

## **APPENDIX I**

Welcome to the 27<sup>th</sup> Annual General Meeting here this morning.

I thank you for joining us for today's annual general meeting.

### Review of the Financial Performance for the Year 2020

The year passes quickly. From the last report for the financial year 2019 when the COVID-19 pandemic was declared by the World Health Organization on 11 March 2020, we are now nine months into the second year of the pandemic.

Despite all these disruptions, I am pleased to inform shareholders that the Group was able to turn in good results for the financial year 2020, with a profit of RM11.3 million. The Group's revenue for the year 2020 was reduced by 30.7% as compared to 2019, as Malaysia was restricted to comply with the Standard Operating Procedure (SOP) of the Movement Control Order (MCO) 1.0. Our operations in Vietnam were not affected and was operating as normal.

With the continued stability of the Group's financial status, I am proud to record that a total dividend of 6 sen was declared for the financial year ended 31 December 2020 when 4 sen was paid on 24 June 2020 and another 2 sen was paid on 5 February 2021.

### Financial Performance of the Current Year

The financial results for the 2<sup>nd</sup> quarter 2021 had been released on 20 August 2021 registering a better profit before tax of RM9.2 million compared to RM5.3 million in the corresponding quarter of 2020.

However, the remaining year of 2021 continues to be challenging as recovery from the COVID-19 pandemic in both Malaysia and Vietnam is prolong and the adverse impacts are felt on every aspect of health, social interactions and businesses. The Group is pleased to announce that our employees are fully vaccinated and is continuously working to reduce the impact from the consequences of the pandemic as business disruptions continue to affect its operations.

As a packaging provider, our deliveries depend on our customers' ability to operate for their outputs. Due to the COVID-19 pandemic, customers' business are impacted due to localities lockdowns and operating requirements. So far, our major customers are able to operate without abnormal restrictions and with a diversified customer base, we are confident revenue for 2021 could match that of 2020. Cost control measures are still challenging as raw material as well as sub-material costs have been on an upward trend. Nevertheless, we have managed to contain the rising operating cost for the first half of 2021 and will continue to be vigilant for any cost overrun.

A single tier interim dividend of 2 sen for the financial year 2021 had paid on 10 May 2021.

I am confident that Master-Pack Board of Directors and team will have the strength to persevere in facing the challenges ahead as team spirit is high with close co-ordination and communication to face all the challenges ahead.

So without taking more of today's time, we shall commence the meeting.