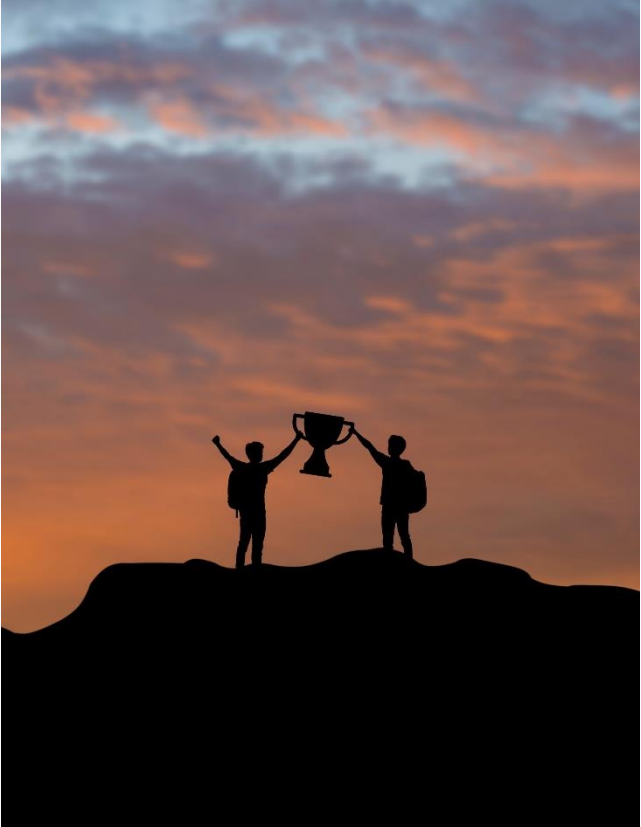
- Exploring strategic partnerships with utility specialists.



### KPS

**CAPEX : RM2.7 mil**

- Renewing fire certificate for Plaza Perangsang.
- Upgrading lift, IT Hardware & Software.



08

## Awards & Recognitions

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# Awards & Recognitions

Embracing Culture of Excellence



2021

**NACRA 2021  
EXCELLENCE AWARDS  
PLATINUM**

Companies With  
Less Than RM2 Billion  
In Market Capitalisation

2020 & 2019



**NACRA 2020  
EXCELLENCE AWARDS  
SILVER**

Companies Under  
RM2 Billion  
In Market Capitalisation

Previous Years



Silver Award:  
**Employer of Choice**  
(Private Sector) **2018**



Silver Award:  
**Employer of Choice**  
(Private Sector) **2017**



**Asia Responsible  
Entrepreneurship  
Award 2015**



**Sustainability & CSR  
Award Malaysia 2021**

(Investment Holding  
Company Category)



**Sustainability &  
CSR Malaysia 2020**  
Company of The Year  
(Manufacturing and  
Trading)



**CSR Malaysia 2019**  
Company of The Year  
(Manufacturing and  
Trading)



**Asia Responsible  
Enterprise Award  
2018**



**2017 Jury Award  
Selangor Sports  
Council (MSNS)**



Second Runner-up  
**2015 Risk Manager  
of The Year**  
(MARIM)



**MSWG-ASEAN  
CORPORATE GOVERNANCE  
("CG") AWARD 2020**  
**Excellence Award for CG  
Disclosure & Industry Excellence  
Award 2020**

(Mkt Cap RM100million-  
RM300 million Category)



**HR Asia Best  
Companies To Work  
For In Asia 2018**



**Champion 2016 Risk  
Manager of The Year**  
(MARIM)



**Asia Responsible  
Entrepreneurship  
Award 2013 (SEA)**

# Thank You

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*Department*

**KUMPULAN PERANGSANG SELANGOR BERHAD**

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40000 Shah Alam, Selangor Darul Ehsan.

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E : [email@kps.com.my](mailto:email@kps.com.my)

W : [www.kps.com.my](http://www.kps.com.my)

 : Kumpulan Perangsang Selangor Berhad

 : @kps\_sustainability

**KUMPULAN PERANGSANG SELANGOR BERHAD**

(Registration No. 197501002218 / 23737-K)

(Incorporated in Malaysia)



**APPENDIX 3** OF THE MINUTES OF 45TH 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 BOARDROOM SMART INVESTOR PORTAL AT <https://investor.boardroomlimited.com> ON TUESDAY, 7 JUNE 2022 AT 10.00 A.M.

**QUESTIONS READ OUT BY THE MANAGING DIRECTOR/GROUP CHIEF EXECUTIVE OFFICER (“MD/GCEO”) AND JOINTLY ANSWERED BY HIMSELF, DEPUTY CHIEF EXECUTIVE OFFICER (FINANCE & CORPORATE SERVICES) AND DEPUTY CHIEF EXECUTIVE OFFICER (STRATEGY & INVESTMENTS) DURING THE 45TH 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 SHAREHOLDERS OF KPS	THE COMPANY’S ANSWER OR RESPONSE
1.	Will the Company be giving out the door gifts/e-voucher to shareholders attending the virtual AGM?	Instead of one-off gifts, KPS is focusing more on creating long-term values for the shareholders. The announcement of a total dividend of 4.5 sen per ordinary share amidst this challenging environment is a testament of the Company creating such value.
2.	If the disposal of SPRINT materialises, how would KPS utilise the proceed from the sale?	The board will review and disclose the utilisation of the proceed upon the completion of the disposal. We will not rule out the possibility of the special dividend, but it will be subject to the Board’s approval. We will disclose the relevant information in due time.
3.	Who are your local institutional shareholders? Are they government or financial institutions?	Our local Institutional shareholders are mainly from financial institutions. Our current institution shareholding is less than 2%, some of them are KAF Core Income Fund, KAF Vision Fund, KAF First Fund and Phillip Capital.
4.	Does KPS embed ESG risks and opportunities in its business strategy and implement ESG initiatives in its operations, in the effort to preserve environment, reduce waste and pollutions? On KPS’ Sustainability Report 2021 (“Report”), I congratulate your team members for the comprehensive report. With the Report, how many new investors or fund managers for foreign funds got really moved by KPS’ sustainability policy on ESG?	Yes. In fact, in 2021, we strengthened our sustainability commitment and successfully executed our sustainability efforts, having made definitive strides in our key Environmental, Social and Governance (“ESG”) areas.  We have put in place long-term strategies that cover ESG aspects and efforts, for instance, energy efficiency, waste management, occupational safety & health, quality control of our products and climate change. With regards to climate change, we have started greenhouse gas emissions monitoring and other environmental-related initiatives, including innovation solutions where we explore topics on sustainable production and consumption.

NO.	QUESTION OR COMMENT FROM SHAREHOLDERS OF KPS	THE COMPANY'S ANSWER OR RESPONSE
		<p>Furthermore, we have started our waste management initiatives at our key manufacturing operations by initiating waste segregations and responsible waste disposal programs, as well as adopting circularity through recycling and repurposing production waste. We aim to enhance our process to treat our waste responsibly by increasing our efforts in the said activities further this year, which we had chartered considerable achievements at CBB and other subsidiaries. Our energy efficiency programs include eliminating energy waste by replacing appliances with energy-efficient devices and exploring renewable energy usage. Integrating automation in our manufacturing facilities in CPI is one such example.</p> <p>In response to Mr. Cheng Chang Chai's question, sustainability and responsible business ethics is part of Bursa Malaysia standards for fulfilling ESG requirements for all PLCs. Having ESG frameworks, policies and processes in place will keep the company coherent with the available disclosures requirement, all the more critical as Bursa Malaysia is in the midst of revamping Sustainability Reporting Framework consisting of the sustainability reporting listing requirements, guides and toolkits.</p> <p>Similarly, the same sentiment has been embraced by many fund managers such as EPF, KWAP and Lembaga Tabung Haji. Our efforts thus far in sustainability are in line with our stakeholders' expectations.</p>
5.	BIMB had a co-op write-up last year that KPS is valued with upside above RM1.60 per share. Do they still maintain the same stance?	The target price of RM1.60 by BIMB was based on 16x its FY2022 estimates. As of BIMB's last published report, there are no changes to KPS's valuation and its earnings estimates.
6.	As a Group, do you employ more foreign labours than locals in production lines? Do you intend to replace the labours, including foreign workers who completed their maximum 10-year tenure with machinery?	As of 31 March 2022, the Group employs 610 foreign workers for its operations in Malaysia which make up about 40% of the total workforce in the country of 1,602. We generally have more foreign workers as compared to locals running our production lines. In mitigating the risk on availability, KPS and the Management of respective subsidiaries are constantly looking into minimising the dependency on foreign workers through incremental innovation, such as improving the efficiency of the manufacturing processes, as well as integrating where we can, efforts on automation in the production lines of our key manufacturing businesses such as Toyoplas Manufacturing (Malaysia) Sdn Bhd, Century Bond Bhd, and CPI Penang Sdn Bhd and King Koil Manufacturing West.

NO.	QUESTION OR COMMENT FROM SHAREHOLDERS OF KPS	THE COMPANY'S ANSWER OR RESPONSE
7.	With the recent announcement on the minimum wage entry of RM1,500 for employees, has KPS implemented at its Group of Companies and how does it impact on the overall performance of the Company?	KPS had implemented the mandatory minimum wage to all its Group of companies with effect of 1 May 2022. Three of its subsidiaries will be impacted on the minimum wage implementation, they are Toyoplas Manufacturing (Malaysia) Sdn Bhd, Century Bond Bhd, and CPI Penang Sdn Bhd involving a total of 320 local employees and 604 foreign workers. The overall financial impact due to the adjustment from May 2022 to December 2022 is estimated at RM2.78 million. The annualised figure would be RM4.18 million.
8.	Why was KPS financial performance in Q4 2021 not as good as Q4 2020?	Q4 2021 PATAMI moderated YoY due to lower share of profits from associates, given the absence of extraordinary gain as per Q4 2020 (SPLASH securitisation of RM14.8 million). However, on a full-year basis, the Group revenue jumped 23.4% year-on-year to RM1,328.1 million from RM1,076.5 million due to the outperformance in the manufacturing sector. Our operating profit increased more than doubled to RM104.5 million from RM51.0 million, supported by other income contributed by the gain on disposal of properties amounting to RM14.8 million, higher forex gain and lower impairment loss on assets.
9.	How does the Company gain more income from existing customers and services to grow your revenue and profit?	<p>We remain committed to delivering value to our stakeholders by focusing on strategic execution of the value creation plans in all our manufacturing companies to strengthen further our fundamentals and, ultimately, profitability and sustainable growth. At the same time, we will continue with the realisation of our long-term strategic goals that include further improvement in operational efficiency, penetration into e-commerce and new market segments, expansion of product mix and services, and brand repositioning at our subsidiary companies, to gain more ground and are poised to ride the economic recovery amidst supply chain challenges.</p> <p>In addition, to ensure sustainable growth and favourable prospects, we grow with our customers. For instance, with regards to Toyoplas' operations in China, we took advantage of the US-China trade tension by strengthening our footprint in Vietnam.</p> <p>We also constantly work to improve efficiencies, for instance via automation, to increase our plant capacity and capabilities in order to provide wider range of solutions to the customers, in so doing, propel growth and deliver long term value to our shareholders.</p>

NO.	QUESTION OR COMMENT FROM SHAREHOLDERS OF KPS	THE COMPANY'S ANSWER OR RESPONSE								
10.	<p>What do you have in place to improve the financial performance and remain profitable?</p>	<p>As mentioned in the previous question, we shall ensure strategic execution of the value creation plans at the subsidiary companies to further strengthen our fundamentals and, ultimately, the Group's sustainable growth and profitability. We shall also continue with efficient product planning, practising lean manufacturing as well as continue driving cost optimisation, for example via cost pass-through mechanism following supply chain disruption, to manage our profitability margin more efficiently.</p> <p>For examples:</p> <table border="1" data-bbox="703 663 1391 1039"> <tbody> <tr> <td data-bbox="703 663 767 748">Toyoplas</td> <td data-bbox="767 663 1391 748">Have established a robust long-term business plan. The current focus would be the new Vietnam plant at Bac Giang, taking advantage of the market's preference for the location as a diversion in response to the US-China trade tension.</td> </tr> <tr> <td data-bbox="703 748 767 833">CPI</td> <td data-bbox="767 748 1391 833">It has already secured a few new projects from existing and new customers amounting to about RM12 million and will increase its EMS capacities with the expected commencement of its EMS plant by Q3 2022.</td> </tr> <tr> <td data-bbox="703 833 767 949">CBB</td> <td data-bbox="767 833 1391 949">Will focus on its offset carton division for revenue growth coming from existing European brand owners and also new customers as there is an increasing trend for customers to switch to offset carton. CBB will also leverage on its close relationship with major OEM companies in Johor which is a preference for major international customers to outsource most of their production capabilities.</td> </tr> <tr> <td data-bbox="703 949 767 1039">King Koil</td> <td data-bbox="767 949 1391 1039">It will drive revenue growth and expanding market share through strategic marketing activities of private labels while focusing sales efforts on high margin products and strengthen brand positioning with the introduction of new and improved lines.</td> </tr> </tbody> </table>	Toyoplas	Have established a robust long-term business plan. The current focus would be the new Vietnam plant at Bac Giang, taking advantage of the market's preference for the location as a diversion in response to the US-China trade tension.	CPI	It has already secured a few new projects from existing and new customers amounting to about RM12 million and will increase its EMS capacities with the expected commencement of its EMS plant by Q3 2022.	CBB	Will focus on its offset carton division for revenue growth coming from existing European brand owners and also new customers as there is an increasing trend for customers to switch to offset carton. CBB will also leverage on its close relationship with major OEM companies in Johor which is a preference for major international customers to outsource most of their production capabilities.	King Koil	It will drive revenue growth and expanding market share through strategic marketing activities of private labels while focusing sales efforts on high margin products and strengthen brand positioning with the introduction of new and improved lines.
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King Koil	It will drive revenue growth and expanding market share through strategic marketing activities of private labels while focusing sales efforts on high margin products and strengthen brand positioning with the introduction of new and improved lines.									
11.	<p>Encik Fariz, you put forth a business transformation plan from the day you were appointed as CEO. You have changed the DNA set up and steered the ocean-liner KPS on a chartered voyage without any assistance of the Selangor Government. Bravo and kudos! Covid-19 was a huge storm in KPS' pathway. Your plans now is to ensure growth moving forward and <b>MAINTAINING SUSTAINABLE GROWTH. Where is the NEW ENGINE OF GROWTH? Is growth going to be organic, lateral or top down or whatever?</b></p>	<p>There will likely be no major acquisitions this year. If any in the near future, they would be complementary to our existing manufacturing operations, or sub-manufacturing business. For instance, we acquired Taspack in 2019, a company that specialize in designing and manufacturing offset carton. We placed Taspack under CBB, to complement its carton business, as a result, helped make CBB an integrated packaging solution provider.</p>								
12.	<p>With ATA IMS' loss of contracts from Dyson, how much is KPS expected to benefit from the vacuum in terms of new contracts/ revenue, actual profit and expected earning per share?</p>	<p>We expect to secure five new projects from Dyson worth approximately RM150 million per year. The first project consisting of three lines has already commissioned in February 2022. One more project will start production in Q2'22 and the other three projects still pending approval.</p>								



NO.	QUESTION OR COMMENT FROM SHAREHOLDERS OF KPS	THE COMPANY'S ANSWER OR RESPONSE
13.	<p>May I know what the outlook for the next 6 months is and is 2022 going to be better or worse than 2021?</p>	<p>With geopolitical risks arising from the Russian-Ukraine conflict clouding the outlook, the propensity for the supply chain headwinds staying in the immediate term and China's zero-COVID policy expected to pose pressure on worker mobility and workforce availability, KPS expects the challenges in the operating environment to linger into the second half of 2022, dampening global business sentiment and the Group prospect.</p> <p>We shall continue with executing levels of responses and depth of resilience, focusing first on aspects of the operations such as expanding the network of suppliers for more competitive prices, rolling out more optimised production planning and potentially negotiating a cost-pass-through mechanism with selective customers. All these efforts are targeted at ensuring a sustainable growth momentum within the Group.</p> <p>In rising above the short-term challenges in the manufacturing business environment, we are also encouraged by the favourable prospects in the other businesses which have allowed us to capitalise on emerging opportunities. In view of both challenges and opportunities, we expect to progress moderately in the current financial year while assessing the robustness of the expected growth of the Group revenue and profitability.</p>
14.	<p>Can the Company pay 10 sen dividend in the upcoming financial years? If yes, the Company will be categorised as high yield investment company. Your valuation will improve and can attract more retail and institutional investors.</p>	<p>KPS is dedicated and committed to delivering financial obligations to shareholders and sharing the enterprise performance via consistent and sustainable returns to ensure continuous support and confidence by shareholders. In considering the level of dividend payment, we shall consider such factors as the level of available cash and retained earnings, the projected levels of capital expenditure, funding needs for future growth and working capital requirement. KPS Dividend Policy is based on minimum 30% of normalised core PATAMI. Therefore, our future commitment on dividend distribution hinges on several fundamental factors and financial metrics. For FY2021, the total dividend payment is expected to be RM24.2 million, or at 54.2% payout, equivalent to 4.5 sen per share.</p> <p>With 4.5sen dividend declared for FY2021, the yield would be 6.3% based on our share price of RM0.72 as of 31 December 2021.</p> <p>For the upcoming years, barring any special dividend, the dividend payment is expected to be to the north of 4.5 sen per share.</p>

NO.	QUESTION OR COMMENT FROM SHAREHOLDERS OF KPS	THE COMPANY'S ANSWER OR RESPONSE
15.	KPS has already established dividend policy last year. Will it consider introducing share buy back policy which could help protect the stability of the share price?	KPS places great importance on the sustainability of its business, which is still growing. The Group is still in a growth cycle, with many business opportunities to explore and prioritise. Reinvesting into the business, such as pursuing capacity expansion, will help KPS strategise towards ensuring sustainable growth for the Group, which we believe bodes well to enhance stakeholders' confidence in KPS.
16.	What is the impact of Cukai Makmur on the Group?	Cukai Makmur will not impact the Group as it will only be levied on chargeable income exceeding RM100 million for the year of assessment 2022.
17.	Recently, KPS rebranded its visual identity. Why do you need rebranding? And how much you spent on the exercise?	<p>Our brand identity must evolve with time and the brand experience should align with our strategic ambitions. We need to maintain relevance to our target market, exude competitiveness and confidence, and rationalise our brand impact on the Group's growth. So, we felt that we need to simplify and unify the identity to be more recognisable and positively, in line with our business aspirations.</p> <p>Most of the exercise was carried out internally. We spent about RM450,000 to roll out the exercise, which was mostly on collaterals and logistics, event management and F&amp;B.</p>
18.	Are we expecting any new acquisitions in 2022?	There will likely be no major acquisitions this year. If any in the near future, they would be complementary to our existing manufacturing operations, or sub-manufacturing business. For instance, we acquired Taspack in 2019, a company that specialise in designing and manufacturing offset carton. We placed Taspack under CBB, to complement its carton business, as a result, helped make CBB an integrated packaging solution provider.
19.	What is the percentage of foreign workers in your facilities in Malaysia? Do you face any manpower shortage issue?	<p>This question is similar to the one that we had covered before. In Malaysia, we have 610 foreign workers, who make up about 40% of the total workforce; 188 in Toyoplas, 266 in CPI and 156 in CBB.</p> <p>Given the fluidity of the availability of foreign workers in Malaysia, we had already applied from the Malaysia authority (Kementerian Dalam Negeri("KDN")) for the new intake of foreign workers.</p> <p>For instance,</p> <p>i) CBB has applied for 400 workers. As at 26 May 2022, we had received approval for additional 118 workers for our first batch of our application which was intended to cater for our operations in Taspack and Nilai plant. The remaining are still pending approval.</p>

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		<p>ii) CPI has applied for 200 workers and still pending approval from KDN.</p> <p>iii) Toyoplas has applied for 200 workers.</p> <p>In the meantime, we had optimised our operations by reallocating our production workers from other divisions as and when required to optimise the processes to mitigate the process. Our current workforce is sufficient to meet our production demands except in CBB.</p>
20.	<p>What is the cost break down for your manufacturing business?</p>	<p>The main raw material for Toyoplas and CPI is resin, whereas for CBB are paper and resin. For KKMW, the main materials foam and coil. Total workforce for Toyoplas is 2,614, CPI 731, CBB 665 and KKMW 90.</p> <p>The cost breakdown varies from products to products. But generally at subsidiary level, raw materials make up between 60% and 80% of cost while labour between 10% and 20%.</p> <p>In mitigating the risk of cost inflation due to escalated material prices, we had initiated cost pass through mechanism to some of our customers with the aim to preserve our operational margins.</p> <p>In mitigating the risk of labour shortage, we continue to optimise our operational process, as well as integrate where practical process automation, both of which would lead to lower dependency of work force.</p>
21.	<p>What is the impact from the rise of raw material costs that resulted from supply chain disruption such as that from the Russia-Ukraine tension, which I believe has escalated cost?</p>	<p>There will be some impacts on our profit margin. To this effect, we will remain cautious as two of our main raw materials, resin &amp; paper, are affected by the on-going Russian-Ukraine war and supply chain challenges. We are managing our margins closely as mentioned in the previous question by improving our operational efficiency, optimising our cost and working on the cost pass through mechanism.</p>
22.	<p>How do you pass on the cost increase? How successful is your cost pass through mechanism?</p>	<p>We have negotiated with some of our customers to reach a consensus on the price hike and review periodically. After 2 years of pandemic, it has become easier for customers to understand the extend of the rise in material prices and supply chain issues and to accept our proposal. We have managed to pass through some cost to some of our key customers and still working with the rest of them.</p> <p>In fact, for new products, we can pass through the cost fully, as for the products at mid cycle, we get compensated by introducing the new production process or additional new toolings. So far, we managed to pass through most of the cost with only 1% to 2% impact on the gross margins.</p>

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23.	In light of the coronavirus pandemic and the economic downturn, what is the rationale for the proposed revision of the Directors' Remuneration for the financial year ended 31 December 2021 ("FYE2021") with an increase of RM20,000 per annum for the Chairman and Board members of KPS?	<p>The justifications for the proposed revision in Director's Fee are as follows:</p> <ol style="list-style-type: none"> <li>1) No review since 2012.</li> </ol> <p>The existing Directors' Remuneration for the Non-Executive Directors was last reviewed in 2017 (5 years back) and approved by the shareholders at the 40th AGM of the Company held on 25 May 2017.</p> <ol style="list-style-type: none"> <li>2) Increasing responsibilities and requirements attributed to the Directors' roles, business size and potential expansion owing to changes in the corporate, economic and social landscape. Directors are now expected to exercise greater vigilance and professional skepticism in understanding and shaping the strategic direction of the Company. As an investment holding company, KPS strives to build a diverse model of multiple-sector businesses to capture the exciting market opportunities ahead. This translates into greater responsibility and accountability of the Board, and thus the same should be remunerated fairly in line with the size and complexity of the business.</li> <li>3) Fair and competitive remuneration is critical to attract, retain and motivate Directors. The remuneration of NED should take into account the Company's desire to attract and retain the right talent in the Board to drive the Company's long-term objective.</li> </ol> <p>Notes:</p> <ol style="list-style-type: none"> <li>i) The total amount of Directors' remuneration payable to the Directors is estimated to be up to RM1,814,452 for the Relevant Period which will take effect from 8 June 2022 subject to the shareholders' approval and taking into account various factors including the number of scheduled meetings for the Board, Board of subsidiaries and Board Committees as well as the number of Directors involved in these meetings.</li> <li>ii) The Board is of the view that it is just and equitable for the Directors to be paid Directors' Remuneration on a monthly basis and/or as and when incurred within, particularly after they have discharged their responsibilities and rendered their services to the Company throughout the Relevant Period effective 8 June 2022.</li> </ol>