

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.**

**IF YOU ARE IN DOUBT AS TO THE COURSE OF ACTION TO BE TAKEN, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISER IMMEDIATELY.**

If you have sold or transferred all your shares in Malaysia Packaging Industry Berhad, you should at once hand this Document together with the enclosed Proxy Form to the agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee or you may hand this Document directly to the purchaser or transferee.

The Securities Commission Malaysia (“SC”) takes no responsibility for the contents of this Document, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Document.

The SC has granted its consent to the contents and the issuance of this Document. However, such consent shall not be taken to indicate that the SC recommends the Proposed SCR (as defined herein) or that the SC agrees with the recommendation of the Board of Maypak or that SC assumes responsibility for the correctness of any statements made or opinions or reports expressed in this Document. It merely means that this Document has complied with the disclosure requirements of the Rules on Take-Overs, Mergers and Compulsory Acquisitions, 2016.

**MALAYSIA  
PACKAGING  
INDUSTRY  
BHD**



**MALAYSIA PACKAGING INDUSTRY BERHAD**

(Company No. 22265-U)  
(Incorporated in Malaysia)

**PART A**

**CIRCULAR TO SHAREHOLDERS IN RELATION TO THE PROPOSED SELECTIVE CAPITAL REDUCTION AND REPAYMENT EXERCISE OF MALAYSIA PACKAGING INDUSTRY BERHAD (“MAYPAK”) PURSUANT TO SECTION 117 OF THE COMPANIES ACT, 2016 (“PROPOSED SCR”)**

**PART B**

**EXPLANATORY STATEMENT BY Taisei Lamick Co., Ltd. TO THE ENTITLED SHAREHOLDERS OF MAYPAK IN RELATION TO THE PROPOSED SCR**

**PART C**

**INDEPENDENT ADVICE LETTER FROM MERCURY SECURITIES SDN BHD TO THE ENTITLED SHAREHOLDERS OF MAYPAK IN RELATION TO THE PROPOSED SCR**

**AND**

**NOTICE OF EXTRAORDINARY GENERAL MEETING**

*Principal Adviser for Part A and Part B*

*Independent Adviser for Part C*



**RHB Investment Bank Berhad**

(Company No. 19663-P)

(A Participating Organisation of Bursa Malaysia Securities Berhad)



**Mercury Securities Sdn Bhd**

(Company No. 113193-W)

(A Participating Organisation of Bursa Malaysia Securities Berhad)

The Notice of the Extraordinary General Meeting (“EGM”) of Maypak, which will be convened at Theatre Hall, Level 6, SEGi College, Persiaran Kewajipan, USJ 1, 47600 UEP Subang Jaya, Selangor Darul Ehsan on Wednesday, 21 June 2017 at 10.30 a.m. or immediately following the conclusion or any adjournment (as the case may be) of the Forty-Second (42<sup>nd</sup>) Annual General Meeting (“AGM”) of Maypak, which will be held at the same venue and on the same day at 10.00 a.m., whichever is later, together with the Proxy Form are enclosed herein.

A member entitled to attend, speak and vote at the meeting is entitled to appoint proxy(ies) to attend, and vote on his/her behalf. The Proxy Form should be lodged at the Company’s Share Registrar’s office at Bina Management (M) Sdn. Bhd., Lot 10, The Highway Centre, Jalan 51/205, 46050 Petaling Jaya, Selangor Darul Ehsan, not less than 48 hours before the time stipulated for holding the EGM as indicated below. The lodgment of the Proxy Form will not preclude you from attending and voting in person at the meeting should you subsequently wish to do so.

Last date and time for lodging the Proxy Form..... : Monday, 19 June 2017 at 10.30 a.m.

Date and time of the EGM ..... : Wednesday, 21 June 2017 at 10.30 a.m., or immediately following the conclusion or adjournment (as the case may be) of the 42<sup>nd</sup> AGM which will be held at the same venue and on the same day at 10.00 a.m., whichever is later

This Document is dated 17 May 2017

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## DEFINITION

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The following definitions shall apply throughout this Document unless the context requires otherwise:-

“Act”	: Companies Act, 2016 and any amendments made thereto from time to time
“AGM”	: Annual General Meeting
“Board”	: Board of Directors
“Bursa Depository”	: Bursa Malaysia Depository Sdn Bhd (Company No. 165570-W)
“Bursa Securities”	: Bursa Malaysia Securities Berhad (Company No. 635998-W)
“CCM Notice”	: A notice from the Registrar of Companies confirming the reduction of share capital
“CDS”	: Central Depository System
“Circular”	: The circular to shareholders of Maypak dated 17 May 2017 in relation to the Proposed SCR, which is set out in <b>Part A</b> of this Document
“CMSA”	: Capital Markets and Services Act, 2007 and any amendments made thereto from time to time
“Code”	: Malaysian Code on Take-Over and Mergers, 2016
“Completion”	: The successful completion of the Proposed SCR
“Compulsory Land Acquisition”	: The compulsory acquisition of the Existing Land (which Maypak’s existing office and factory/warehouse are erected on) by the Malaysian government for the proposed Mass Rapid Transit – Jajaran Sungai Buloh – Serdang – Putrajaya (MRT2) project
“Deed of Waiver”	: Deed of waiver dated 13 September 2016 between Maypak and TSGHL on, amongst others, the waiver of all the outstanding amounts owing by Maypak to TSGHL of RM32,426,189
“Delisting”	: Maypak was delisted from the Main Market of Bursa Securities on 9 January 2017
“Director”	: Any person occupying or acting in the position of a director of a corporation and as defined in Section 2(1) of the CMSA
“Distribution(s)”	: Any dividend or any distribution of any other nature whatsoever that Maypak undertakes, declares, makes and/or pays from the date of the SCR Offer Letter to the date of Completion
“Document”	: This entire document (which comprises the Circular, the Explanatory Statement and the IAL) to shareholders of Maypak dated 17 May 2017 in relation to the Proposed SCR
“Effective Date”	: The date on which the Registrar of Companies has recorded the information lodged with the Registrar of Companies pursuant to Section 119 of the Act in the appropriate register and the notice confirming the reduction of share capital is issued by the Registrar of Companies
“EGM”	: Extraordinary general meeting
“Entitled Shareholders”	: Shareholders of Maypak (other than the Non-Entitled Shareholder) whose names appear on the ROD of Maypak as at the close of business on the Entitlement Date

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**DEFINITION (Cont'd)**

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“Entitlement Date”	: The date on which the names of the Entitled Shareholders must be registered in the ROD of Maypak as at the close of business for the purpose of determining their entitlement under the Proposed SCR, which shall be determined and announced later by the Board of Maypak
“EPS”	: Earnings per share
“Existing Land”	: Parcel of industrial land held under Lot No. 58602, Mukim Kuala Lumpur, of which Maypak is the beneficial owner of 8,712 square metres of the said industrial land
“Explanatory Statement”	: The explanatory statement prepared by TLC to the Entitled Shareholders in relation to the Proposed SCR dated 17 May 2017, which is set out in <b>Part B</b> of this Document
“FPE”	: Financial period ended/ending, as the case may be
“FYE”	: Financial year ended/ending, as the case may be
“IAL”	: Independent advice letter dated 17 May 2017 prepared by the Independent Adviser, which is set out in <b>Part C</b> of this Document
“Interested Directors”	: Collectively, Takunari Oshitanai, Masaharu Yamaguchi and Hisaya Matsumoto, who are deemed interested in the Proposed SCR by virtue of them being the representatives of TLC
“Ireka”	: Ireka Engineering & Construction Sdn Bhd
“Land Administrator”	: Pentadbir Tanah Wilayah Persekutuan Kuala Lumpur
“LAT”	: Loss after tax
“LBT”	: Loss before tax
“LPD”	: 12 May 2017, being the latest practicable date, which is within 7 days prior to the despatch of this Document
“LPS”	: Loss per share
“Maypak” or the “Company”	: Malaysia Packaging Industry Berhad (Company No. 22265-U)
“Maypak Share(s)” or “Share(s)”	: Ordinary share(s) in Maypak
“Mercury Securities” or the “Independent Adviser”	: Mercury Securities Sdn Bhd (Company No. 113193-W)
“MGO”	: Unconditional mandatory take-over offer by RHB Investment Bank on behalf of TLC to acquire the remaining Maypak Shares not already held by TLC
“NA”	: Net assets
“New Factory”	: A factory/warehouse/storage and office space, all of which are to be constructed on the New Land by Ireka pursuant to the Proposed Construction
“New Land”	: A piece of vacant industrial factory lot identified as “Lot No. 1a”, situated on the freehold lands held under H.S.(D) 44118, PT 37823 and H.S.(D) 44119, PT 37824, both of which are situated in Pekan of Kajang, District of Ulu Langat, State of Selangor
“Non-Interested Directors”	: Directors of Maypak other than the Interested Directors
“PAT”	: Profit after taxation

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**DEFINITION (Cont'd)**

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“PBT”	:	Profit before taxation
“Proposed Acquisition”	:	The Company had, on 24 February 2017, entered into a sale and purchase agreement with Ireka to acquire the New Land for a purchase consideration of RM39,204,000
“Proposed Construction”	:	The Company had, on 24 February 2017, entered into a construction agreement with Ireka to appoint Ireka as the building contractor to construct the New Factory on the New Land for a contract price of RM60,796,000
“Proposed SCR”	:	Proposed selective capital reduction and repayment exercise pursuant to Section 117 of the Act
“Relocation”	:	The Company is required to vacate the Existing Land by 1 July 2017 pursuant to the Compulsory Land Acquisition and relocate its entire business operations to the New Factory
“RHB Investment Bank” or “Principal Adviser”	:	RHB Investment Bank Berhad (Company No. 19663-P)
“ROD”	:	Record of depositors
“Rules”	:	Rules on Take-Overs, Mergers and Compulsory Acquisitions, 2016
“SC”	:	Securities Commission Malaysia
“SCR Cash Amount”	:	RM1.00 per Maypak Share, being the cash amount to be paid for each Maypak Share held by the Entitled Shareholders on the Entitlement Date pursuant to the Proposed SCR as stated in the SCR Offer Letter
“SCR Offer Letter”	:	The letter dated 12 April 2017 from TLC, requesting for the Company to undertake the Proposed SCR
“Section 223 Notice”	:	Notice under Section 223 of the CMSA issued by TLC on 22 December 2016 to the shareholders of Maypak who have not accepted the MGO
“Special Resolution”	:	The special resolution in respect of the Proposed SCR which pursuant to Schedule 3, Paragraph 2(f) of the Rules:  (i) must be approved by at least a majority in number of the Entitled Shareholders and 75% in value to the votes attached to Maypak Shares held by the Entitled Shareholders that are cast either in person or by proxy at the forthcoming EGM; and  (ii) must not be voted against by more than 10% of the votes attaching to all Maypak Shares held by the Entitled Shareholders
“TLC” or “Non-Entitled Shareholder”	:	Taisei Lamick Co., Ltd. (Company No. 0300-01-031015)
“TLC Group” or “Group”	:	Collectively, TLC and its subsidiaries
“TLC Share(s)”	:	Ordinary share(s) in TLC
“TSGHL”	:	Toyo Seikan Group Holdings, Ltd
“VWAP”	:	Volume weighted average market price

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**DEFINITION (Cont'd)**

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**CURRENCIES**

“JPY” : Japanese yen

“RM” and “sen” Ringgit Malaysia and sen, respectively

Words denoting the singular shall, where applicable, include the plural and vice versa. Words denoting the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. Any reference to persons shall include corporations, unless otherwise specified.

Any reference in this Document to any enactment is a reference to that enactment as for the time being enforced and/or any amendment or re-enactment thereafter. All reference to the time of day in this Document is a reference to Malaysian time, unless otherwise specified.

Any discrepancies in the tables included in this Document between the amounts listed, actual figures and the totals thereof are due to rounding.

Unless otherwise stated, the exchange rate of JPY100: RM3.8231, being the middle rate as published by Bank Negara Malaysia as at 5.00 p.m. on the LPD, has been applied throughout this Document.

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**PART A**

**CIRCULAR TO SHAREHOLDERS OF MAYPAK IN RELATION TO THE PROPOSED SCR**





## MALAYSIA PACKAGING INDUSTRY BERHAD

(Company No. 22265-U)  
(Incorporated in Malaysia)

### Registered Office

6½ Miles, Simpang Salak South  
(Lot 3, Jalan Kuchai Lama)  
58200 Kuala Lumpur  
Malaysia

17 May 2017

### Board of Directors

Datuk Sulaiman Bin Daud	<i>(Chairman / Senior Independent Non-Executive Director)</i>
Takunari Oshitanai	<i>(Managing Director / Chief Executive Officer)</i>
Taufiq Ahmad @ Ahmad Mustapha Ghazali	<i>(Independent Non-Executive Director)</i>
Masaharu Yamaguchi	<i>(Non-Independent Non-Executive Director)</i>
Hisaya Matsumoto	<i>(Non-Independent Non-Executive Director)</i>

**To: The Shareholders of Maypak**

Dear Sir/ Madam,

### PROPOSED SELECTIVE CAPITAL REDUCTION AND REPAYMENT EXERCISE OF MAYPAK PURSUANT TO SECTION 117 OF THE ACT

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#### 1. INTRODUCTION

- 1.1 On 12 April 2017, the Company had announced that the Board of Maypak had received the SCR Offer Letter from TLC, the major shareholder of Maypak who holds 39,990,144 Maypak Shares, representing approximately 95.12% equity interest in the Company, requesting the Company to undertake a selective capital reduction and repayment exercise pursuant to Section 117 of the Act. The details of the Proposed SCR are set out in **Section 2** of this Circular.
- 1.2 The Proposed SCR serves as a continuation of the previous privatisation exercise undertaken by TLC through RHB Investment Bank. Under the previous privatisation exercise, TLC, had undertaken the following:-
  - (a) On 15 September 2016, TLC through RHB Investment Bank had extended an MGO to the shareholders of Maypak. Following the close of the MGO on 5 December 2016, the trading in Maypak Shares was suspended on 14 December 2016 and Maypak was officially delisted from the Main Market of Bursa Securities on 9 January 2017; and
  - (b) On 22 December 2016, TLC issued the Section 223 Notice to the shareholders of Maypak who have not accepted the MGO, informing them of their rights to dispose their Maypak Shares to TLC based on the same terms as the MGO. The Section 223 Notice had lapsed on 6 March 2017.

- 1.3 On 12 April 2017, the Non-Interested Directors had, at a Board meeting of Maypak, deliberated on the Proposed SCR and agreed to table the Proposed SCR to the Entitled Shareholders for their consideration at the forthcoming EGM. On even date, in accordance with Paragraph 3.06 of the Rules, the Non-Interested Directors had appointed Mercury Securities as the Independent Adviser to provide its comments, opinions and recommendations on the Proposed SCR in the IAL to the Entitled Shareholders.
- 1.4 The SC also had, vide its letter dated 16 May 2017 notified that the SC has no further comments to this Document. However, such notification shall not be taken to indicate that the SC recommends the Proposed SCR or that the SC agrees with the recommendation of the Board of Maypak or that SC assumes responsibility for the correctness of any statements made or opinions or reports expressed in this Document.

**THE PURPOSE OF THIS DOCUMENT IS TO PROVIDE THE ENTITLED SHAREHOLDERS WITH THE RELEVANT INFORMATION PERTAINING TO THE PROPOSED SCR, AND TO SEEK THE APPROVAL FROM THE ENTITLED SHAREHOLDERS VIA A SPECIAL RESOLUTION TO BE TABLED AT THE FORTHCOMING EGM. THE NOTICE OF THE EGM AND THE PROXY FORM ARE ENCLOSED HEREIN.**

**ENTITLED SHAREHOLDERS ARE ADVISED TO READ AND CONSIDER CAREFULLY THE CONTENTS OF THIS CIRCULAR TOGETHER WITH THE EXPLANATORY STATEMENT (WHICH IS SET OUT IN PART B OF THIS DOCUMENT) AND THE IAL FROM THE INDEPENDENT ADVISER (WHICH IS SET OUT IN PART C OF THIS DOCUMENT) BEFORE VOTING ON THE SPECIAL RESOLUTION PERTAINING TO THE PROPOSED SCR TO BE TABLED AT THE FORTHCOMING EGM.**

## **2. DETAILS OF THE PROPOSED SCR**

- 2.1 The Proposed SCR involves Maypak undertaking a selective capital reduction and a corresponding capital repayment pursuant to Section 117 of the Act in respect of the Maypak Shares held by all the shareholders of Maypak (other than the Non-Entitled Shareholder), whose names appear in the ROD of Maypak as at the close of business on the Entitlement Date.
- 2.2 As at the LPD, Maypak has a share capital of RM42,042,824 comprising 42,042,824 Maypak Shares, of which the Non-Entitled Shareholder holds 39,990,144 Maypak Shares, representing approximately 95.12% of the share capital of Maypak.
- 2.3 The Entitled Shareholders hold 2,052,680 Maypak Shares as at LPD, representing approximately 4.88% of the share capital of Maypak.
- 2.4 Pursuant to the Proposed SCR, the Entitled Shareholders will receive a total capital repayment of RM2,052,680, which represents a cash repayment of RM1.00 for each Maypak Share held by the Entitled Shareholders on the Entitlement Date. For the avoidance of doubt, the Non-Entitled Shareholder will not be entitled to the repayment of capital pursuant to the Proposed SCR.
- 2.5 Upon Completion, the share capital of Maypak will be reduced by RM2,052,680, by way of cancellation of 2,052,680 Maypak Shares held by the Entitled Shareholders pursuant to the Proposed SCR.
- 2.6 The Non-Entitled Shareholder will hold the remaining 39,990,144 Maypak Shares, which are not cancelled pursuant to the Proposed SCR. The said Maypak Shares will amount to the entire share capital of Maypak, which would result in Maypak being a wholly-owned subsidiary of the Non-Entitled Shareholder.

- 2.7 The Proposed SCR will be funded by way of an advance from the Non-Entitled Shareholder and/or financing facilities to be obtained by Maypak from financial institution(s). The Non-Entitled Shareholder has confirmed that the Proposed SCR will not fail by reason of insufficient financial capability of the Company or the Non-Entitled Shareholder. RHB Investment Bank, being the Principal Adviser to Maypak for the Proposed SCR, is satisfied that the Proposed SCR will not fail by reason of insufficient financial capability of the Company or the Non-Entitled Shareholder.
- 2.8 The SCR Cash Amount was arrived at after taking into consideration, amongst others, the following:-
- (i) the SCR Cash Amount is equivalent to the revised offer price of RM1.00 per Maypak Share pursuant to the MGO; and
  - (ii) the last transacted price of Maypak Shares of RM1.00 per Maypak Share on 13 December 2016, being the last trading day prior to the suspension of trading of Maypak Shares on the Main Market of Bursa Securities.
- 2.9 As at the LPD, save for the SCR Offer Letter, Maypak has not received any alternative offer for its Shares or any other offer to acquire its assets and liabilities.
- 2.10 Should Maypak declare, make and/or pay any Distribution after the date of the SCR Offer Letter up to the Completion, the SCR Cash Amount shall be reduced by an amount equivalent to the net Distribution made per Maypak Share.
- 2.11 Should the Non-Entitled Shareholder acquire any Maypak Shares at a higher price than the SCR Cash Amount during the period commencing from the date of the Offer Letter until the Completion, the SCR Cash Amount will be revised to the higher price paid by the Non-Entitled Shareholder accordingly.

### **3. MODE AND TIMING OF SETTLEMENT**

The settlement of the SCR Cash Amount will be effected via electronic remittance to the Entitled Shareholders' eDividend accounts duly registered with Bursa Depository. For the Entitled Shareholders who do not maintain eDividend accounts, the settlement of the SCR Cash Amount will be effected via remittance in the form of electronic payments, cheques, banker's drafts and/or cashier's orders which will be despatched by ordinary mail to the Entitled Shareholders (or their designated agents, as they may direct) at the Entitled Shareholders' registered addresses last maintained with Bursa Depository at their own risk within 10 days from the Effective Date.

Except with the consent of the SC which would only be granted in certain circumstances in which all Entitled Shareholders are to be treated similarly, settlement of the consideration to which the Entitled Shareholders are entitled under the Proposed SCR will be implemented in full in accordance with the terms of the Proposed SCR without regard to any lien, right of set-off, counter claim or other analogous rights to which the Company may otherwise be, or claim to be, entitled against the Entitled Shareholders.

Non-resident Entitled Shareholders are advised that the settlement of the SCR Cash Amount will be made in RM. Non-resident Entitled Shareholders who wish to convert the said consideration received into foreign currency for repatriation may do so after payment of the appropriate fee and/or charges as levied by the respective financial institutions.

#### 4. RATIONALE FOR THE PROPOSED SCR

The Board of Maypak (save for the Interested Directors) has taken note of the rationale of the Proposed SCR as set out in **Section 7** of the Explanatory Statement together with the Independent Adviser's evaluation and recommendation as set out in Part C of this Document.

In this respect and given that there is no formal market for the trading of the unlisted Maypak Shares since the Delisting, the Board of Maypak is of the opinion that the Proposed SCR provides an opportunity for the Entitled Shareholders to:-

- (i) exit their investments in the unlisted Maypak Shares after taking into consideration, amongst others, the factors set out in **Section 7** of the Explanatory Statement; and
- (ii) realise their investments in the unlisted Maypak Shares at the SCR Cash Amount, which is equivalent to the revised offer price of RM1.00 per Maypak Share pursuant to the MGO.

The Board of Maypak (save for the Interested Directors) has also taken note that the privatisation through the Proposed SCR will provide Maypak with the flexibility to undertake any corporate exercises/schemes in the future, which may otherwise require lengthy shareholders' and regulatory approvals. It will also eliminate the administrative efforts and costs which can be utilised more effectively and efficiently in the core business of Maypak.

#### 5. FUTURE PLANS FOR MAYPAK AND ITS EMPLOYEES

The Board of Maypak (save for the Interested Directors) has taken note of the intention of the Non-Entitled Shareholder as at the LPD in respect of the business and employees of Maypak after the completion of the Proposed SCR, as set out in **Section 8** of the Explanatory Statement, as follows:-

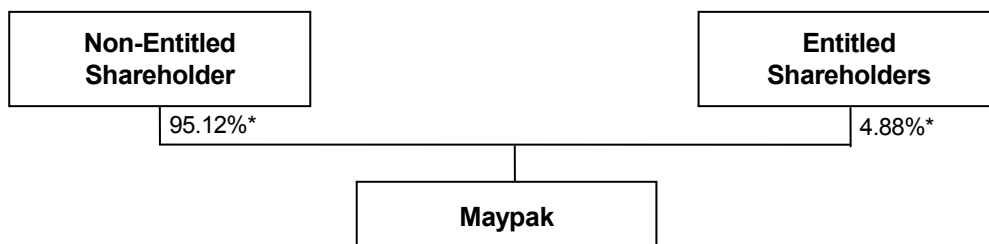
- (i) The Non-Entitled Shareholder intends to continue with the existing business of Maypak and does not have any plans to liquidate Maypak;
- (ii) The Non-Entitled Shareholder does not have any plans to introduce or effect material changes to the existing businesses and/or assets of Maypak after the Completion save for the Relocation, Proposed Acquisition and Proposed Construction. However, shareholders should note that after the completion of the Relocation, the Non-Entitled Shareholder may review the structure and operations of Maypak and may undertake acquisitions, disposals and/or redeployment of assets and/or operational changes in Maypak with the view of ensuring that Maypak remains competitive in the industry and to improve the prospects and future growth of Maypak. Such changes shall only be carried out should the need or opportunity arise. Further details are set out in **Section 8.2** of the Explanatory Statement; and
- (iii) The Non-Entitled Shareholder does not have any plan to dismiss or make redundant any of the existing employees of Maypak by way of a retrenchment exercise as a direct consequence of the Proposed SCR in the next 12 months after the completion of the Proposed SCR. However, it should be noted that some changes in staff employment and redeployment of staff may take place as a result of the Relocation, subsequent review by the Non-Entitled Shareholder on Maypak's employment structure, role of individual employees, rationalisation of business activities and/or direction to further improve productivity and efficiency of the operations of Maypak. Further details are set out in **Section 8.3** of the Explanatory Statement.

The Board of Maypak (save for the Interested Directors) has also taken note that, as disclosed in **Section 8** of the Explanatory Statement, save for the purposes of the Compulsory Land Acquisition and the Relocation, as at the LPD, the Non-Entitled Shareholder has no knowledge and has not entered into any negotiations or arrangements or understanding whatsoever with any third party with regards to any changes in Maypak's business, assets or Maypak's shareholding structure.

## 6. CORPORATE STRUCTURE

The corporate structure of Maypak before and after the Proposed SCR is set out below:-

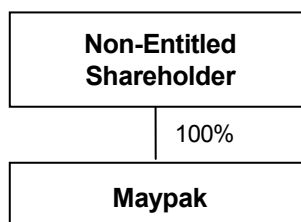
### Before the Proposed SCR (as at the LPD)



**Note:-**

\* Based on 42,042,824 Maypak Shares, being the number of shares in issue as at the LPD.

### After the Proposed SCR



## 7. EFFECTS OF THE PROPOSED SCR

The effects of the Proposed SCR are set out below:-

### 7.1 Share capital

The pro forma effects of the Proposed SCR on the share capital of Maypak as at the LPD are set out below:-

	No. of Maypak Shares	RM
Share capital as at the LPD	42,042,824	42,042,824
Less: Maypak Shares to be cancelled pursuant to the Proposed SCR	(2,052,680)	(2,052,680)
<b>The resultant share capital of Maypak</b>	<b>39,990,144</b>	<b>39,990,144</b>

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## 7.2 NA per Share and gearing

Based on the audited consolidated statements of financial position of Maypak as at 31 December 2016, the pro forma effects of the Proposed SCR on the NA per Share and gearing of Maypak are set out below:-

	Audited as at 31 December 2016 RM'000	After the Proposed SCR RM'000
Share capital	42,043	<sup>(1)</sup> 39,990
Available-for-sale reserve	245	245
Other reserves	32,426	32,426
Retained earnings	15,437	<sup>(2)</sup> 14,737
<b>Shareholders' equity/NA</b>	<b>90,151</b>	<b>87,398</b>
No. of Shares in issue ('000)	42,043	39,990
NA per Share (RM)	2.14	2.19
Borrowings (RM'000)	15,217	<sup>(3)</sup> 17,267
Gearing (Times)	0.17	0.20

### Notes:-

- (1) Represents the balance of Maypak's share capital after the share capital reduction of RM2.05 million.
- (2) After deducting estimated expenses of RM700,000 in relation to the Proposed SCR.
- (3) Assuming the Proposed SCR is funded via a loan from TLC of RM2.05 million.

## 7.3 Earnings and EPS

The Proposed SCR will be effected via a reduction in the share capital of Maypak and hence is not expected to have any material effect on the earnings and EPS of Maypak for the FYE 31 December 2017 save for the estimated expenses of RM700,000 to be incurred which will reduce the earnings of Maypak. However, as a result of the cancellation of 2,052,680 Maypak Shares pursuant to the Proposed SCR which will reduce the number of Maypak Shares in issue, the EPS of Maypak will increase accordingly.

## 7.4 Substantial shareholder's shareholdings

As at the LPD, the substantial shareholder, being TLC, holds 39,990,144 Maypak Shares, representing approximately 95.12% of the share capital in Maypak. Upon Completion, TLC will hold 39,990,144 Maypak Shares, representing 100% of the share capital of Maypak as a result of the cancellation of all Maypak Shares owned by the Entitled Shareholders.

## 7.5 Convertible securities

As at the LPD, the Company does not have any outstanding convertible securities.

## 8. HISTORICAL SHARE PRICES OF THE COMPANY

The available monthly closing, highest and lowest transacted prices of Maypak Shares traded on the Main Market of Bursa Securities for the 6 months prior to the suspension of trading of Maypak Shares on the Main Market of Bursa Securities on 13 December 2016, i.e. from June 2016 to November 2016, and up to the last transacted date of Maypak Shares on 13 December 2016 are set out below:-

	<b>Closing RM</b>	<b>High RM</b>	<b>Low RM</b>
<b>2016</b>			
June	0.510	0.520	0.450
July	0.450	0.460	0.450
August	0.455	0.480	0.380
September	0.645	0.650	0.450
October	0.655	0.655	0.645
November	1.000	1.060	0.955
December*	1.000	1.030	1.000
Last transacted price on 13 December 2016 (being the last trading day prior to the suspension of trading of Maypak Shares)			RM1.00

**Note:-**

\* Up to and including the last transacted date of Maypak Shares on 13 December 2016.

(Source: Bloomberg)

## 9. CONDITIONS OF THE PROPOSED SCR

The Proposed SCR is subject to and conditional upon the following approvals being obtained:-

- (i) the approval of the shareholders of Maypak for the Proposed SCR via a Special Resolution to be tabled at the forthcoming EGM, which is to be approved based on the following conditions:-
  - (a) the Special Resolution is required to be approved by a majority in number of Entitled Shareholders and 75% in value to the votes attached to the Maypak Shares held by the Entitled Shareholders that are cast either in person or by proxy at the EGM; and
  - (b) the Special Resolution must not be voted against by more than 10% of the votes attaching to all Maypak Shares held by the Entitled Shareholders; and
- (ii) the approval and/or consent of the existing financiers and/or creditors of Maypak, where required.

Upon the aforementioned conditions being fulfilled, the Proposed SCR shall be binding on all shareholders of Maypak notwithstanding that there may have been some Entitled Shareholders who:-

- (i) voted against or abstained from voting on the Special Resolution pertaining to the Proposed SCR to be tabled at the forthcoming EGM; and
- (ii) opted not, or were unable to attend the forthcoming EGM to vote.

The Proposed SCR will become effective once the Registrar of Companies has recorded the information lodged with the Registrar of Companies pursuant to Section 119 of the Act in the appropriate register and the receipt of the CCM Notice.

## **10. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED TO THEM**

Save as disclosed below, there are no other directors, major shareholders and/or persons connected to them who are interested in the Proposed SCR:-

### **10.1 Interested Directors**

Takunari Oshitanai, Masaharu Yamaguchi and Hisaya Matsumoto are deemed interested in the Proposed SCR as they are representatives of TLC. Masaharu Yamaguchi is also a Director of TLC. Accordingly, the Interested Directors have abstained and will continue to abstain from Board deliberations in relation to the Proposed SCR, and will also abstain from voting in respect of their direct and/or indirect interest in Maypak, if any, at the Company's forthcoming EGM. The Interested Directors will ensure that persons connected to them, if any, will abstain from voting in respect of their direct and/or indirect shareholdings in Maypak, if any, on the resolution pertaining to the Proposed SCR at the forthcoming EGM.

### **10.2 Non-Entitled Shareholder**

The Non-Entitled Shareholder, namely TLC, is deemed interested in the Proposed SCR. The Non-Entitled Shareholder will abstain from voting in respect of its direct and/or indirect interests in Maypak on the resolution pertaining to the Proposed SCR at the forthcoming EGM. The Non-Entitled Shareholder will also ensure that persons connected to it, if any, will abstain from voting in respect of its direct and/or indirect shareholdings in, if any, on the resolution pertaining to the Proposed SCR at the forthcoming EGM.

## **11. INDEPENDENT ADVISER**

The Board of Maypak, save for the Interested Directors had, on 12 April 2017, in accordance with Paragraph 3.06 of the Rules, appointed Mercury Securities as the Independent Adviser to advise the Non-Interested Directors and the Entitled Shareholders on the reasonableness and fairness of the Proposed SCR and the voting actions to be taken at the Company's forthcoming EGM. The SC has taken note of the confirmation of Mercury Securities on their eligibility to act as the Independent Adviser in relation to the Proposed SCR. Please refer to **Part C** of this Document for the IAL in relation to the Proposed SCR. The Entitled Shareholders are advised to read and carefully consider the contents of the IAL before voting on the Special Resolution.

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## 12. ESTIMATED TIME FRAME FOR COMPLETION

Barring any unforeseen circumstances and subject to all relevant approvals being obtained, the Board of Maypak expects the Proposed SCR to be completed in the third quarter of 2017. The tentative timetable for the implementation of the Proposed SCR is set out below:-

Month	Event
End June 2017	<ul style="list-style-type: none"><li>Approval of shareholders of Maypak at the forthcoming EGM</li></ul>
End August 2017	<ul style="list-style-type: none"><li>Announcement of Entitlement Date</li><li>Lodgement of documents with the Registrar of Companies</li></ul>
Early September 2017*	<ul style="list-style-type: none"><li>Entitlement Date</li><li>Effective Date</li></ul>
Mid September 2017*	<ul style="list-style-type: none"><li>Settlement of the SCR Cash Amount</li><li>Completion of the Proposed SCR</li></ul>

**Note:-**

\* This is an indicative timetable depending on, *inter alia*, the date on which the Registrar of Companies has recorded the information lodged with the Registrar pursuant to Section 119 of the Act in the appropriate register and the receipt of the CCM Notice.

## 13. DIRECTORS' RECOMMENDATION

The Non-Interested Directors after having considered all aspects of the Proposed SCR, in particular:-

- (i) the rationale of the Proposed SCR as set out in **Section 4** of this Circular; and
- (ii) the advice of the Independent Adviser, which on an overall basis, had recommended the Entitled Shareholders to vote in favour of the Special Resolution pertaining to the Proposed SCR,

are of the opinion that the Proposed SCR is in the best interest of the Entitled Shareholders.

Accordingly, the Non-Interested Directors concur with the evaluation and recommendation of the Independent Adviser and recommend that the Entitled Shareholders **VOTE IN FAVOUR** of the Special Resolution pertaining to the Proposed SCR to be tabled at the forthcoming EGM of the Company.

## 14. OUTSTANDING PROPOSALS ANNOUNCED AND/OR APPROVED BY MAYPAK BUT PENDING COMPLETION

Save as disclosed below, there are no corporate proposals which have been announced and/or approved by Maypak but not yet completed as at the LPD.

- Pursuant to the Compulsory Land Acquisition, the Company had on 24 February 2017 entered into a sale and purchase agreement with Ireka for the Proposed Acquisition. Concurrently, Maypak had also entered into a construction agreement with Ireka on even date to appoint Ireka for the Proposed Construction. The Company had obtained its shareholders' approval for the Proposed Acquisition and Proposed Construction (collectively referred to as the "**Relocation Proposals**") at an EGM convened on 12 April 2017. The management of the Company anticipates that the Relocation Proposals are expected to be completed by middle of January 2018.

The Proposed SCR is not conditional upon the Relocation Proposals or any other corporate proposal being or proposed to be undertaken by the Company.

## **15. EGM**

The EGM, notice of which is enclosed in this Document, will be held at Theatre Hall, Level 6, SEGi College, Persiaran Kewajipan, USJ 1, 47600 UEP Subang Jaya, Selangor Darul Ehsan on Wednesday, 21 June 2017 at 10.30 a.m. or immediately following the conclusion or adjournment (as the case may be) of the 42<sup>nd</sup> AGM which will be held at the same venue and on the same day at 10.00 a.m., whichever is later, or any adjournment thereof, for the purpose of considering and, if thought fit, passing the Special Resolution to give effect to the Proposed SCR.

In the event that you wish to appoint a proxy to attend and vote on your behalf, a Proxy Form is enclosed in this Document in which the said form must be duly completed in accordance with the instructions given and deposited at the Company's Share Registrar's office at Bina Management (M) Sdn. Bhd., Lot 10, The Highway Centre, Jalan 51/205, 46050 Petaling Jaya, Selangor Darul Ehsan, not later than 48 hours before the time set for the EGM or any adjournment thereof. The lodgment of the Proxy Form will not preclude you from attending and voting in person at the EGM should you subsequently decide to do so.

## **16. FURTHER INFORMATION**

Entitled Shareholders are advised to refer to the appendices set out in this Document for further information.

Yours faithfully,  
For and on behalf of the Board  
**MALAYSIA PACKAGING INDUSTRY BERHAD**

**DATUK SULAIMAN BIN DAUD**  
Chairman/Senior Independent Non-Executive Director

**PART B**

**EXPLANATORY STATEMENT BY TLC TO THE ENTITLED SHAREHOLDERS IN RELATION TO  
THE PROPOSED SCR**

17 May 2017

**Registered Office of TLC**

873-1 Shimo-Ohsaki Shiraoka  
Saitama 349-0293  
Japan

**To: The Entitled Shareholders of Maypak**

Dear Sir/ Madam,

**PROPOSED SELECTIVE CAPITAL REDUCTION AND REPAYMENT EXERCISE OF MAYPAK  
PURSUANT TO SECTION 117 OF THE ACT**

---

**1. INTRODUCTION**

- 1.1 On 12 April 2017, the Company had announced that the Board of Maypak had on even date received the SCR Offer Letter from the Non-Entitled Shareholder, who holds 39,990,144 Maypak Shares, representing approximately 95.12% equity interest in the Company, requesting the Company to undertake a selective capital reduction and repayment exercise pursuant to Section 117 of the Act. Details of the Proposed SCR are set out in **Section 2** of this Explanatory Statement.
- 1.2 The Proposed SCR serves as a continuation of the previous privatisation exercise undertaken by TLC through RHB Investment Bank. Under the previous privatisation exercise, TLC, had undertaken the following:-
  - (a) On 15 September 2016, TLC through RHB Investment Bank had extended an MGO to the shareholders of Maypak. Following the close of the MGO on 5 December 2016, the trading in Maypak Shares was suspended on 14 December 2016 and Maypak was officially delisted from the Main Market of Bursa Securities on 9 January 2017; and
  - (b) On 22 December 2016, TLC issued the Section 223 Notice to the shareholders of Maypak who have not accepted the MGO, informing them of their rights to dispose their Maypak Shares to TLC based on the same terms as the MGO which had lapsed on 6 March 2017.
- 1.3 On 12 April 2017, the Non-Interested Directors had, at a Board meeting of Maypak deliberated on the Proposed SCR and agreed to table the Proposed SCR to the Entitled Shareholders for their consideration at the forthcoming EGM. On even date, in accordance with Paragraph 3.06 of the Rules, the Non-Interested Directors had appointed Mercury Securities as the Independent Adviser to provide its comments, opinions and recommendations on the Proposed SCR in the IAL to the Entitled Shareholders.
- 1.4 The SC also had, vide its letter dated 16 May 2017 notified that the SC has no further comments to this Document. However, such notification shall not be taken to indicate that the SC recommends the Proposed SCR or that the SC agrees with the recommendation of the Board of Maypak or that SC assumes responsibility for the correctness of any statements made or opinions or reports expressed in this Document.

1.5 The tentative timetable for the Proposed SCR is set out below:-

Month	Event
End June 2017	<ul style="list-style-type: none"> <li>Approval of shareholders of Maypak at the forthcoming EGM</li> </ul>
End August 2017	<ul style="list-style-type: none"> <li>Announcement of Entitlement Date</li> <li>Lodgement of documents with the Registrar of Companies</li> </ul>
Early September 2017*	<ul style="list-style-type: none"> <li>Entitlement Date</li> <li>Effective Date</li> </ul>
Mid September 2017*	<ul style="list-style-type: none"> <li>Settlement of the SCR Cash Amount</li> <li>Completion of the Proposed SCR</li> </ul>

**Note:-**

\* This is an indicative timetable depending on, inter alia, the date on which the Registrar of Companies has recorded the information lodged with the Registrar pursuant to Section 119 of the Act in the appropriate register and the receipt of the CCM Notice.

## 2. DETAILS OF THE PROPOSED SCR

The Proposed SCR involves Maypak undertaking a selective capital reduction and repayment exercise pursuant to Section 117 of the Act involving the reduction of the share capital of Maypak from RM42,042,824 comprising 42,042,824 Maypak Shares as at the LPD to RM39,990,144 comprising 39,990,144 Maypak Shares, by way of cancellation of the 2,052,680 Maypak Shares held by the Entitled Shareholders.

Please refer to **Section 2** of the Circular for further details of the Proposed SCR.

## 3. FINANCIAL CONSIDERATIONS

The SCR Cash Amount was arrived at after taking into consideration, amongst others, the following:-

- (i) the SCR Cash Amount is equivalent to the revised offer price of RM1.00 per Maypak Share pursuant to the MGO; and
- (ii) the last transacted price of Maypak Shares of RM1.00 per Maypak Share on 13 December 2016, being the last trading day prior to the suspension of trading of Maypak Shares on the Main Market of Bursa Securities.

TLC had confirmed that it has not acquired any Maypak Share above the SCR Cash Amount since the MGO up until the date of the SCR Offer Letter. Should the Non-Entitled Shareholder acquire any Maypak Shares at a higher price than the SCR Cash Amount during the period commencing from the date of the Offer Letter until the Completion, the SCR Cash Amount will be revised to the higher price paid by the Non-Entitled Shareholder accordingly.

## 4. CONDITIONS OF THE PROPOSED SCR

The Proposed SCR is subject to and conditional upon the Company obtaining the relevant approvals as set out in **Section 9** of the Circular.

The Proposed SCR will become effective once the Registrar of Companies has recorded the information lodged with the Registrar of Companies pursuant to Section 119 of the Act in the appropriate register and the receipt of the CCM Notice.

## 5. LISTING STATUS OF MAYPAK

Maypak Shares are no longer traded on the Main Market of Bursa Securities as Maypak was delisted and removed from the official list of Bursa Securities with effect from 9.00 a.m. on 9 January 2017.

## 6. MODE AND TIMING OF SETTLEMENT

The settlement of the SCR Cash Amount will be effected via electronic remittance to the Entitled Shareholders' eDividend accounts duly registered with Bursa Depository. For the Entitled Shareholders who do not maintain eDividend accounts, the settlement of the SCR Cash Amount will be effected via remittance in the form of electronic payments, cheques, banker's drafts and/or cashier's orders which will be despatched by ordinary mail to the Entitled Shareholders (or their designated agents, as they may direct) at the Entitled Shareholders' registered addresses last maintained with Bursa Depository at their own risk within 10 days from the Effective Date.

Please refer to **Section 3** of the Circular for further details on the mode and timing of settlement.

## 7. RATIONALE FOR THE PROPOSED SCR

The Proposed SCR provides an opportunity for the Entitled Shareholders to exit and realise their investments in the unlisted Maypak Shares, taking into consideration the following:-

- (i) there is no formal market for trading Maypak Shares;

Since the Delisting, the Entitled Shareholders may experience difficulty in realising their investments in Maypak as there is no formal market for the trading of the unlisted Maypak Shares.

- (ii) the lack of visibility on Company's information;

Being an unlisted public entity, Maypak is no longer subject to the requirements and obligations of a regulatory framework, i.e. Bursa Securities. This may lead to the lack of visibility of information that are usually disclosed to the public on a timely basis such as the financial performance and position, material developments and structural change of Maypak.

- (iii) the Company's loss making track record;

Since the FYE 31 December 2013, the Company had recorded consecutive losses. Although the management is undertaking its best efforts to turn the operations of the Company into a profitable business, it is pertinent to note that there is no assurance that such efforts may be successful.

- (iv) the risks relating to the Relocation; and

The Company is currently undergoing the Relocation pursuant to the Compulsory Land Acquisition. As a result thereof, the Company is potentially exposed to the risks relating to the Relocation, which includes amongst others, delays in the construction of the new factory buildings, disruptions of operations and loss of business/customers due to such disruptions. There is no assurance that Maypak will be able to obtain all the necessary permits and business licences on a timely basis.

Further, the management of the Company also wishes to highlight that the compensation awarded by the government of RM87.5 million in relation to the Compulsory Land Acquisition is not sufficient to cover for the total costs to be incurred by the Company to relocate its operations to the New Factory, after taking into consideration, the purchase consideration of the New Land of RM39.2 million and the estimated costs of the Proposed Construction of RM60.8 million as well as the other relevant costs to be incurred for the Relocation (which includes the costs to replace the immovable plant and machineries at the New Factory).

- (v) no dividend has been declared and paid for the past 13 financial years;

The Company has not paid any dividends for the past 13 financial years. Notwithstanding thereof, shareholders should also take note that there is no assurance that the Company may be able to declare or pay any dividends in the near future given the uncertainty on the prospects of Maypak as disclosed in item (iii) above and the risks relating to the Relocation in item (iv) above.

The Proposed SCR is intended to provide Maypak with the flexibility to undertake any corporate exercises/schemes in the future, which may otherwise require lengthy shareholders' and regulatory approvals. It will also eliminate the administrative efforts and costs which can be utilised more effectively and efficiently in the core business of Maypak.

## **8. FUTURE PLANS FOR MAYPAK AND ITS EMPLOYEES**

### **8.1 Continuation of Maypak business**

The Non-Entitled Shareholder intends to continue with the existing business of Maypak and does not have any plans to liquidate Maypak.

### **8.2 Major changes to Maypak's business**

The Non-Entitled Shareholder does not have any plans to introduce or effect material changes to the existing businesses and/or assets of Maypak after the Completion save for the following:-

- Pursuant to the Compulsory Land Acquisition, the Company had on 24 February 2017 entered into a sale and purchase agreement with Ireka for the Proposed Acquisition. Concurrently, Maypak had also entered into a construction agreement with Ireka on even date to appoint Ireka for the Proposed Construction.

The management of the Company anticipates that the Proposed Acquisition and Proposed Construction will be completed by middle of January 2018. Thereafter, the Company will commence the relevant processes for the Relocation.

During the interim up to the completion of the Relocation, Maypak intends to outsource its manufacturing/packaging operations to third parties and/or TLC. Maypak will also rent a property near the Existing Land to undertake its administrative and warehouse functions up until the completion of the Relocation.

Shareholders should note that after the completion of the Relocation, the Non-Entitled Shareholder may review the structure and operations of Maypak and may undertake acquisitions, disposals and/or redeployment of assets and/or operational changes in Maypak with the view of ensuring that Maypak remains competitive in the industry and to improve the prospects and future growth of Maypak. Such changes shall only be carried out should the need or opportunity arise.

### 8.3 Employees of Maypak

The Non-Entitled Shareholder does not have any plan to dismiss or make redundant any of the existing employees of Maypak by way of a retrenchment exercise as a direct consequence of the Proposed SCR in the next 12 months after the completion of the Proposed SCR. However, it should be noted that some changes in staff employment and redeployment of staff may take place as a result of the Relocation, subsequent review by the Non-Entitled Shareholder on Maypak's employment structure, role of individual employees, rationalisation of business activities and/or direction to further improve productivity and efficiency of the operations of Maypak and will be subject always to any decision made in the best interest of Maypak.

Save for the purposes of the Compulsory Land Acquisition and the Relocation, as at the LPD, the Non-Entitled Shareholder has no knowledge of and has not entered into any negotiations or arrangements or understanding whatsoever with any third party with regards to any changes in Maypak's business, assets or Maypak's equity structure.

## 9. FINANCIAL RESOURCES

The Proposed SCR will be funded by way of an advance from the Non-Entitled Shareholder and/or financing facilities to be obtained by Maypak from financial institution(s).

The Non-Entitled Shareholder has confirmed that the Proposed SCR will not fail by reason of insufficient financial capability of the Company or the Non-Entitled Shareholder. RHB Investment Bank, being the Principal Adviser to Maypak for the Proposed SCR, is satisfied that the Proposed SCR will not fail by reason of insufficient financial capability of the Company or the Non-Entitled Shareholder, and as such the Entitled Shareholders will be paid in full by cash.

## 10. DETAILS OF IRREVOCABLE UNDERTAKINGS

As at the LPD, the Non-Entitled Shareholder has not received any irrevocable undertaking from any Entitled Shareholders to vote in favour of the Special Resolution pertaining to the Proposed SCR to be tabled at the forthcoming EGM of the Company.

## 11. INFORMATION ON THE NON-ENTITLED SHAREHOLDER

TLC was incorporated in Tokyo, Japan on 6 November 1943 under the name Taisei Houzai Co., Ltd. and commenced operations on 22 March 1966. TLC is listed in the First Section of the Tokyo Stock Exchange and has a market capitalisation of approximately JPY20,508 million (equivalent to approximately RM784 million). TLC Group is principally involved in the manufacturing and sale of film packaging materials used for packing food products, cleaning detergents, and other consumer goods. As at the LPD, the share capital of TLC is JPY3,426,246,500 comprising 20,000,000 TLC Shares.

Further information on TLC is set out in **Appendix II** of this Document.

The disclosure of interests in Maypak Shares by the Non-Entitled Shareholder is set out in Section 1.1 of **Appendix IV** of this Document. There is no ultimate offeror, no ultimate shareholder and no persons acting in concert with TLC for the Proposed SCR pursuant to Paragraph 9.02 and Sub-paragraph 9.10(3)(a) of the Rules.



**12. INFORMATION ON MAYPAK**

Maypak was incorporated in Malaysia on 17 March 1975 as a public company under the Act. It was listed on the Second Board of Bursa Securities (now known as Main Market of Bursa Securities) on 16 August 1990. Maypak was delisted and removed from the Official List on 9 January 2017.

Maypak is primarily involved in the manufacturing and sale of printed and laminated flexible light packaging materials.

As at the LPD, the share capital and number of issued shares of Maypak is represented by 42,042,824 Maypak Shares, equivalent to RM42,042,824.

Further information on Maypak are set out in **Appendix III** of this Document.

**13. FURTHER INFORMATION**

Please refer to the attached appendices for further information.

Yours faithfully,  
For and on behalf of  
**RHB INVESTMENT BANK BERHAD**

**JAIMIE SIA**  
Executive Director  
Head, Group Capital Markets

**TAN MENG KIM**  
Director  
Co-Head, Corporate Finance

**PART C**

**IAL FROM MERCURY SECURITIES TO THE ENTITLED SHAREHOLDERS  
IN RELATION TO THE PROPOSED SCR**

## EXECUTIVE SUMMARY

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*All definitions used in this Executive Summary shall have the same meaning as the words and expressions defined in the "Definition" section of this Document, except where the context otherwise requires or where otherwise defined herein. All references to "we", "us" or "our" in this IAL are references to Mercury Securities, being the Independent Adviser for the Proposed SCR.*

**This Executive Summary highlights the salient information of the Proposed SCR. You are advised to read and understand this IAL in its entirety, together with Part A: Circular to shareholders of Maypak in relation to the Proposed SCR and Part B: Explanatory Statement by TLC to the Entitled Shareholders in relation to the Proposed SCR as well as the accompanying appendices for other relevant information and not to rely solely on this Executive Summary in forming an opinion on the Proposed SCR.**

**You are also advised to carefully consider the recommendations contained in this Document before voting on the Special Resolution in relation to the Proposed SCR to be tabled at the forthcoming EGM of the Company.**

**If you are in doubt as to the course of action to be taken, you should consult your stockbroker, bank manager, solicitor, accountant or other professional advisers immediately.**

### 1. INTRODUCTION

On 12 April 2017, the Board of Maypak received the SCR Offer Letter from TLC, requesting the Company to undertake the Proposed SCR. The details of the Proposed SCR are set out in Section 2, Part A of this Document.

On 12 April 2017, the Non-Interested Directors deliberated on the Proposed SCR and agreed to table the Proposed SCR to the Entitled Shareholders for their consideration at the forthcoming EGM. On even date, in accordance with Paragraph 3.06 of the Rules, the Non-Interested Directors appointed Mercury Securities as the Independent Adviser to provide its comments, opinions and recommendations on the Proposed SCR in the IAL to the Entitled Shareholders.

On 16 May 2017, the SC had notified that it has no further comments to this Document. However, such notification shall not be taken to indicate that the SC recommends the Proposed SCR or that the SC agrees with the recommendation contained in this Document or that SC assumes responsibility for the correctness of any statements made or opinions or reports expressed in this Document.

The purpose of this IAL is to provide you with an independent evaluation on the Proposed SCR, together with our recommendation on whether the Entitled Shareholders should vote in favour of or against the Special Resolution in relation to the Proposed SCR at the forthcoming EGM of the Company.

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**2. EVALUATION OF THE PROPOSED SCR**

**2.1 FAIRNESS OF THE PROPOSED SCR**

*(please refer to Section 5 in this IAL for further details)*

In assessing the fairness of the Proposed SCR, we have considered the following pertinent factor:-

<b>Consideration</b>	
Valuation of the Maypak Shares	<p>(i) Maypak is principally involved in the manufacturing and sale of printed and laminated flexible light packaging materials. Being in the manufacturing business coupled with the receipt of compensation sum of RM87,548,000 pursuant to the Compulsory Land Acquisition (“<b>Compensation Sum</b>”), the Company has substantial holdings in assets. Coupled with the absence of a consistent earnings stream (<i>see Section 5 in this IAL</i>), Mercury Securities views the asset-based approach as the most appropriate to estimate the fair value of the Maypak Shares for the purpose of evaluating the fairness of the Proposed SCR.</p> <p>Under this approach, the SCR Cash Amount is compared against the audited NA per Maypak Share following our assessment of the composition of Maypak’s assets and liabilities.</p> <p>(ii) Based on the asset-based approach, the estimated fair value of the entire equity interest in Maypak is approximately RM90.15 million which translates into an estimated fair value per Maypak Share of RM2.14.</p> <p>(iii) The SCR Cash Amount of RM1.00 represents a <b>discount of 53.27%</b> to the estimated fair value per Maypak Share of RM2.14.</p>
<b>Our view</b>	In view that the SCR Cash Amount is lower than the fair value per Maypak Share, the Proposed SCR is <b>NOT FAIR</b> .

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## EXECUTIVE SUMMARY (cont'd)

### 2.2 REASONABLENESS OF THE PROPOSED SCR (please refer to Section 6 in this IAL for further details)

In assessing the reasonableness of the Proposed SCR, we have considered the following pertinent factor:-

Consideration	
An exit opportunity	<p>(i) The Maypak Shares have been delisted and withdrawn from the Official List of Bursa Securities on 9 January 2017. Since then, there is no active market / platform in which the Maypak Shares can be traded;</p> <p>(ii) As at the LPD, Maypak has not received any alternative offer for the Maypak Shares or any other offer to acquire its assets and liabilities. In view that the Non-Entitled Shareholder currently holds a controlling stake of more than 90% equity interest in Maypak, any such offer will not be successful unless with the support of the Non-Entitled Shareholder;</p> <p>(iii) The SCR Cash Amount is equivalent to the revised offer price of RM1.00 per Maypak Share pursuant to the MGO in 2016; and</p> <p>(iv) The SCR Cash Amount is higher than the closing market prices of Maypak Shares for approximately 97% of the total market days in the last ten (10) years up to 13 December 2016 (<i>being the last trading day prior to the suspension of trading of Maypak Shares on the Main Market of Bursa Securities</i>).</p>
Our view	The Proposed SCR is <b>REASONABLE</b> as it provides an exit opportunity to the Entitled Shareholders to realise their investment in the Maypak Shares in cash at the SCR Cash Amount.

### 3. RECOMMENDATION

Premised on the above and our evaluation as a whole, we are of the view that although the Proposed SCR is deemed “not fair”, the “reasonable” view outweighs the “not fair” view.

Accordingly, we recommend that the Entitled Shareholders **VOTE IN FAVOUR** of the Special Resolution in relation to the Proposed SCR to be tabled at the forthcoming EGM of the Company.

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**Registered office:**  
Ground, 1<sup>st</sup>, 2<sup>nd</sup>, 3<sup>rd</sup> Floor  
Wisma Umno  
Lorong Bagan Luar Dua  
12000 Butterworth  
Seberang Perai

17 May 2017

**To: The Entitled Shareholders**

Dear Sir / Madam,

**IAL TO THE ENTITLED SHAREHOLDERS IN RELATION TO THE PROPOSED SCR**

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*This IAL is prepared for inclusion in this Document. All definitions used in this IAL shall have the same meaning as the words and expressions defined in the "Definition" section of this Document, except where the context otherwise requires or where otherwise defined herein. All references to "we", "us" or "our" in this IAL are references to Mercury Securities, being the Independent Adviser for the Proposed SCR.*

**1. INTRODUCTION**

On 12 April 2017, the Board of Maypak received the SCR Offer Letter from TLC, requesting the Company to undertake the Proposed SCR. The details of the Proposed SCR are set out in Section 2, Part A of this Document.

On 12 April 2017, the Non-Interested Directors deliberated on the Proposed SCR and agreed to table the Proposed SCR to the Entitled Shareholders for their consideration at the forthcoming EGM. On even date, in accordance with Paragraph 3.06 of the Rules, the Non-Interested Directors appointed Mercury Securities as the Independent Adviser to provide its comments, opinions and recommendations on the Proposed SCR in the IAL to the Entitled Shareholders.

On 16 May 2017, the SC had notified that it has no further comments to this Document. However, such notification shall not be taken to indicate that the SC recommends the Proposed SCR or that the SC agrees with the recommendation contained in this Document or that SC assumes responsibility for the correctness of any statements made or opinions or reports expressed in this Document.

The purpose of this IAL is to provide you with an independent evaluation on the Proposed SCR, together with our recommendation on whether the Entitled Shareholders should vote in favour of or against the Special Resolution in relation to the Proposed SCR at the forthcoming EGM of the Company, subject to the scope and limitations of our role and evaluation specified herein.

The Special Resolution in relation to the Proposed SCR to be tabled at the forthcoming EGM of the Company is required to be approved by at least a majority in number of the Entitled Shareholders and 75% in value to the votes attached to Maypak Shares held by the Entitled Shareholders that are cast either in person or by proxy at the EGM. Further, the value of the votes cast against the Special Resolution in relation to the Proposed SCR must not be more than 10% of the votes attaching to all Maypak Shares held by the Entitled Shareholders.

This IAL is prepared solely for the use of the Entitled Shareholders to consider the Proposed SCR and should not be used or relied upon by any other party or for any other purposes.

**YOU ARE ADVISED TO CAREFULLY CONSIDER THE CONTENTS OF THIS DOCUMENT AS WELL AS THE RECOMMENDATIONS CONTAINED HEREIN BEFORE VOTING ON THE SPECIAL RESOLUTION IN RELATION TO THE PROPOSED SCR TO BE TABLED AT THE FORTHCOMING EGM OF THE COMPANY.**

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**IF YOU ARE IN DOUBT AS TO THE COURSE OF ACTION TO BE TAKEN, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISERS IMMEDIATELY.**

## **2. SCOPE AND LIMITATIONS TO THE EVALUATION OF THE PROPOSED SCR**

Mercury Securities was not involved in any formulation of or any deliberations and negotiations on the terms and conditions pertaining to the Proposed SCR. The terms of reference of our appointment as the Independent Adviser are in accordance with the requirements relating to independent advisers as contained in the Rules.

We have evaluated the Proposed SCR and in rendering our advice, we have considered various factors which we believe are of relevance and general importance to an assessment of the terms and conditions as well as implications of the Proposed SCR and would be of general concern to the Entitled Shareholders.

Our scope as the Independent Adviser is limited to expressing an independent opinion on the terms and conditions of the Proposed SCR as to whether the Proposed SCR is fair and reasonable insofar as the Entitled Shareholders are concerned based on information and documents provided to us or which are available to us and making enquiries as were reasonable in the circumstances. In performing our evaluation, we have relied on the following sources of information:-

- (i) information contained in the SCR Offer Letter, Part A and Part B of this Document as well as the accompanying appendices attached thereto;
- (ii) audited financial statements of Maypak from FYE 31 December 2001 to FYE 31 December 2016;
- (iii) discussions with and representations by the Board and management of Maypak;
- (iv) other relevant information, documents, confirmations and representations furnished to us by the Board and management of Maypak; and
- (v) other publicly available information which we deem to be relevant.

We have relied on the Board and management of Maypak to take due care to ensure that all information, documents and representations provided by them to facilitate our evaluation of the Proposed SCR are accurate, valid and complete in all material aspects. Nonetheless, we have made enquiries as were reasonable in the circumstances and as at the date hereof, we are satisfied that the information provided to us or which are available to us is sufficient and have no reason to believe that the aforementioned information is unreliable, incomplete, misleading and/or inaccurate.

Our evaluation as set out in this IAL is rendered solely for the benefit of the Entitled Shareholders as a whole and not for any specific group of Entitled Shareholders. Hence, in carrying out our evaluation, we have not taken into consideration any specific investment objectives, financial situation, risk profile or particular needs of any individual Entitled Shareholder or any specific group of Entitled Shareholders. We recommend that any Entitled Shareholder who is in doubt as to the action to be taken in relation to the Proposed SCR in the context of his/her individual investment objectives, financial situation, risk profile or particular needs should consult his/her respective stockbroker, bank manager, solicitor, accountant or other professional advisers immediately.

Our advice should be considered in the context of the entirety of this IAL. Our views expressed in this IAL are, amongst others, based on economic, market and other conditions prevailing, and the information and/or documents made available to us as at the LPD or such other period as specified herein. Such conditions may change significantly over a short period of time.

We shall immediately notify the SC in writing and the Entitled Shareholders by way of an announcement via press notice if, after despatching this IAL, as guided by Paragraph 11.07(1) of the Rules, we become aware that this IAL:-

- (i) contains a material statement which is false or misleading;
- (ii) contains a statement from which there is a material omission; or
- (iii) does not contain a statement relating to a material development.

If circumstances require, we shall send a supplementary IAL to the Entitled Shareholders in accordance with Paragraph 11.07(2) of the Rules.

### 3. DETAILS OF THE PROPOSED SCR

The details of the Proposed SCR are as follows:-

<b>Consideration for : the Proposed SCR</b>	<p>Subject to the successful completion of the Proposed SCR, the Entitled Shareholders will receive <b>RM1.00 for each Maypak Share</b> held on the Entitlement Date.</p> <p>Please refer to Section 2, Part A of this Document for further details.</p>
<b>Mode and timing of : settlement</b>	<p>The settlement of the SCR Cash Amount will be effected via electronic remittance to the Entitled Shareholders' eDividend accounts duly registered with Bursa Depository. For the Entitled Shareholders who do not maintain eDividend accounts, the settlement of the SCR Cash Amount will be effected via remittance in the form of electronic payments, cheques, banker's drafts and/or cashier's orders which will be despatched by ordinary mail to the Entitled Shareholders (<i>or their designated agents, as they may direct</i>) at the Entitled Shareholders' registered addresses last maintained with Bursa Depository at their own risk <b>within 10 days from the Effective Date</b>.</p> <p>Please refer to Section 3, Part A of this Document for further details.</p>
<b>Conditions to the : Proposed SCR</b>	<p>The Proposed SCR is subject to and conditional upon the following being obtained:-</p> <ul style="list-style-type: none"> <li>(i) the approval of the shareholders of Maypak for the Proposed SCR via a Special Resolution to be tabled at the forthcoming EGM, which is to be approved based on the following conditions:- <ul style="list-style-type: none"> <li>(a) the Special Resolution is required to be approved by a majority in number of Entitled Shareholders and 75% in value to the votes attached to the Maypak Shares held by the Entitled Shareholders that are cast either in person or by proxy at the EGM; and</li> <li>(b) the Special Resolution must not be voted against by more than 10% of the votes attaching to all Maypak Shares held by the Entitled Shareholders; and</li> </ul> </li> <li>(ii) the approval and/or consent of the existing financiers and/or creditors of Maypak, where required.</li> </ul> <p>Upon the aforementioned conditions being fulfilled, the Proposed SCR shall be binding on all shareholders of Maypak on the Effective Date notwithstanding that there may have been some Entitled Shareholders who:-</p> <ul style="list-style-type: none"> <li>(i) voted against or abstained from voting on the Special Resolution pertaining to the Proposed SCR to be tabled at the forthcoming EGM; and</li> <li>(ii) opted not to or were unable to attend the forthcoming EGM to vote.</li> </ul> <p>The Proposed SCR is not conditional upon any other corporate proposal being or proposed to be undertaken by the Company.</p>



<b>Irrevocable undertaking</b>	:	As at the LPD, the Non-Entitled Shareholder has not received any irrevocable undertaking from any Entitled Shareholders to vote in favour of the Special Resolution pertaining to the Proposed SCR to be tabled at the forthcoming EGM of the Company.
<b>Financial resources for the Proposed SCR</b>	:	<p>The Proposed SCR will be funded by way of an advance from the Non-Entitled Shareholder and/or financing facilities to be obtained by Maypak from financial institution(s).</p> <p>The Non-Entitled Shareholder has confirmed that the Proposed SCR will not fail by reason of insufficient financial capability of the Company or the Non-Entitled Shareholder. RHB Investment Bank, being the Principal Adviser to Maypak for the Proposed SCR, is satisfied that the Proposed SCR will not fail by reason of insufficient financial capability of the Company or the Non-Entitled Shareholder.</p>

#### 4. EVALUATION OF THE PROPOSED SCR

In arriving at our opinion and recommendation in respect of the Proposed SCR, we have assessed the fairness and reasonableness of the Proposed SCR in accordance with Paragraphs 1 to 7 under Schedule 2: Part III of the Rules whereby:-

- (i) The term "fair and reasonable" should generally be analysed as two (2) distinct criteria, i.e. whether the Proposed SCR is "fair" and whether the Proposed SCR is "reasonable", rather than as a composite term;
- (ii) The Proposed SCR is considered as "fair" if the SCR Cash Amount is equal to or higher than the market price and is also equal to or higher than the value of the Maypak Shares. However, if the SCR Cash Amount is equal to or higher than the market price but is lower than the value of the Maypak Shares, the Proposed SCR is considered as "not fair". In making the assessment, the value of the Maypak Shares is determined based on the assumption that 100% of the equity interest in Maypak is being acquired;
- (iii) In considering whether the Proposed SCR is "reasonable", we have taken into consideration matters other than the valuation of the Maypak Shares;
- (iv) Generally, the Proposed SCR would be considered "reasonable" if it is "fair". Nevertheless, an independent adviser may also recommend for Entitled Shareholders to vote in favour of the Special Resolution in relation to the Proposed SCR despite it being "not fair", if the independent adviser is of the view that there are sufficiently strong reasons to vote in favour of the said resolution in the absence of a higher bid and such reasons should be clearly explained; and
- (v) In the event the independent adviser concludes that the Proposed SCR is "not fair but reasonable", the independent adviser must clearly explain the following:-
  - (a) What is meant by "not fair but reasonable";
  - (b) How has the independent adviser reached to this conclusion; and
  - (c) The course of action that the Entitled Shareholders are recommended to take pursuant to the conclusion.

We have considered the following pertinent factors in our evaluation of the Proposed SCR:-

<b>Fairness of the Proposed SCR</b>	<b>Section 5</b>
• Valuation of the Maypak Shares	Section 5
<b>Reasonableness of the Proposed SCR</b>	<b>Section 6</b>
• An exit opportunity	Section 6

## 5. FAIRNESS OF THE PROPOSED SCR

### Valuation of the Maypak Shares

Maypak is principally involved in the manufacturing and sale of printed and laminated flexible light packaging materials. Being in this manufacturing business, the Company's profitability is largely driven by its ability to maintain a low cost base in order to compete effectively. Based on a review on the Company's historical financial performance, Maypak posted a LAT<sup>(1)</sup> for 12 out of the past 16 financial years (*i.e. save for the FYE 31 December 2001, 31 December 2002, 31 December 2009 and 31 December 2012*), attributable to competitive business environment and high production costs despite cost-saving measures and productivity enhancement efforts being implemented.

#### Note:-

- (1) *After excluding:-*
- (i) *insurance claims received in relation to a fire incident which occurred at the curing room of the Company's main production block located at Lot 3, Jalan Kuchai Lama, 58200 Kuala Lumpur, which were recognised in the FYE 31 December 2010, 31 December 2011 and 31 December 2012; and*
  - (ii) *one-off gain on disposal of property, plant and equipment of RM5.89 million and land use rights of RM32.55 million arising from the Compulsory Land Acquisition, which was recognised in the FYE 31 December 2016. The effects of the award of Compensation Sum in respect of the Compulsory Land Acquisition are further detailed below.*

In view of the above, we have not adopted the discounted cash flow model for the purpose of our evaluation on the fairness of the Proposed SCR as the predictability of future cash flows of the Company may be unreliable in the absence of a consistent earnings stream.

Being in the manufacturing business coupled with the receipt of Compensation Sum of RM87,548,000 pursuant to the Compulsory Land Acquisition, Maypak has substantial holdings in assets and hence, we view the asset-based approach as the most appropriate to estimate the fair value of the Maypak Shares for the purpose of evaluating the fairness of the Proposed SCR. Under this approach, the SCR Cash Amount is compared against the audited NA per Maypak Share following our assessment of the composition of Maypak's assets and liabilities.

Based on the audited financial statements of Maypak for the FYE 31 December 2016, we noted the following significant events which had significantly increased the audited NA per Maypak Share as at 31 December 2016:-

#### **(i) Waiver of debts**

On 29 July 2016, TLC entered into a conditional sale and purchase agreement ("**SPA**") for the purchase of 23,104,569 Maypak Shares (*54.95% equity interest in Maypak*) from Toyo Seikan Co., Ltd.

On 13 September 2016, a Deed of Waiver was executed between the Company and TSGHL whereby subject to the completion of the sale of shares under the SPA, the latter has agreed to waive all the outstanding amounts owing by the Company (*except for interests incurred for the period until the said completion*) of approximately RM32.43 million. The said interests incurred, billed and paid were RM0.27 million (*inclusive of withholding tax*).

The SPA became unconditional on 15 September 2016 and was completed on 29 September 2016 following the crediting of the Maypak Shares into the securities account of TLC. Accordingly, the condition in the Deed of Waiver has been fulfilled and all the outstanding amounts owing by the Company to TSGHL were waived.

(ii) **Compulsory Land Acquisition**

On 9 May 2016, Maypak received a letter from Jabatan Ketua Pengarah Tanah dan Galian (Persekutuan) Wilayah Persekutuan Kuala Lumpur ("**Land Office**") announcing its intention for the Compulsory Land Acquisition.

Subsequently, Maypak submitted a claim for compensation in accordance with the Land Acquisition Act, 1960. On 22 November 2016, Maypak was awarded the Compensation Sum of RM87,548,000 by the Land Administrator for the Compulsory Land Acquisition.

The Compensation Sum was subsequently received by Maypak on 14 February 2017.

The composition of the audited NA of Maypak as at 31 December 2016 (*which had incorporated the effects of the abovementioned significant events*) is as follows:-

	Audited As at 31 December 2016	
	RM'000	RM per Maypak Share <sup>(1)</sup>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment <sup>(2)</sup>	23,573	0.56
<b>Total non-current assets</b>	<b>23,573</b>	<b>0.56</b>
<b>Current assets</b>		
Inventories <sup>(3)</sup>	12,190	0.29
Trade receivables	17,765	0.42
Other receivables <sup>(4)</sup>	87,870	2.09
Other current assets <sup>(5)</sup>	438	0.01
Cash and bank balances	4,290	0.10
<b>Total current assets</b>	<b>122,553</b>	<b>2.91</b>
<b>TOTAL ASSETS</b>	<b>146,126</b>	<b>3.47</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the Company</b>		
Share capital	42,043	1.00
Available-for-sale reserve	245	-*
Other reserve	32,426	0.77
Retained earnings	15,437	0.37
<b>TOTAL EQUITY</b>	<b>90,151</b>	<b>2.14</b>
<b>Non-current liability</b>		
Loans and borrowings <sup>(6)</sup>	77	-*
<b>Total non-current liability</b>	<b>77</b>	<b>-*</b>
<b>Current liabilities</b>		
Loans and borrowings <sup>(6)</sup>	15,140	0.36
Trade payables	9,743	0.23
Other payables <sup>(7)</sup>	31,015	0.74
<b>Total current liabilities</b>	<b>55,898</b>	<b>1.33</b>
<b>TOTAL LIABILITIES</b>	<b>55,975</b>	<b>1.33</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>146,126</b>	<b>3.47</b>

\* *Negligible.*

Notes:-

- (1) Computed based on 42,042,824 Maypak Shares, being the number of shares in issue as at the LPD.
- (2) Included in property, plant and equipment are:-
- (a) two (2) apartment units measuring in aggregate 1,802 square feet located in Kuchai Entrepreneurs Park, Kuala Lumpur. These apartment units have not been revalued as the resulting outcome is not expected to have a material impact to the estimated fair value of Maypak;
- (b) plant and equipment as well as other movable tangible assets which will be relocated to the New Factory pursuant to the Relocation.
- (3) Inventories comprise various raw, work-in-progress and finished packaging materials.
- (4) Included in other receivables is mainly the Compensation Sum of RM87.55 million receivable from the Land Office for the Compulsory Land Acquisition. The Compensation Sum was subsequently received by Maypak on 14 February 2017.
- (5) Other current assets comprise prepaid operating expenses and available-for-sale financial asset in the form of quoted equity shares.
- (6) Loans and borrowings comprise revolving credits and obligations under finance leases.
- (7) Included in other payables is mainly a deferred compensation income of RM27.81 million (being part of the amount awarded which was assigned to compensate for the expected costs of business disturbance and relocation costs to be incurred pursuant to the Compulsory Land Acquisition and the Relocation). This income is deferred and will only be recognised in the profit or loss statement in the relevant financial year when the corresponding expenses (i.e. the expected costs of business disturbance and relocation costs) are recognised, in view that the deferred compensation income is meant to compensate for such expenses.

Apart from property, plant and equipment, a substantial portion of Maypak's total assets comprises liquid assets such as:-

- (a) trade receivables;
- (b) other receivables (which mainly comprises the Compensation Sum);
- (c) inventories; and
- (d) cash and bank balances,

which are reasonably expected to approximate their fair values. In addition, as at the LPD, based on our discussion with the management of Maypak, they are not aware of any evidence for impairment in respect of any material assets of Maypak.

After considering the above, the estimated fair value per Maypak Share and the resulting discount as implied from the SCR Cash Amount are as follows:-

	Total RM'000	RM per Maypak Share <sup>(1)</sup>
Audited NA of Maypak as at 31 December 2016	90,151	2.14
Estimated fair value of Maypak	<b>90,151</b>	<b>2.14</b>
Discount represented by the SCR Cash Amount to the estimated fair value per Maypak Share		
• RM		1.14
• %		53.27

Note:-

- (1) Computed based on 42,042,824 Maypak Shares, being the number of shares in issue as at the LPD.

Comments:-

As set out above, the estimated fair value of the entire equity interest in Maypak is approximately RM90.15 million which translates into an estimated fair value per Maypak Share of RM2.14, against which the SCR Cash Amount represents a discount of 53.27%.

Nevertheless, the Entitled Shareholders should note that the computation of the estimated fair value per Maypak Share is based on prevailing economic, market and other conditions as at the respective date of valuation, as well as publicly available information and information provided by Maypak up to the LPD. Events or circumstances occurring subsequent to the respective valuation date and/or the LPD may significantly change the basis and assumptions used which may then materially affect the estimated fair value of Maypak, whether favourably or adversely.

**Our view on the fairness of the Proposed SCR:-**

Premised on our evaluation above, in view that the SCR Cash Amount is lower than the fair value per Maypak Share derived under the asset-based approach, we view the Proposed SCR as **NOT FAIR**.

**6. REASONABLENESS OF THE PROPOSED SCR**

An exit opportunity

We have considered the rationale for the Proposed SCR as disclosed in Section 7, Part B of this Document.

The Entitled Shareholders should note that:-

- (i) The Maypak Shares have been delisted and withdrawn from the Official List of Bursa Securities on 9 January 2017. Since then, there is no active market / platform in which the Maypak Shares can be traded;
- (ii) As at the LPD, Maypak has not received any alternative offer for the Maypak Shares or any other offer to acquire its assets and liabilities. In view that the Non-Entitled Shareholder currently holds a controlling stake of more than 90% equity interest in Maypak, any such offer will not be successful unless with the support of the Non-Entitled Shareholder;
- (iii) The SCR Cash Amount is equivalent to the revised offer price of RM1.00 per Maypak Share pursuant to the MGO in 2016; and
- (iv) The SCR Cash Amount is higher than the closing market prices of Maypak Shares for approximately 97% of the total market days in the last ten (10) years up to 13 December 2016 (*being the last trading day prior to the suspension of trading of Maypak Shares on the Main Market of Bursa Securities*).

**Our view on the reasonableness of the Proposed SCR:-**

Premised on the above, we view the Proposed SCR as **REASONABLE** as it provides an exit opportunity to the Entitled Shareholders to realise their investment in the Maypak Shares in cash at the SCR Cash Amount.

## **7. FUTURE PLANS FOR MAYPAK AND ITS EMPLOYEES**

We refer to the future plans for Maypak and its employees as set out in Section 8, Part B of this Document. We noted that as at the LPD, the Non-Entitled Shareholder:-

- (i) intends to continue with the existing business of Maypak and does not have any plans to liquidate Maypak;
- (ii) does not have any plans to introduce or effect material changes to the existing businesses and/or assets of Maypak after the Completion save for the Proposed Acquisition and Proposed Construction which are targeted for completion by mid-January 2018 and thereafter, the Relocation. During the interim up to the completion of the Relocation, Maypak intends to outsource its manufacturing / packaging operations to third parties and/or TLC. Maypak will also rent a property near the Existing Land to undertake its administrative and warehouse functions up until the completion of the Relocation. After the completion of the Relocation, the Non-Entitled Shareholder may review the structure and operations of Maypak and may undertake or effect such changes should the need or opportunity arise; and
- (iii) does not have any plan to dismiss or make redundant any of the existing employees of Maypak by way of a retrenchment exercise as a direct consequence of the Proposed SCR in the next twelve (12) months after the Completion. However, some changes in staff employment and redeployment of staff may take place as a result of the Relocation, subsequent review by the Non-Entitled Shareholder on Maypak's employment structure, role of individual employees, rationalisation of business activities and/or direction, subject always to any decision made in the best interest of Maypak.

Save for the purposes of the Compulsory Land Acquisition and the Relocation, as at the LPD, the Non-Entitled Shareholder has no knowledge of and has not entered into any negotiations or arrangements or understanding whatsoever with any third party with regards to any changes in Maypak's business, assets or equity structure.

## **8. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED TO THEM**

The interests of Directors, major shareholders and/or persons connected to them (*together with their course of actions in relation to the Proposed SCR*) are set out in Section 10, Part A of this Document.

## **9. DIRECTORS' SHAREHOLDING AND INTENTION TO VOTE**

As at the LPD, the Directors of Maypak do not have any interest (*direct and indirect*) in the Maypak Shares.

## **10. DIRECTORS' RESPONSIBILITY STATEMENT**

The Board of Maypak has seen and approved the contents of this IAL. The Directors, collectively and individually, accept full responsibility for the accuracy and completeness of the information contained in this IAL and confirm that, after making all enquiries as were reasonable in the circumstances and to the best of their knowledge and belief:-

- (i) no statement and/or information relating to Maypak in this IAL is incomplete, false and/or misleading;

- (ii) there are no other facts and/or information, the omission of which would render any statement and/or information relating to Maypak herein incomplete, false and/or misleading;
- (iii) all material facts and/or information in relation to the Proposed SCR (*including those required under the Rules*) have been accurately and completely disclosed in this IAL or elsewhere in this Document; and
- (iv) opinions expressed by the Board of Maypak in this IAL have been arrived at after due and careful consideration.

The responsibility of the Board of Maypak in respect of:-

- (i) the information relating to the Non-Entitled Shareholder and the Proposed SCR (*as extracted from the Explanatory Statement in Part B of this Document and other publicly available information*) is to ensure that such information is accurately reproduced in this IAL; and
- (ii) the independent advice and expression of opinion by Mercury Securities in relation to the Proposed SCR as set out herein is to ensure that accurate information in relation to Maypak was provided to Mercury Securities for its evaluation of the Proposed SCR and to ensure that all information in relation to Maypak that are relevant to Mercury Securities' evaluation of the Proposed SCR have been completely disclosed to Mercury Securities and that there is no material fact, the omission of which would make any information provided to Mercury Securities false or misleading.

## 11. FURTHER INFORMATION

The Entitled Shareholders are advised to refer to the views and recommendation of the Non-Interested Directors as set out in Part A of this Document as well as the accompanying appendices and other relevant information in this Document for further details in relation to the Proposed SCR.

## 12. CONCLUSION AND RECOMMENDATION

In arriving at our conclusion and recommendation, we have considered the fairness and reasonableness of the Proposed SCR based on all relevant and pertinent factors and summarised below are the pertinent factors which you should carefully consider before voting on the Special Resolution in relation to the Proposed SCR to be tabled at the forthcoming EGM of the Company:-

### Fairness

We view the Proposed SCR as **NOT FAIR** in view that the SCR Cash Amount of RM1.00 is **lower than** and represents a discount of 53.27% to the estimated fair value per Maypak Share of RM2.14.

### Reasonableness

We view the Proposed SCR as **REASONABLE** as it provides an exit opportunity to the Entitled Shareholders to realise their investment in the Maypak Shares in cash at the SCR Cash Amount, after taking into consideration the following reasons:-

- (i) The Maypak Shares have been delisted and withdrawn from the Official List of Bursa Securities on 9 January 2017. Since then, there is no active market / platform in which the Maypak Shares can be traded;

- (ii) As at the LPD, Maypak has not received any alternative offer for the Maypak Shares or any other offer to acquire its assets and liabilities. In view that the Non-Entitled Shareholder currently holds a controlling stake of more than 90% equity interest in Maypak, any such offer will not be successful unless with the support of the Non-Entitled Shareholder;
- (iii) The SCR Cash Amount is equivalent to the revised offer price of RM1.00 per Maypak Share pursuant to the MGO in 2016; and
- (iv) The SCR Cash Amount is higher than the closing market prices of Maypak Shares for approximately 97% of the total market days in the last ten (10) years up to 13 December 2016 (*being the last trading day prior to the suspension of trading of Maypak Shares on the Main Market of Bursa Securities*).

#### Recommendation

Premised on the above, Mercury Securities views that although the Proposed SCR is deemed “not fair”, the “reasonable” view outweighs the “not fair” view.

Accordingly, we recommend that the Entitled Shareholders **VOTE IN FAVOUR** of the Special Resolution in relation to the Proposed SCR to be tabled at the forthcoming EGM of the Company.

The advice of Mercury Securities as contained in this IAL is addressed to the Entitled Shareholders at large and not to any particular Entitled Shareholder. Accordingly, in providing this advice, we have not taken into consideration any specific investment objectives, financial situation, risk profile and particular needs of any individual Entitled Shareholder or any specific group of Entitled Shareholders. We recommend that any Entitled Shareholder who may require advice in the context of his/her investment objectives, financial situation, risk profile and particular needs should consult his/her respective stockbroker, bank manager, solicitor, accountant or other professional advisers immediately.

Yours faithfully,  
for and on behalf of  
**MERCURY SECURITIES SDN BHD**

**CHEW SING GUAN**  
Managing Director

**DENIS LIM**  
Director / Head of Corporate Finance



## FURTHER INFORMATION

### 1. DISCLOSURE OF INTERESTS AND DEALINGS IN SHARES

#### 1.1 By Maypak

##### (i) Disclosure of interests in the Non-Entitled Shareholder

Maypak does not have any interest, whether direct or indirect, in any voting shares or convertible securities of the Non-Entitled Shareholder as at the LPD.

##### (ii) Dealing in the securities of the Non-Entitled Shareholder

Maypak has not dealt, directly or indirectly, in any voting shares or convertible securities of the Non-Entitled Shareholder during the period commencing six (6) months before the date of the SCR Offer Letter and ending on the LPD.

##### (iii) Dealing in the securities of Maypak

Maypak has not dealt, directly or indirectly, in any voting shares or convertible securities of Maypak during the period commencing six (6) months before the date of the SCR Offer Letter and ending on the LPD.

#### 1.2 By the Directors of Maypak

##### (i) Disclosure of interests in the Non-Entitled Shareholder

Save as disclosed below, the Directors of Maypak do not have any interest, whether direct or indirect, in any voting shares or convertible securities of the Non-Entitled Shareholder as at the LPD:-

Name	Direct		Indirect	
	No. of TLC Shares	% <sup>(1)</sup>	No. of TLC Shares	% <sup>(1)</sup>
Takunari Oshitanai	200	-(2)	-	-
Masaharu Yamaguchi	8,320	0.12	-	-
Hisaya Matsumoto	100	-(2)	-	-

Notes:-

(1) Computed based on 7,047,500 TLC Shares, being the number of shares in issue as at the LPD.

(2) Negligible.

##### (ii) Dealing in the securities of the Non-Entitled Shareholder

The Directors of Maypak have not dealt, directly or indirectly, in any voting shares or convertible securities of the Non-Entitled Shareholder during the period commencing six (6) months before the date of the SCR Offer Letter and ending on the LPD.

##### (iii) Disclosure of interests in Maypak

The Directors of Maypak do not have any interest, whether direct or indirect, in any voting shares or convertible securities of Maypak as at the LPD.

**FURTHER INFORMATION (cont'd)**

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**(iv) Dealing in the securities of Maypak**

The Directors of Maypak have not dealt, directly or indirectly, in any voting shares or convertible securities of Maypak during the period commencing six (6) months before the date of the SCR Offer Letter and ending on the LPD.

**1.3 By the persons with whom Maypak or any persons acting in concert with it has any arrangement**

As at the LPD, there is no person with whom Maypak or any persons acting in concert with it has entered into any arrangement involving rights over shares, any indemnity arrangement, and any agreement or understanding, formal or informal, of whatever nature, relating to relevant securities which may be an inducement to deal or to refrain from dealing.

**1.4 By the persons with whom Maypak or any persons acting in concert with it has borrowed or lent**

As at the LPD, there is no person with whom Maypak or any persons acting in concert with it has borrowed or lent any voting shares or convertible securities of Maypak.

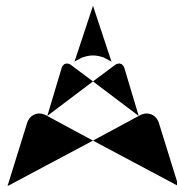
**1.5 By Mercury Securities and funds whose investments are managed by Mercury Securities on a discretionary basis ("Discretionary Funds")****(i) Disclosure of interests in Maypak**

Mercury Securities and its Discretionary Funds do not have any interest, whether direct or indirect, in any voting shares or convertible securities of Maypak as at the LPD.

**(ii) Dealing in the securities of Maypak**

Mercury Securities and its Discretionary Funds have not dealt, directly or indirectly, in the Maypak Shares during the period commencing six (6) months before the date of the SCR Offer Letter and ending on the LPD.

## SCR OFFER LETTER

**TAISEI LAMICK CO., LTD.**

(Company No. 0300-01-031015)  
(Incorporated in Tokyo, Japan)

12 April 2017

The Board of Directors  
**MALAYSIA PACKAGING INDUSTRY BERHAD**  
6 ½ Miles, Simpang Salak South Baru  
(Lot 3, Jalan Kuchai Lama)  
58200 Kuala Lumpur  
Wilayah Persekutuan

Dear Sirs,

**PROPOSED SELECTIVE CAPITAL REDUCTION AND REPAYMENT EXERCISE OF MALAYSIA PACKAGING INDUSTRY BERHAD (“MAYPAK” OR THE “COMPANY”) PURSUANT TO SECTION 117 OF THE COMPANIES ACT, 2016 (“ACT”) INVOLVING MAYPAK (“PROPOSED SCR”)**

**1. INTRODUCTION**

We, Taisei Lamick Co., Ltd. (“**TLC**” or the “**Non-Entitled Shareholder**”), hereby write to request Maypak to undertake a selective capital reduction and repayment exercise under Section 117 of the Act.

The Proposed SCR serves as a continuation of the previous privatisation exercise undertaken by TLC through RHB Investment Bank Berhad (“**RHB Investment Bank**”). Under the previous privatisation exercise, TLC, had undertaken the following-

- (a) On 15 September 2016, TLC through RHB Investment Bank had extended an unconditional mandatory take-over offer to the shareholders of Maypak to acquire all the remaining ordinary shares of Maypak (“**Maypak Share(s)**”) not already held by TLC (“**MGO**”). Following the close of the MGO on 5 December 2016, the trading in Maypak Shares was suspended on 14 December 2016 and Maypak was officially delisted from the Main Market of Bursa Malaysia Securities Berhad (“**Bursa Securities**”) on 9 January 2017; and
- (b) On 22 December 2016, TLC issued a notice under Section 223 of the Capital Markets and Services Act, 2007 (“**Section 223 Notice**”) to the shareholders of Maypak who have not accepted the MGO, informing them of their rights to dispose their Maypak Shares to TLC based on the same terms as the MGO which had lapsed on 6 March 2017.

Pursuant to the above, TLC currently holds 39,990,144 Maypak Shares, representing approximately 95.12% equity interest in Maypak.

Upon successful completion of the Proposed SCR, TLC will hold 100% equity interest of Maypak. The details on the Proposed SCR are set out in the ensuing sections of this letter.

## SCR OFFER LETTER (Cont'd)

**2. DETAILS OF THE PROPOSED SCR**

- 2.1 The Proposed SCR involves Maypak undertaking a selective capital reduction and a corresponding capital repayment pursuant to Section 117 of the Act in respect of the Maypak Shares held by all the shareholders of Maypak (other than the Non-Entitled Shareholder), whose names appear in the Record of Depositors of Maypak as at the close of business on an entitlement date to be determined and disclosed later by the board of directors ("**Board**") of Maypak ("**Entitlement Date**") ("**Entitled Shareholders**").
- 2.2 As at 7 April 2017 ("**LPD**"), Maypak has a share capital of RM42,042,824 comprising 42,042,824 Maypak Shares, of which the Non-Entitled Shareholder holds 39,990,144 Maypak Shares, representing approximately 95.12% of the share capital of Maypak.
- 2.3 The Entitled Shareholders hold 2,052,680 Maypak Shares as at LPD, representing approximately 4.88% of the share capital of Maypak.
- 2.4 Pursuant to the Proposed SCR, the Entitled Shareholders will receive a total capital repayment of RM2,052,680, which represents a cash repayment of RM1.00 ("**SCR Cash Amount**") for each in Maypak Share held by the Entitled Shareholders on the Entitlement Date. For avoidance of doubt, the Non-Entitled Shareholder will not be entitled to the repayment of capital pursuant to the Proposed SCR.
- 2.5 Upon successful completion of the Proposed SCR ("**Completion**"), the share capital of Maypak will be reduced by RM2,052,680, by way of cancellation of 2,052,680 Maypak Shares held by the Entitled Shareholders.
- 2.6 The Non-Entitled Shareholder will hold the remaining 39,990,144 Maypak Shares, which are not cancelled pursuant to the Proposed SCR. The said Maypak Shares will amount to the entire issued and paid-up share capital of Maypak, which would result in Maypak being a wholly-owned subsidiary of the Non-Entitled Shareholder.
- 2.7 The Proposed SCR will be funded by way of an advance from the Non-Entitled Shareholder and/or financing facilities to be obtained by Maypak from financial institution(s). The Non-Entitled Shareholder has confirmed that the Proposed SCR will not fail by reason of insufficient financial capability of Maypak or the Non-Entitled Shareholder. RHB Investment Bank, being the Principal Adviser to Maypak for the Proposed SCR, is satisfied that the Proposed SCR will not fail by reason of insufficient financial capability of Maypak or the Non-Entitled Shareholder.
- 2.8 The SCR Cash Amount was arrived at after taking into consideration, amongst others, the following:-
- (i) the SCR Cash Amount is equivalent to the revised offer price of RM1.00 per Maypak Share pursuant to the MGO (as defined in **Section 1**); and
  - (ii) the last transacted price of Maypak Shares of RM1.00 per Maypak Share on 13 December 2016, being the last trading day prior to the suspension of trading of Maypak Shares on the Main Market of Bursa Securities.

## SCR OFFER LETTER (Cont'd)

**3. RATIONALE**

The Proposed SCR provides a final opportunity for the Entitled Shareholders to exit and realise their investments in the unlisted Maypak Shares, taking into consideration the following:-

- (i) the trading liquidity of Maypak Shares;

Since the delisting of Maypak from the Main Market of Bursa Securities on 9 January 2017, the Entitled Shareholders may experience difficulty in realising their investments in Maypak as there is no formal market for the trading of the unlisted Maypak Shares;

- (ii) the lack of visibility of information on the Company; and

Being an unlisted public entity, Maypak is no longer subject to the requirements and obligations of a regulatory framework, i.e. Bursa Securities. This may lead to the lack of transparency and visibility of information that are usually disclosed to the public on a timely basis such as the financial performance and position, material developments and structural change of Maypak;

- (iii) the current operating environment of the Company

Since the FYE 31 December 2013, the Company had recorded consecutive losses. Although the management is undertaking its best efforts to turn the operations of the Company into a profitable business, it is pertinent to note that there is no assurance that such efforts may be successful. Further, the Company is also currently undergoing the relocation of its entire business operations to another factory/building by 1 July 2017 pursuant to the compulsory land acquisition by the government ("**Relocation**"). As a result thereof, the Company is potentially exposed to the risks relating to the Relocation, which includes amongst others, delays in the construction of the new factory buildings, disruptions of operations and loss of business/customers due to such disruptions. There is no assurance that Maypak will be able to obtain all the necessary permits and business licences on a timely basis and that the compensation awarded by the government in relation to the compulsory land acquisition is sufficient to cover all the costs of the Relocation.

The Proposed SCR is intended to provide Maypak with the flexibility to undertake any corporate exercises/schemes in the future, which may otherwise require lengthy shareholders' and regulatory approvals. It will also eliminate the administrative efforts and costs which can be utilised more effectively and efficiently in the core business of Maypak.

## SCR OFFER LETTER (Cont'd)

**4. NON-ENTITLED SHAREHOLDER**

Given that the Proposed SCR is at our request, we hereby confirm that:-

- (a) the directors of Maypak who are deemed interested in the Proposed SCR (namely Takunari Oshitanai, Masaharu Yamaguchi and Hisaya Matsumoto) will continue to abstain from Board of Maypak's deliberations in relation to the Proposed SCR; and
- (b) TLC, and any persons connected to us, if any, will abstain from voting in respect of our direct and/or indirect interests in Maypak, if any, on the Special Resolution (as defined in Section 6(c) below). We will also ensure that persons connected to us, if any, will abstain from voting in respect of its direct and/or indirect shareholdings in Maypak, if any, on the Special Resolution.

In addition, we also hereby confirm that as at the LPD:-

- (i) we have not received any irrevocable undertaking from any Entitled Shareholder to vote in favour of the special resolution pertaining to the Proposed SCR to be tabled at the forthcoming EGM of the Company; and
- (ii) we are not aware of any existing or proposed agreement, arrangement or understanding in relation to the Maypak Shares between us and any of the Entitled Shareholders.

**5. DISTRIBUTION**

If Maypak declares, makes and/or pays any dividend or undertakes a distribution of any other nature whatsoever (collectively, "**Distribution**") after the date of this letter up to the Completion, the SCR Cash Amount shall be reduced by an amount equivalent to the net Distribution made per Maypak Share.

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## SCR OFFER LETTER (Cont'd)

**6. CONDITIONS PRECEDENT**

Completion shall be subject to the fulfilment of all requisite conditions precedent including, but not limited to the following:

- (a) the approval of the Board of Maypak for the Proposed SCR and all the members of the Board of Maypak making the solvency statement in accordance with Section 117(3) of the Act;
- (b) the clearance by the SC of the circular, offer document and independent advice letter to the shareholders of Maypak pursuant to the Proposed SCR;
- (c) the approval of the shareholders of Maypak for the Proposed SCR via a special resolution to be tabled at the forthcoming EGM for the Proposed SCR ("**Special Resolution**"), and the Special Resolution:-
  - (i) is required to be approved by at least a majority in number of the Entitled Shareholders and 75% in value to the votes attached to Maypak Shares held by the Entitled Shareholders that are cast either in person or by proxy at the EGM; and
  - (ii) must not be voted against by more than 10% of the votes attached to the Maypak Shares held by the Entitled Shareholders of the total voting shares of Maypak;
- (d) the approval and/or consent of the existing financiers and/or creditors of Maypak, where required; and
- (e) where required, the approval or consent of any other relevant governmental or regulatory authority or parties.

The Proposed SCR will become effective once the Registrar of Companies has recorded the information lodged with the Registrar pursuant to Section 119 of the Act in the appropriate register and the receipt of the notice confirming the reduction of share capital issued by the Registrar of Companies.

**9. GOVERNING LAW AND DISPUTE RESOLUTION**

The Proposed SCR and any agreement constituted by the acceptance of this letter shall be governed by the laws of Malaysia and each party will submit to the non-exclusive jurisdiction of the courts of Malaysia.

SCR OFFER LETTER (Cont'd)

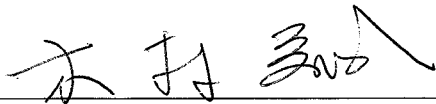
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10. ACCEPTANCE PERIOD

If the Board of Maypak is agreeable to take steps to implement the Proposed SCR and to recommend the Proposed SCR to the shareholders of Maypak upon the terms envisaged in this letter, please execute the enclosed duplicate of this letter at the place indicated, and return the same to us so as to be received by us no later than 5.00 p.m. on 18 April 2017 (or such other date as may be extended by us in writing) after which the proposal in this letter shall lapse.

Yours faithfully,

For and on behalf of  
**TAISEI LAMICK CO., LTD.**



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**YOSHINARI KIMURA**  
President/Director

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To: Taisei Lamick Co., Ltd.

We hereby agree to and accept the terms of your above letter.

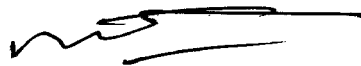
For and on behalf of  
**MALAYSIA PACKAGING INDUSTRY BERHAD**



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**DATUK SULAIMAN BIN DAUD**  
Chairman / Senior Independent Non-Executive Director

12 APR 2017



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**TAUFIQ AHMAD @ AHMAD MUSTAPHA GHAZALI**  
Independent Non-Executive Director

12 APR 2017



## INFORMATION ON TLC

### 1. HISTORY AND BUSINESS

TLC was incorporated in Tokyo, Japan on 6 November 1943 under the name Taisei Houzai Co., Ltd and commenced operations on 22 March 1966. On 21 April 1990, TLC changed its corporate name to Taisei Lamick Co., Ltd. In April 2002, TLC was listed on the Second Section of the Tokyo Stock Exchange and was subsequently listed in the First Section of the Tokyo Stock Exchange in March 2003. Headquartered in Shiraoka, Japan, TLC has a market capitalisation of approximately JPY20,508 million (equivalent to approximately RM784 million) and the share capital of TLC is JPY3,426 million (equivalent to approximately RM131 million) as at the LPD.

TLC Group is principally involved in the manufacturing and sale of film packaging materials used for packing food products, cleaning detergents, and other consumer goods. Its product line includes reusable, recyclable, boilable, and easy-cutting film pouches. TLC Group also produces a diverse line of packaging machinery and peripherals. As at the LPD, the subsidiaries of TLC are Green Packs Co., Ltd., Taisei Lamick USA Inc. and Maypak.

### 2. SHARE CAPITAL

As at the LPD, the share capital of TLC is JPY3,426,246,500 and the number of authorised and issued shares of TLC are set out below:-

Share Capital	No. of TLC Shares
Authorised	20,000,000
Issued shares	7,047,500

### 3. SUBSTANTIAL SHAREHOLDER

As at the LPD, the substantial shareholder of TLC and its shareholdings in TLC are set out below:-

Substantial shareholder	Direct		Indirect	
	No. of shares	%	No. of shares	%
Taipack Co., Ltd.	569,200	8.08	-	-

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## INFORMATION ON TLC (Cont'd)

**4. PARTICULARS OF DIRECTORS AND DIRECTORS' SHAREHOLDINGS**

As at the LPD, the particulars of the directors of TLC and their respective shareholdings of the ordinary shares in TLC are set out below:-

Name	Designation	Nationality	No. of TLC Shares held			
			Direct		Indirect	
			No. of TLC Shares	%	No. of TLC Shares	%
Yoshinari Kimura	President / Director	Japanese	177,700	2.52	-	-
Masaharu Yamaguchi	Managing Director	Japanese	8,320	0.12	-	-
Ichiro Tomita	General Manager / Director	Japanese	4,534	0.06	-	-
Tadashi Hasebe	General Manager / Director	Japanese	2,883	0.04	-	-
Susumu Miyashita	Independent Director	Japanese	-	-	-	-
Naoko Tomono	Independent Director	Japanese	-	-	-	-

**5. DETAILS OF PURCHASES OF TLC'S OWN VOTING SHARES, VOTING RIGHTS OR CONVERTIBLE SECURITIES**

There has been no purchase of TLC's own voting shares, voting rights or convertible securities during the 6 months prior to the date of the SCR Offer Letter up to the LPD.

**6. SUBSIDIARY AND ASSOCIATE COMPANIES**

The subsidiaries of TLC as at the LPD are set out below:-

Name of company	Principal activities	Date and country of incorporation	Effective equity interest
Green Packs Co. Ltd	Transportation and storage business company	20.05.1993, Japan	100%
Taisei Lamick USA, Inc.	Packaging film and filling machine of sales company	11.04.2011, United States of America	100%
Malaysia Packaging Industry Berhad	Manufacturing and sale of printed and laminated flexible light packaging materials	17.03.1975, Malaysia	95.12%

As at the LPD, TLC does not have any associate company.

## INFORMATION ON TLC (Cont'd)

## 7. PROFIT AND DIVIDEND RECORD

The profit and dividend record of TLC Group based on its audited consolidated financial statements for the past 3 FYE 31 March 2014 to 2016 and the unaudited financial statements for the 9 months FPE 31 December 2016 are set out in the table below:-

**In JPY<sup>(1)</sup>**

	Audited FYE 31 March			Unaudited 9 months FPE 31 December 2016
	2014 (JPY'000)	2015 (JPY'000)	2016 (JPY'000)	(JPY'000)
Revenue	20,004,555	20,509,101	22,510,733	17,582,538
PBT	1,498,823	1,244,141	1,867,456	1,588,546
Taxation	(539,306)	(417,186)	(582,440)	(497,583)
<b>PAT</b>	<b>959,517</b>	<b>826,955</b>	<b>1,285,016</b>	<b>1,090,963</b>
<b>Attributable to:</b>				
Shareholders of the Company	959,517	826,955	1,285,016	1,090,963
Non-controlling interests	-	-	-	-
Number of ordinary shares in issue ('000)	6,300	6,300	6,300	6,300
Net EPS (JPY) <sup>(2)</sup>	152.30	131.26	203.97	173.17
Shareholders' fund/ NA (JPY'000)	13,221,733	13,756,825	14,433,692	14,775,764
NA per Share (JPY) <sup>(3)</sup>	2,098.69	2,183.62	2,291.06	2,345.36
Current ratio (times)	2.31	2.19	1.87	1.68
Net dividend per Share (JPY)	70	70	70	70

(Source: Annual Securities Reports 2014 to 2016 and quarterly securities report for the FPE 31 December 2016 of TLC)

**Notes:-**

- (1) Any discrepancies in the above financial statements are due to rounding adjustments.
- (2) Computed based on the PAT over the number of ordinary shares for the respective FYEs and FPE.
- (3) Computed based on the shareholders' fund/NA over the number of ordinary shares for the respective FYEs and FPE.

In RM<sup>(1)</sup>

	Audited FYE 31 March			Unaudited 9 months FPE 31 December 2016
	2014 (RM'000)	2015 (RM'000)	2016 (RM'000)	(RM'000)
Revenue	764,794	784,083	860,608	672,198
PBT	57,302	47,565	71,395	60,732
Taxation	(20,618)	(15,949)	(22,267)	(19,023)
<b>PAT</b>	<b>36,684</b>	<b>31,616</b>	<b>49,128</b>	<b>41,709</b>
<b>Attributable to:</b>				
Shareholders of the Company	36,684	31,616	49,128	41,709
Non-controlling interests	-	-	-	-
Number of ordinary shares in issue ('000)	6,300	6,300	6,300	6,300
Net EPS (RM) <sup>(2)</sup>	5.82	5.02	7.80	6.62
Shareholders' fund/ NA (RM'000)	505,480	525,937	551,814	564,892
NA per Share (RM) <sup>(3)</sup>	80.23	83.48	87.59	89.67
Current ratio (times)	2.31	2.19	1.87	1.68
Net dividend per Share (RM)	2.68	2.68	2.68	2.68

**Notes:-**

- (1) Any discrepancies in the above financial statements are due to rounding adjustments.
- (2) Computed based on net profit for the year over the number of ordinary shares for the respective FYEs and FPE.
- (3) Computed based on the shareholders' fund/NA over the number of ordinary shares for the respective FYEs and FPE.

Further, there are no material exceptional items in the financial statements for the past 3 FYE 31 March 2014 to 2016 and the unaudited financial statements for the 9 months FPE 31 December 2016.

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## INFORMATION ON TLC (Cont'd)

## 8. STATEMENT OF ASSETS AND LIABILITIES

The statement of assets and liabilities of TLC Group based on its audited statement of financial position as at 31 March 2015 and 31 March 2016 as well as its unaudited statement of financial position as at 31 December 2016 are set out below:-

**In JPY<sup>(1)</sup>**

*(Unit: Thousands of JPY)*

	Audited		Unaudited as at 31 December 2016
	As at 31 March 2015	As at 31 March 2016	
<b>ASSETS</b>			
<b>Non-current assets</b>			
<u>Tangible non-current assets</u>			
Building and structures	3,994,583	3,804,814	3,747,606
Machineries, equipment and vehicles (net amount)	1,767,166	2,028,594	2,338,222
Land	3,459,282	3,479,134	3,515,300
Others	448,278	784,840	1,141,511
<b>Total tangible non-current assets</b>	<b>9,669,309</b>	<b>10,097,382</b>	<b>10,742,639</b>
Total intangible assets	364,848	299,623	277,658
Investments and other assets	724,862	538,341	556,400
<b>Total non-current assets</b>	<b>10,759,019</b>	<b>10,935,347</b>	<b>11,576,698</b>
<b>Current assets</b>			
Cash and cash equivalent	5,560,553	5,112,628	2,570,948
Trade and account receivables	5,335,394	5,774,613	7,180,785
Merchandise and finished goods	1,416,800	1,683,429	1,725,508
Work-in-progress	464,359	563,295	670,268
Raw materials and supplies	163,716	151,029	336,673
Consumption tax receivable	-	3,493	163
Deferred tax assets	163,482	178,519	96,369
Others	121,734	130,831	271,315
<b>Total current assets</b>	<b>13,226,038</b>	<b>13,597,837</b>	<b>12,852,029</b>
<b>TOTAL ASSETS</b>	<b>23,985,058</b>	<b>24,533,184</b>	<b>24,428,728</b>
<b>NA AND LIABILITIES</b>			
<b>Shareholders' equity</b>			
Share capital	2,408,600	2,408,600	2,408,600
Capital surplus	2,896,075	2,896,075	2,540,794
Retained earnings	8,519,836	9,370,280	10,026,677
Treasury shares	(209,886)	(300,630)	(298,161)
<b>Total Shareholders' equity</b>	<b>13,614,625</b>	<b>14,374,325</b>	<b>14,677,909</b>
Other accumulated comprehensive income	142,200	59,366	87,816
Non-controlling shareholders' equity	-	-	10,039
<b>NA</b>	<b>13,756,825</b>	<b>14,433,692</b>	<b>14,775,764</b>

## INFORMATION ON TLC (Cont'd)

	Audited		Unaudited as at 31 December 2016
	As at 31 March 2015	As at 31 March 2016	
<b>Non-current liabilities</b>			
Long-term loans payable	3,421,786	2,410,090	1,651,318
Deferred tax liabilities	-	11,486	21,807
Provision for executive officers'/directors' retirement benefits	36,991	3,589	3,982
Allowance for employees' stock benefits	-	6,450	11,758
Allowance for executive officer's/directors' stock benefits	-	11,205	14,490
Liabilities for retirement benefits	590,364	29,405	33,295
Others	137,119	355,594	267,403
<b>Total non-current liabilities</b>	<b>4,186,260</b>	<b>2,827,819</b>	<b>2,004,055</b>
<b>Current liabilities</b>			
Accounts payable	3,249,050	3,548,454	3,927,555
Short-term loans (maturities within 1 year)	1,011,696	1,011,696	1,380,438
Income tax payable	186,436	338,610	137,759
Accrued bonuses	329,720	364,131	218,827
Provision for directors' bonuses	29,000	29,200	17,849
Special allowance to shareholders	69,618	69,816	45,713
Others	1,166,452	1,909,766	1,920,763
<b>Total current liabilities</b>	<b>6,041,972</b>	<b>7,271,673</b>	<b>7,648,907</b>
<b>Total liabilities</b>	<b>10,228,232</b>	<b>10,099,492</b>	<b>9,652,962</b>
<b>NA AND TOTAL LIABILITIES</b>	<b>23,985,058</b>	<b>24,533,184</b>	<b>24,428,728</b>

(Source: Annual Securities Reports 2015 to 2016 of TLC and quarterly securities report for the FPE 31 December 2016 of TLC)

**Note:-**

(1) Any discrepancies in the above financial statements are due to rounding adjustments.

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In RM<sup>(1)</sup>

(Unit: Thousands of RM)

	Audited		Unaudited as at 31 December 2016
	As at 31 March 2015	As at 31 March 2016	
<b>ASSETS</b>			
<b>Non-current assets</b>			
<u>Tangible non-current assets</u>			
Building and structures	152,717	145,462	143,275
Machineries, equipment and vehicles (net amount)	67,561	77,555	89,393
Land	132,252	133,011	134,393
Others	17,138	30,005	43,641
<b>Total tangible non-current assets</b>	<b>369,667</b>	<b>386,033</b>	<b>410,702</b>
Total intangible assets	13,949	11,455	10,615
Investments and other assets	27,712	20,581	21,272
<b>Total non-current assets</b>	<b>411,328</b>	<b>418,069</b>	<b>442,589</b>
<b>Current assets</b>			
Cash and cash equivalent	212,586	195,461	98,290
Trade and account receivables	203,977	220,769	274,529
Merchandise and finished goods	54,166	64,359	65,968
Work-in-progress	17,753	21,535	25,625
Raw materials and supplies	6,259	5,774	12,871
Consumption tax receivable	-	134	6
Deferred tax assets	6,250	6,825	3,684
Others	4,654	5,002	10,373
<b>Total current assets</b>	<b>505,645</b>	<b>519,859</b>	<b>491,346</b>
<b>TOTAL ASSETS</b>	<b>916,973</b>	<b>937,928</b>	<b>933,935</b>
<b>NA AND LIABILITIES</b>			
<b>Shareholders' equity</b>			
Share capital	92,083	92,083	92,083
Capital surplus	110,720	110,720	97,137
Retained earnings	325,722	358,235	383,330
Treasury shares	(8,024)	(11,493)	(11,399)
<b>Total Shareholders' equity</b>	<b>520,501</b>	<b>549,545</b>	<b>561,151</b>
Other accumulated comprehensive income	5,436	2,270	3,357
Non-controlling shareholders' equity	-	-	384
<b>NA</b>	<b>525,937</b>	<b>551,814</b>	<b>564,892</b>

## INFORMATION ON TLC (Cont'd)

	Audited		Unaudited as at 31 December 2016
	As at 31 March 2015	As at 31 March 2016	
<b>Non-current liabilities</b>			
Long-term loans payable	130,818	92,140	63,132
Deferred tax liabilities	-	439	834
Provision for executive officers'/directors' retirement benefits	1,414	137	152
Allowance for employees' stock benefits	-	247	450
Allowance for executive officer's/directors' stock benefits	-	428	554
Liabilities for retirement benefits	22,570	1,124	1,273
Others	5,242	13,595	10,223
<b>Total non-current liabilities</b>	<b>160,045</b>	<b>108,110</b>	<b>76,617</b>
<b>Current liabilities</b>			
Accounts payable	124,214	135,661	150,154
Short-term loans (maturities within 1 year)	38,678	38,678	52,776
Income tax payable	7,128	12,945	5,267
Accrued bonuses	12,606	13,921	8,366
Provision for directors' bonuses	1,109	1,116	682
Special allowance to shareholders	2,662	2,669	1,748
Others	44,595	73,012	73,433
<b>Total current liabilities</b>	<b>230,991</b>	<b>278,003</b>	<b>292,425</b>
<b>Total liabilities</b>	<b>391,036</b>	<b>386,114</b>	<b>369,042</b>
<b>NA AND TOTAL LIABILITIES</b>	<b>916,973</b>	<b>937,928</b>	<b>933,935</b>

**Note:-**

(1) Any discrepancies in the above financial statements are due to rounding adjustments.

As at the LPD, there are no known material changes in the financial position of TLC Group subsequent to the last published audited accounts.

Based on the audited financial statements of TLC for the FYE 31 March 2015 to 2016, the financial accounts have been prepared based on approved Japanese accounting standards and there was no audit qualification for TLC's financial statements for the FYEs under review. There is no change in the aforementioned adopted accounting standards, the change thereof which would result in a material variation to the comparable figures for the audited financial statements of TLC for FYE 31 March 2015 to 2016.

You are advised to read **Section 7** – Profit and Dividend Record and **Section 8** – Statement of Assets and Liabilities of **Appendix II** of this Explanatory Statement together with the significant accounting policies as set out in the audited securities report 2016 of TLC.



## INFORMATION ON MAYPAK

### 1. HISTORY AND BUSINESS

Maypak was incorporated in Malaysia on 17 March 1975 as a public company under the Companies Act, 1965. It was listed on the Second Board of Bursa Securities (presently known as the Main Market of Bursa Securities) on 16 August 1990. Maypak was delisted and removed from the official list of Bursa Securities on 9 January 2017.

The principal activities of Maypak are manufacturing and sale of printed and laminated flexible light packaging materials. Apart from the conventional packaging materials, Maypak also produces special application packaging materials for use in the food and beverage, seasoning, medical, pharmaceutical and industrial use products.

### 2. SHARE CAPITAL

#### 2.1 Share capital

As at the LPD, the share capital and number of issued shares of Maypak are set out below:-

	No. of shares	Total RM
<b><u>Share capital</u></b>		
Ordinary shares	42,042,824	42,042,824

As at the LPD, there is only 1 class of shares in Maypak i.e. the Maypak Shares. All the Maypak Shares rank *pari passu* in terms of voting rights and entitlements to any dividends, rights, allotments and/or distributions (including any capital distributions) which may be declared, made or paid to shareholders.

#### 2.2 Changes in the share capital

Since the end of the FYE 31 December 2016 up to the LPD, there are no changes in Maypak's issued share capital.

#### 2.3 Convertible securities

As at the LPD, Maypak does not have any convertible securities.

### 3. SUBSTANTIAL SHAREHOLDER

As at the LPD, the substantial shareholder of Maypak and its shareholdings in Maypak are set out below:-

Substantial shareholder	Direct		Indirect	
	No. of shares	%	No. of shares	%
TLC	39,990,144	95.12	-	-

## INFORMATION ON MAYPAK (Cont'd)

## 4. DIRECTORS

As at the LPD, all the directors of Maypak do not hold any shares whether directly or indirectly in Maypak. The particulars of the directors of Maypak are set out below:-

Directors	Designation	Address	Nationality
Datuk Sulaiman Bin Daud	Chairman / Senior Independent Non-Executive Director	No. 3 Jalan SS 3/78 University Garden 47300 Petaling Jaya Selangor Darul Ehsan	Malaysian
Takunari Oshitani	Managing Director / Chief Executive Officer	17-23A-4 Majestic Tower Mont' Kiara Palma Jalan Kiara, Mont' Kiara 50480 Kuala Lumpur	Japanese
Taufiq Ahmad @ Ahmad Mustapha Ghazali	Independent Non-Executive Director	37-2 Block C, Jaya One 72A Jalan Universiti 46200 Petaling Jaya Selangor Darul Ehsan	Malaysian
Masaharu Yamaguchi	Non-Independent Non-Executive Director	2103-192 Wado Miyashiro-Machi Minamisaitama-Gun Saitama, 345-0836, Japan	Japanese
Hisaya Matsumoto	Non-Independent Non-Executive Director	1377-2 Kokuki, Shiraoka-Shi Saitama, 349-0217, Japan	Japanese

## 5. DETAILS OF PURCHASES OF MAYPAK'S OWN VOTING SHARES, VOTING RIGHTS OR CONVERTIBLE SECURITIES

There has been no purchase of Maypak's own voting shares, voting rights or convertible securities during the 6 months prior to the date of the SCR Offer Letter up to the LPD.

## 6. SUBSIDIARY AND ASSOCIATE COMPANIES

As at the LPD, Maypak does not have any subsidiary or associate company.

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## INFORMATION ON MAYPAK (Cont'd)

## 7. PROFIT AND DIVIDEND RECORD

The profit and dividend record of Maypak based on its audited financial statements for the past 3 FYE 31 December 2014 to 2016 are set out in the table below:-

	Audited FYE 31 December		
	2014 RM'000	2015 RM'000	2016 RM'000
Revenue	81,050	86,853	85,808
PBT/(LBT)	(3,346)	(7,458)	<sup>(1)</sup> 34,936
Taxation	-	-	<sup>(2)</sup> -
<b>PAT/(LAT)</b>	<b>(3,346)</b>	<b>(7,458)</b>	<b>34,936</b>
<b>Attributable to:</b>			
Owners of the Company	(3,346)	(7,458)	34,936
Non-controlling interest	-	-	-
Number of ordinary shares in issue ('000)	42,043	42,043	42,043
Net EPS/(LPS) (sen) <sup>(3)</sup>	(7.96)	(17.74)	83.10
Shareholders' fund/NA (RM'000)	30,352	22,842	90,151
NA per Share (RM) <sup>(4)</sup>	0.72	0.54	2.14
Current ratio (times)	1.21	0.97	2.19
Net dividend per Maypak Share (sen)	-	-	-

(Source: Annual Report 2014 to 2016 of Maypak)

**Notes:-**

- (1) Includes one-off gain on disposal of land use rights of RM32.5 million and gain on disposal of property, plant and equipment of RM5.9 million arising from the Compulsory Land Acquisition.
- (2) There is no taxation for FYE 31 December 2016 as there is no chargeable income for tax purposes.
- (3) Computed based on the PAT over the number of ordinary shares for the respective FYEs.
- (4) Computed based on the shareholders' fund/NA over the number of ordinary shares for the respective FYEs.

Save for the effects arising from the waiver of all the outstanding amounts owing to TSGHL pursuant to the Deed of Waiver and the compensation awarded under the Compulsory Land Acquisition (*further details of which are set out in the Section 5 of the IAL*), there is no exceptional item in the audited financial statements of Maypak for the past 3 financial years up to the FYE 31 December 2016.

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## INFORMATION ON MAYPAK (Cont'd)

## 8. STATEMENT OF ASSETS AND LIABILITIES

The statement of assets and liabilities of Maypak based on the latest audited statement of financial position of Maypak as at 31 December 2015 and 31 December 2016 are set out below:-

	Audited	
	As at 31 December 2015 (RM'000)	As at 31 December 2016 (RM'000)
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	46,185	23,573
Land use rights	2,327	-
	<b>48,512</b>	<b>23,573</b>
<b>Current assets</b>		
Inventories	13,855	12,190
Trade and other receivables	17,831	105,635
Other current assets	137	119
Available-for-sale financial asset	372	319
Cash and bank balances	5,516	4,290
	<b>37,711</b>	<b>122,553</b>
<b>TOTAL ASSETS</b>	<b>86,223</b>	<b>146,126</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the Company</b>		
Issued capital	42,043	42,043
Available-for-sale reserve	297	245
Other reserve	-	32,426
Accumulated losses	(19,499)	15,437
<b>Total equity</b>	<b>22,841</b>	<b>90,151</b>
<b>Non-current liabilities</b>		
Long term borrowings	24,441	77
	<b>24,441</b>	<b>77</b>
<b>Current liabilities</b>		
Loans and borrowings	24,128	15,140
Trade and other payables	14,813	40,758
	<b>38,941</b>	<b>55,898</b>
<b>Total liabilities</b>	<b>63,382</b>	<b>55,975</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>86,223</b>	<b>146,126</b>

(Source: Annual Report 2015 to 2016 of Maypak)

As at the LPD, there has not been, within the knowledge of the Non-Entitled Shareholder, any material changes in the financial position of Maypak subsequent to the last published audited accounts.

## INFORMATION ON MAYPAK (Cont'd)

Based on the audited financial statements of Maypak for the FYEs 31 December 2014 to 2016, the financial statements have been prepared based on approved Malaysian accounting standards and there was no audit qualification for Maypak's financial statements for the respective years under review.

There is no change in the accounting standards adopted by Maypak which would result in a material variation to the comparable figures for the audited financial statements of Maypak for the FYEs 31 December 2014 to 2016.

## 9. HISTORICAL SHARE PRICES OF THE COMPANY

Maypak Shares have been suspended from trading on the Main Market of Bursa Securities since 14 December 2016 and the last transacted price of the Shares was on 13 December 2016. Maypak was delisted and removed from the official list of Bursa Securities on 9 January 2017.

The available monthly closing, highest and lowest transacted prices of Maypak Shares traded on the Main Market of Bursa Securities for the 6 months prior to the abovementioned suspension, i.e. from June 2016 to November 2016, and up to the last transacted date of Maypak Shares on 13 December 2016 are set out below:-

	Closing RM	High RM	Low RM
<b>2016</b>			
June	0.510	0.520	0.450
July	0.450	0.460	0.450
August	0.455	0.480	0.380
September	0.645	0.650	0.450
October	0.655	0.655	0.645
November	1.000	1.060	0.955
December*	1.000	1.030	1.000
Last transacted price on 13 December 2016 <i>(being the last trading day prior to the suspension of trading of Maypak Shares)</i>			RM1.00

**Note:-**

\* Up to and including the last transacted date of Maypak Shares on 13 December 2016.

(Source: Bloomberg)

For information purposes, after the Delisting, TLC issued the Section 223 Notice to the shareholders of Maypak who have not accepted the MGO, informing them of their rights to dispose their Maypak Shares to TLC at RM1.00 for each Maypak Share held. The number of Maypak Shares acquired by TLC per month pursuant to the Section 223 Notice are set out as follows:-

	Number of Shares
<b>2016</b>	
December	8,399
<b>2017</b>	
January	403,882
February	382,532
March	43,065

## DISCLOSURE OF INTERESTS AND DEALINGS IN MAYPAK SHARES

**1. INTERESTS IN MAYPAK**

The disclosure of interests below is in respect of Maypak Shares. There is only 1 class of shares in Maypak, being the ordinary shares. As at the LPD, Maypak does not have any convertible securities in issue.

**1.1 By the Non-Entitled Shareholder**

Save as disclosed below, the Non-Entitled Shareholder does not have any other interest, whether direct or indirect, in Maypak Shares as at the LPD:-

Substantial shareholder	Direct		Indirect	
	No. of Shares	%	No. of Shares	%
TLC	39,990,144	95.12	-	-

**1.2 By the directors of the Non-Entitled Shareholder**

As at the LPD, all the directors of the Non-Entitled Shareholder do not hold any shares whether directly or indirectly in Maypak.

**1.3 By persons who have irrevocably undertaken to vote in favour of the Proposed SCR**

As at the LPD, the Non-Entitled Shareholder has not received any irrevocable undertaking from any Entitled Shareholders to vote in favour of the Special Resolution pertaining to the Proposed SCR to be tabled at the forthcoming EGM of the Company.

**2. DEALINGS IN MAYPAK SHARES****2.1 By the Non-Entitled Shareholder**

Save as disclosed below, the Non-Entitled Shareholder has not dealt in Maypak Shares during the 6 months prior to 12 April 2017, being the date of the SCR Offer Letter and up to LPD:-

Date	No. of Maypak Shares	Transacted price (RM)	Total consideration (RM)	Nature of transaction
07.10.2016	28,700	*1.00	28,700	Acceptance pursuant to the MGO
10.10.2016	2,375,000	*1.00	2,375,000	Acceptance pursuant to the MGO
12.10.2016	12,000	*1.00	12,000	Acceptance pursuant to the MGO
13.10.2016	94,434	*1.00	94,434	Acceptance pursuant to the MGO
14.10.2016	873,867	*1.00	873,867	Acceptance pursuant to the MGO
17.10.2016	67,734	*1.00	67,734	Acceptance pursuant to the MGO
18.10.2016	23,766	*1.00	23,766	Acceptance pursuant to the MGO
19.10.2016	2,451,607	*1.00	2,451,607	Acceptance pursuant to the MGO
20.10.2016	178,133	*1.00	178,133	Acceptance pursuant to the MGO
21.10.2016	391,202	*1.00	391,202	Acceptance pursuant to the MGO
24.10.2016	192,101	*1.00	192,101	Acceptance pursuant to the MGO
25.10.2016	224,201	*1.00	224,201	Acceptance pursuant to the MGO
26.10.2016	26,668	*1.00	26,668	Acceptance pursuant to the MGO
27.10.2016	48,367	*1.00	48,367	Acceptance pursuant to the MGO

## DISCLOSURE OF INTERESTS AND DEALINGS IN MAYPAK SHARES (Cont'd)

Date	No. of Maypak Shares	Transacted price (RM)	Total consideration (RM)	Nature of transaction
02.11.2016	2,667	1.00	2,667	Acceptance pursuant to the MGO
03.11.2016	38,033	1.00	38,033	Acceptance pursuant to the MGO
04.11.2016	74,200	1.00	74,200	Acquisition from market
04.11.2016	133	1.00	133	Acceptance pursuant to the MGO
07.11.2016	230,000	1.00	230,000	Acceptance pursuant to the MGO
08.11.2016	30,434	1.00	30,434	Acceptance pursuant to the MGO
09.11.2016	88,666	1.00	88,666	Acceptance pursuant to the MGO
10.11.2016	96,667	1.00	96,667	Acceptance pursuant to the MGO
11.11.2016	207,733	1.00	207,733	Acceptance pursuant to the MGO
14.11.2016	66,033	1.00	66,033	Acceptance pursuant to the MGO
14.11.2016	52,500	1.00	52,500	Acquisition from market
15.11.2016	7,200	1.00	7,200	Acceptance pursuant to the MGO
15.11.2016	9,600	1.00	9,600	Acquisition from market
16.11.2016	145,000	1.00	145,000	Acceptance pursuant to the MGO
16.11.2016	47,100	1.00	47,100	Acquisition from market
17.11.2016	7,900	1.00	7,900	Acquisition from market
18.11.2016	43,500	1.00	43,500	Acquisition from market
22.11.2016	1,333	1.00	1,333	Acceptance pursuant to the MGO
22.11.2016	156,900	1.00	156,900	Acquisition from market
23.11.2016	22,667	1.00	22,667	Acceptance pursuant to the MGO
23.11.2016	224,500	1.00	224,500	Acquisition from market
24.11.2016	5,000	1.00	5,000	Acceptance pursuant to the MGO
24.11.2016	3,300	1.00	3,300	Acquisition from market
25.11.2016	30,200	1.00	30,200	Acceptance pursuant to the MGO
25.11.2016	22,600	1.00	22,600	Acquisition from market
28.11.2016	4,208,416	1.00	4,208,416	Acceptance pursuant to the MGO
29.11.2016	13,067	1.00	13,067	Acceptance pursuant to the MGO
29.11.2016	1,300	1.00	1,300	Acquisition from market
30.11.2016	8,933	1.00	8,933	Acceptance pursuant to the MGO
30.11.2016	12,000	1.00	12,000	Acquisition from market
01.12.2016	176,334	1.00	176,334	Acceptance pursuant to the MGO
01.12.2016	131,800	1.00	131,800	Acquisition from market
02.12.2016	216,667	1.00	216,667	Acceptance pursuant to the MGO
02.12.2016	8,000	1.00	8,000	Acquisition from market
05.12.2016	24,500	1.00	24,500	Acquisition from market
05.12.2016	167,900	1.00	167,900	Acceptance pursuant to the MGO
06.12.2016	1,423,500	1.00	1,423,500	Acceptance pursuant to the MGO
06.12.2016	549,400	1.00	549,400	Acquisition from market
07.12.2016	2,800	1.00	2,800	Acceptance pursuant to the MGO
07.12.2016	210,900	1.00	210,900	Acquisition from market
08.12.2016	2,000	1.00	2,000	Acceptance pursuant to the MGO
08.12.2016	75,700	1.00	75,700	Acquisition from market
09.12.2016	23,700	1.00	23,700	Acquisition from market
13.12.2016	113,800	1.00	113,800	Acquisition from market
14.12.2016	75,334	1.00	75,334	Acceptance pursuant to the MGO

## DISCLOSURE OF INTERESTS AND DEALINGS IN MAYPAK SHARES (Cont'd)

Date	No. of Maypak Shares	Transacted price (RM)	Total consideration (RM)	Nature of transaction
27.12.2016	6,000	1.00	6,000	Acquisition pursuant to Section 223 of the CMSA ("Section 223 Acquisition")
30.12.2016	2,399	1.00	2,399	Section 223 Acquisition
04.01.2017	134,200	1.00	134,200	Section 223 Acquisition
05.01.2017	7,200	1.00	7,200	Section 223 Acquisition
06.01.2017	4,733	1.00	4,733	Section 223 Acquisition
09.01.2017	18,333	1.00	18,333	Section 223 Acquisition
10.01.2017	66,000	1.00	66,000	Section 223 Acquisition
12.01.2017	19,067	1.00	19,067	Section 223 Acquisition
13.01.2017	36,000	1.00	36,000	Section 223 Acquisition
16.01.2017	7,667	1.00	7,667	Section 223 Acquisition
17.01.2017	72,133	1.00	72,133	Section 223 Acquisition
18.01.2017	667	1.00	667	Section 223 Acquisition
19.01.2017	5,818	1.00	5,818	Section 223 Acquisition
20.01.2017	9,365	1.00	9,365	Section 223 Acquisition
23.01.2017	9,266	1.00	9,266	Section 223 Acquisition
24.01.2017	5,766	1.00	5,766	Section 223 Acquisition
25.01.2017	5,000	1.00	5,000	Section 223 Acquisition
31.01.2017	2,667	1.00	2,667	Section 223 Acquisition
01.02.2017	67	1.00	67	Section 223 Acquisition
02.02.2017	1,666	1.00	1,666	Section 223 Acquisition
03.02.2017	6,667	1.00	6,667	Section 223 Acquisition
07.02.2017	24,933	1.00	24,933	Section 223 Acquisition
08.02.2017	1,333	1.00	1,333	Section 223 Acquisition
14.02.2017	155,334	1.00	155,334	Section 223 Acquisition
17.02.2017	1,333	1.00	1,333	Section 223 Acquisition
20.02.2017	67	1.00	67	Section 223 Acquisition
22.02.2017	10,700	1.00	10,700	Section 223 Acquisition
23.02.2017	3,667	1.00	3,667	Section 223 Acquisition
24.02.2017	106,533	1.00	106,533	Section 223 Acquisition
27.02.2017	59,565	1.00	59,565	Section 223 Acquisition
28.02.2017	10,667	1.00	10,667	Section 223 Acquisition
01.03.2017	21,366	1.00	21,366	Section 223 Acquisition
03.03.2017	20,366	1.00	20,366	Section 223 Acquisition
06.03.2017	1,333	1.00	1,333	Section 223 Acquisition

**Note:-**

\* The Maypak's shareholders who have accepted the MGO and received payment of the original offer price of RM0.65 per Share was paid the differential amount between the original offer price and the revised offer price of RM0.35 per Share after the revision of the offer price of the MGO to RM1.00 on 31 October 2016.

**2.2 By the directors of the Non-Entitled Shareholder**

The directors of the Non-Entitled Shareholder have not dealt in Maypak Shares during the 6 months prior to 12 April 2017, being the date of the SCR Offer Letter and up to LPD.



## DISCLOSURE OF INTERESTS AND DEALINGS IN MAYPAK SHARES (Cont'd)

**3. GENERAL DISCLOSURES**

- (i) As at the LPD, there is no payment or other benefit which will be made or given to any director of Maypak as compensation for loss of office or otherwise in connection with the Proposed SCR.
- (ii) As at the LPD, there is no ongoing negotiation existing between the Non-Entitled Shareholder and any person with respect to Maypak Shares.
- (iii) As at the LPD, there is no agreement, arrangement or understanding existing between the Non-Entitled Shareholder and any of the directors or past directors of Maypak (being such person who was, during the 6 months prior to the date of the SCR Offer Letter, a director of Maypak), or any shareholders or past shareholders of Maypak (being such person who was, during the 6 months prior to the date of the SCR Offer Letter, a shareholder of Maypak) having any connection with or dependence upon the Proposed SCR.
- (iv) As at the LPD, there is no agreement or arrangement between any Director of Maypak and any other person which is conditional on or dependent upon the outcome of the Proposed SCR or otherwise connected with the outcome of the Proposed SCR.
- (v) As at the LPD, the Non-Entitled Shareholder has not entered into any material contract in which any Director of Maypak has a material personal interest.
- (vi) As at the LPD, Maypak does not have any service contracts with any Directors or proposed Directors of Maypak, which have been entered into or amended within 6 months before the date of the SCR Offer Letter or which are fixed term contracts with more than 12 months to run.

For the purpose of this section, the term "service contracts" excludes those expiring or determinable by the employing company without payment of compensation within 12 months from the date of this Document.

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**ADDITIONAL INFORMATION**

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**1. RESPONSIBILITY STATEMENTS**

The Circular and IAL have been read, understood and approved by the Board of Maypak, who has taken reasonable care to ensure the facts stated and opinions expressed in the Circular and IAL, in so far as it relates to Maypak, are fair and accurate and that no material facts have been omitted and that the Board of Maypak accepts responsibility accordingly.

The Board of Maypak jointly and severally accept full responsibility for the accuracy of the information contained in the Circular and IAL and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in the Circular and IAL have been arrived at after due and careful consideration and there are no other facts not contained in the document, the omission of which would make any statement in the Circular and IAL misleading.

Information on TLC in the Circular and IAL were provided by the management of TLC and/or obtained from publicly available sources. Any statement or information in relation to TLC as disclosed in the Circular and IAL is confirmed by the Board of TLC. The responsibility of the Board of Maypak is limited to ensuring that such information is accurately reproduced in the Circular and IAL.

The Explanatory Statement has been read, understood and approved by the Board of TLC, who has taken reasonable care to ensure the facts stated and opinions expressed in the Explanatory Statement, in so far as it relates to TLC, are fair and accurate and that no material facts have been omitted and that the Board of TLC accepts responsibility accordingly.

The Board of TLC jointly and severally accept full responsibility for the accuracy of the information contained in the Explanatory Statement and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in the Explanatory Statement have been arrived at after due and careful consideration and there are no other facts not contained in the Explanatory Statement, the omission of which would make any statement in the document misleading.

Information on Maypak in the Explanatory Statement were provided by the management of Maypak and/or obtained from publicly available sources. Any statement or information in relation to Maypak as disclosed in the Explanatory Statement is confirmed by the Board of Maypak. The responsibility of the Board of TLC is limited to ensuring that such information is accurately reproduced in the Explanatory Statement.

RHB Investment Bank acknowledges that, based on all available information, this Document (save for the IAL as set out in Part C of this Document) constitutes a full and true disclosure of all material facts concerning the Proposed SCR.

**2. CONSENTS AND CONFLICT OF INTERESTS****2.1 RHB Investment Bank**

RHB Investment Bank has given and has not subsequently withdrawn its written consent to the inclusion in this Document of its name and all references thereto, in the form and context in which it appears. RHB Investment Bank has given its written confirmation that there is no situation of conflict of interest which exists or is likely to exist in relation to its role as the Principal Adviser to Maypak for the Proposed SCR.

## ADDITIONAL INFORMATION (Cont'd)

**2.2 Mercury Securities**

Mercury Securities has given and has not subsequently withdrawn its written consent to the inclusion in this Document of its name and all references thereto, in the form and context in which it appears. Mercury Securities is not aware of any potential conflict of interest situation which exists or is likely to exist in its capacity as the Independent Adviser for the Proposed SCR.

**3. MATERIAL CONTRACTS**

Save as disclosed below, as at the LPD, the Board of Maypak is not aware of any material contracts (not being the contracts entered into in the ordinary course of business) entered into or incurred or known to be entered into or incurred by the Company within 2 years preceding the date of SCR Offer Letter up to the LPD:

- (i) On 24 February 2017, Maypak entered into a sale and purchase agreement with Ireka Engineering & Construction Sdn. Bhd. to acquire the piece of vacant industrial factory lot identified as Lot No. 1a situated on part of all that pieces of freehold land held under H.S.(D) 44118, PT 37823, H.S.(D) 44119, PT 37824, both situated in Pekan of Kajang, District of Ulu Langat, State of Selangor for a purchase consideration of RM39,204,000, subject to the terms and conditions contained therein, in connection with the Relocation;
- (ii) On 24 February 2017, Maypak entered into a construction agreement with Ireka Engineering & Construction Sdn. Bhd. to appoint Ireka Engineering & Construction Sdn. Bhd. as a building contractor to construct the New Factory on the New Land for a contract price of RM60,796,000, subject to the terms and conditions contained therein, in connection with the Relocation; and
- (iii) On 13 September 2016, Maypak entered into a deed of waiver with TSGHL on, amongst others, the waiver of all the outstanding amounts owing by Maypak to TSGHL of RM32,426,189.

**4. MATERIAL COMMITMENTS**

As at the LPD, other than the commitments in respect of the Material Contracts referred to in **Section 3** of this **Appendix V**, the Board of Maypak is not aware of any material commitments incurred or known to be incurred by Maypak.

**5. BORROWINGS AND MATERIAL CONTINGENT LIABILITIES****5.1 Borrowings**

As at 31 March 2017, which is not more than 3 months preceding the LPD, Maypak has total outstanding borrowings of approximately RM0.11 million (*all of which are secured and interest bearing*) as follows:-

Borrowings	RM'000
Obligations under finance leases	
- Current	36
- Non-current	71
<b>Total borrowings</b>	<b>107</b>

## ADDITIONAL INFORMATION (Cont'd)

**5.2 Material Contingent Liabilities**

As at 31 March 2017, which is not more than 3 months preceding the LPD, Maypak does not have any contingent liabilities, which upon becoming enforceable, may have a material impact on the profits and/or NA of Maypak other than the liabilities in respect of the Material Contracts referred to in **Section 3** of this **Appendix V**.

As at the LPD, other than the liabilities in respect of the Material Contracts referred to in **Section 3** of this **Appendix V**, the Board of Maypak is not aware of any material contingent liabilities incurred or known to be incurred by Maypak which may have a substantial impact on the results or the financial position of Maypak.

**6. MATERIAL LITIGATION**

As at the LPD, Maypak is not engaged in any litigation, claims or arbitration, either as plaintiff or defendant, which may have a material effect on the financial position of Maypak and the Board of Maypak has no knowledge of any proceedings, pending or threatened, against Maypak or of any fact which is likely to give rise to any proceeding which may materially and adversely affect the business or financial position of Maypak.

**7. DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents are available for inspection at Lot 651, Jalan Subang 1, Taman Perindustrian Sg. Penaga, 47600 Subang Jaya, Selangor Darul Ehsan, during normal business hours from Mondays to Fridays (except weekends and public holidays) from the date of this Document up to and including the date of the forthcoming EGM:-

- (i) The constitution of Maypak;
- (ii) The audited consolidated financial statements of Maypak for the past 2 financial years up to the FYE 31 December 2016;
- (iii) The SCR Offer Letter dated 12 April 2017 in relation to the Proposed SCR;
- (iv) The letters of consent and conflict of interest referred to in **Section 2** of this **Appendix V**; and
- (v) The material contracts referred to in **Section 3** of this **Appendix V**.



## MALAYSIA PACKAGING INDUSTRY BERHAD

(Company No. 22265-U)  
(Incorporated in Malaysia)

### NOTICE OF EXTRAORDINARY GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT** an Extraordinary General Meeting of Malaysia Packaging Industry Berhad (“**Maypak**” or the “**Company**”) will be held at Theatre Hall, Level 6, SEGi College, Persiaran Kewajipan, USJ 1, 47600 UEP Subang Jaya, Selangor Darul Ehsan on Wednesday, 21 June 2017 at 10.30 a.m. or immediately following the conclusion or adjournment (as the case may be) of the Forty-Second (42<sup>nd</sup>) Annual General Meeting which will be held at the same venue and on the same day at 10.00 a.m., whichever is later, or any adjournment thereof, for the purpose of considering, and if thought fit, passing the following resolution:-

#### SPECIAL RESOLUTION

#### PROPOSED SELECTIVE CAPITAL REDUCTION AND REPAYMENT EXERCISE OF MAYPAK PURSUANT TO SECTION 117 OF THE COMPANIES ACT, 2016

“**THAT** subject to the approvals being obtained from all relevant authorities and parties, and subject to the notice confirming the reduction of share capital issued by the Registrar of Companies for the proposed selective capital reduction and repayment exercise of Maypak pursuant to Section 117 of the Companies Act, 2016 (“**Act**”) (“**Proposed SCR**”), approval be and is hereby given for the Company to undertake and effect the Proposed SCR in the following manner:-

- (i) The share capital and issued number of shares of the Company shall be reduced from RM42,042,824 comprising 42,042,824 ordinary shares in Maypak (“**Maypak Share(s)**”) to RM39,990,144 comprising 39,990,144 Maypak Shares. This reduction of share capital shall be effected by way of cancellation of 2,052,680 Maypak Shares held by the shareholders of Maypak (other than the non-entitled shareholder, namely Taisei Lamick Co., Ltd. (“**Non-Entitled Shareholder**”) (“**Entitled Shareholders**”), whose names appear on the Record of Depositors of the Company as at the close of business on an entitlement date to be determined later (“**Entitlement Date**”); and
- (ii) Thereafter, the said reduction of RM2,052,680 of the Company’s share capital in the manner as set out above shall be effected by the capital repayment of RM2,052,680, which represents a cash repayment of RM1.00 for each Maypak Share held by the Entitled Shareholders on the Entitlement Date.

**THAT** pursuant to the aforesaid reduction of share capital and capital repayment, the Board of Directors of Maypak (“**Board**”) (other than the Interested Directors, namely Takunari Oshitanai, Masaharu Yamaguchi and Hisaya Matsumoto), be authorised to take all such steps as it may deem necessary:-

- (i) to determine the Entitlement Date on which the names of the Entitled Shareholders must be registered in the Record of Depositors of the Company in order to be entitled under the Proposed SCR;
- (ii) to effect the capital repayment of RM1.00 in cash for each Maypak Share held by the Entitled Shareholders as at the Entitlement Date;
- (iii) to assent to any term(s), condition(s), stipulation(s), modification(s), variation(s) and/or amendment(s) or as a consequence of any requirement(s) imposed by the relevant authorities and/or by the Registrar of Companies;

- (iv) to lodge the required documents with the Registrar of Companies on such date as the Board may determine; and
- (v) to do all such acts, deeds, and/or things incidental, and/or as may be required and/or as considered necessary and/or expedient in the best interest of the Company, and to take such steps, execute such documents and enter into any arrangements and/or agreements with any party or parties as they may deem fit necessary, expedient and/or appropriate in order to implement, finalise, complete and to give full effect to the Proposed SCR.

**Note: -**

- \* *Pursuant to Schedule 3, Paragraph 2(f) of the Rules, the Proposed SCR must be approved by at least a majority in number of shareholders and 75% in value to the votes attached to Maypak Shares held by the Entitled Shareholders that are cast either in person or by proxy at the forthcoming EGM; and the value of votes cast against the resolution to approve the Proposed SCR at such EGM is not more than 10% of the votes attaching to all Maypak Shares held by the Entitled Shareholders. The Non-Entitled Shareholder will abstain from voting in respect of its direct and/or indirect interests in Maypak on the resolution pertaining to the Proposed SCR at such EGM. The Non-Entitled Shareholder will also ensure that persons connected to it, if any, will abstain from voting in respect of its direct and/or indirect shareholdings in Maypak, if any, on the resolution pertaining to the Proposed SCR at such EGM.*

**By Order of the Board**

**Chok Kwee Wah (MACS 00550)**  
**Tan Kean Wai (MAICSA 7056310)**  
Company Secretaries

Kuala Lumpur  
17 May 2017

**Notes:-**

1. *A member entitled to attend and vote is entitled to appoint a proxy to attend and vote in his stead. A proxy may but need not be a member of the Company and there shall be no restriction as to the qualifications of the proxy.*
2. *If the appointer is a corporation, the proxy form should be executed under its common seal or under the hand of an officer or attorney duly authorised. The corporation may by a resolution of its Board of Directors or a certificate of authorisation by the corporation appoint a person or persons to act as its representative or representatives to attend and vote on their behalf.*
3. *Only Entitled Shareholders registered in the Record of Depositors as at 14 June 2017 shall be eligible to attend, speak and vote at the Extraordinary General Meeting or appoint proxy to attend and vote for his/her behalf.*
4. *Where an Entitled Shareholder of the Company appoints 2 proxies, the appointment shall be invalid unless the member specifies the proportion of his shareholding to be represented by each proxy.*
5. *The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the Company's Share Registrar's office at Bina Management (M) Sdn. Bhd., Lot 10, The Highway Centre, Jalan 51/205, 46050 Petaling Jaya, Selangor Darul Ehsan not less than 48 hours before the time for holding the meeting or adjourned meeting. **Copies of the duly executed Proxy Form which are faxed and/or emailed to the Company's Share Registrar's office are not acceptable.***

**MALAYSIA  
PACKAGING  
INDUSTRY  
BHD**



**MALAYSIA PACKAGING INDUSTRY BERHAD**

(Company No. 22265-U)  
(Incorporated in Malaysia)

**PROXY FORM**

CDS Account No.:
Number of shares held:

I/ We .....  
(Insert full name in block capital)

of .....  
(Full address)

being a \* member / members of **MALAYSIA PACKAGING INDUSTRY BERHAD**, hereby appoint

.....  
(Insert full name in block capital)

of .....  
(Full address)

and/or failing him/her, .....  
(Insert full name in block capital)

of .....  
(Full address)

or the Chairman of the Meeting as \*my/ our proxy to attend and vote for \*me/ us on \*my/ our behalf at the Extraordinary General Meeting of the Company to be held at Theatre Hall, Level 6, SEGi College, Persiaran Kewajipan, USJ 1, 47600 UEP Subang Jaya, Selangor Darul Ehsan on Wednesday, 21 June 2016 at 10.30 a.m., and at any adjournment thereof.

My/Our proxy is to vote as indicated below:-

RESOLUTION	FOR	AGAINST
<b>SPECIAL RESOLUTION – PROPOSED SCR</b>		

Please indicate with an "X" in the space provided as to how you wish to cast your vote. If no specific direction as to voting is given, the proxy or proxies will vote on the resolution or abstain from voting at his or her discretion.

\* *Strike out whichever is not desired*

.....  
Signature of Shareholder

Telephone No. ....

Dated this ..... day of ..... 2017

**Notes:-**

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote in his stead. A proxy may but need not be a member of the Company and there shall be no restriction as to the qualifications of the proxy.
2. If the appointer is a corporation, the proxy form should be executed under its common seal or under the hand of an officer or attorney duly authorised. The corporation may by its resolution of its Board of Directors or a certificate of authorization by the corporation to appoint a person or persons to act as its representative or representatives to attend and vote on their behalf.
3. Only Entitled Shareholders registered in the Record of Depositors as at 14 June 2017 shall be eligible to attend, speak and vote at the Extraordinary General Meeting or appoint proxy to attend and vote for his/her behalf.
4. Where an Entitled Shareholder of the Company appoints 2 proxies, the appointment shall be invalid unless the member specifies the proportion of his shareholding to be represented by each proxy.
5. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notorially certified copy of that power or authority shall be deposited at the Company's Share Registrar's office at Bina Management (M) Sdn. Bhd., Lot 10, The Highway Centre, Jalan 51/205, 46050 Petaling Jaya, Selangor Darul Ehsan not less than 48 hours before the time for holding the meeting or adjourned meeting. **Copies of the duly executed Proxy Form which are faxed and/or emailed to the Company's Share Registrar's office are not acceptable.**



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AFFIX  
STAMP

The Share Registrar  
**BINA MANAGEMENT (M) SDN BHD**  
Lot 10, The Highway Centre  
Jalan 51/205  
46050 Petaling Jaya  
Selangor Darul Ehsan

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