

MTAG GROUP BERHAD
 Registration No. 201801000029 (1262041-V)
 (“the Company”)
 (Incorporated in Malaysia)

SUMMARY OF KEY MATTERS DISCUSSED AT THE 4TH ANNUAL GENERAL MEETING OF MTAG GROUP BERHAD DULY CONDUCTED FULLY VIRTUAL THROUGH LIVE STREAMING AND ONLINE MEETING PLATFORM OF TIIH ONLINE PROVIDED BY TRICOR INVESTOR & ISSUING HOUSE SERVICES SDN. BHD. IN MALAYSIA VIA ITS WEBSITE AT [HTTPS://TIIH.ONLINE](https://tiih.online) ON WEDNESDAY, 24 NOVEMBER 2021 AT 10.00 A.M.

1. Mr. Chua Tee Seng posed the following questions:
 - a) Understand that there is some purchase hindrance on a land at Johor. After all the related lawsuit issue on the refund was done, will the company pursue to get another new land for expansion objective?

The Company’s Response:

The Company will pursue to buy land.

- b) Understand the commodities related raw material price had spike recently globally. Will this have a big affect on the costing for the sales product? If yes, what will the Company plans to do to maintain a healthy earning despite rising on raw material cost?

The Company’s Response:

The Company will pass on the cost to the customers subsequently.

2. Mr. Chan Chai Tiam, Ms. Yong Yang Har, Mr. Lau Chuan Hooi, Mr. Chee Teng Ho, Ms. Tee Beng Ngo, Ms. Tee Beng Choo, Ms. Tee Beng Hee and Mr. Lim Bai Tai @ Lim Eng Kim asked if e-voucher or gift voucher would be given to those shareholders who have taken the initiative to attend the Company’s virtual AGM?

The Company’s Response:

The Company would consider on the suggestion in future.

3. Ms. Lee Ya Yun posed the following questions:
 - a) There is a new major customer (Customer B) as revealed in the Annual Report 2021, could you please elaborate more on the customer? Would you expect it to continue to be one of the major customers in FY2022 and beyond?

The Company’s Response:

The Company is unable to disclose the details of Customer B due to the non-disclosure agreement signed.

- b) Concentration on EMS customers – what has been done to enhance your customer base to reduce the risk?

The Company’s Response:

The Company have been continuously looking for new customers.

- c) The disruption in global supply chain – how bad is the impact on the Company?

The Company’s Response:

The Company’s business was affected and faced disruption of global supply chain where freight charges increase material cost. Hence, the Company shall pass on the cost to the customers.

- d) Fully digital press printing machine - What is the cost? What is your projection on the contribution?

The Company’s Response:

The machine costs RM3.536 million and the Company has approached the customers and received overwhelming responses and enquiries from the customers. This is the new technology for the future and we are one of the first to bring in the technology.

4. Mr. Lau Chuan Hooi posed the following questions:

a) What is the Company's future Outlook?

The Company's Response:

The Group is mindful of the risk of Covid-19 disruption and global supply chain issue. With the rising vaccination rate, improving consumer sentiment and business outlook, the Board remains optimistic that the Group's performance will regain some momentum towards the end of the year. The Group has maintained a healthy balance sheet and sufficient liquidity position in facing the challenges ahead. The Group has cash and bank balances and fixed deposits amounting to RM128 million and zero borrowings as of 30 June 2021.

The Board and management expect the situation to remain challenging for the year ahead, depending on the scale and length of the Covid-19 pandemic and government policy in managing the pandemic. In addition, the Company is cautiously monitoring labour shortage issue for their customers in the EMS industries.

b) How much is the impact due to MCO?

The Company's Response:

The Group's operation had been disrupted by a series of precautionary and control measure taken by the government. Nonetheless, the Company's financial performance and cash flow for the financial year ended 30 June 2021 had not been materially impacted by the Covid-19 pandemic. The Group expects the situation to remain challenging, depending on the scale and length of the Covid-19 pandemic and government policy in managing the pandemic. The Group is closely monitoring the evolving situation of Covid-19 pandemic and its related financial effect to be reflected in the financial statement of the Group for the financial year ending 30 June 2022.

c) How much is cost saving of this virtual AGM as compared to physical AGM?

The Company's Response:

There was not much difference on the cost. It is the commitment to engage with shareholders in timely manner while taking every precaution to safeguard the shareholders' safety and wellbeing. The virtual proceedings are also in line with Practice 13.3 of the MCCG 2021 where listed Company are encouraged to leverage on technology. The Company is required to have transparent and regular communication to shareholders including utilization on technology and promote shareholders participation.

5. Mr. Tan Teck Choon @ Teck Kiew inquired on the progress of new factory expansion plan.

The Company's Response:

The Company is in the midst of identifying suitable land for the new factory. Any updates will be announced in due course.

6. Mr. Yap Beau Huan requested for a copy of presentation slide at the end of meeting.

The Company's Response:

The Company will check with Investor Relations team to arrange.

7. Mr. Fong Kah Kuen requested the Management to share plans of how best to deploy the existing cash on hand on the Company's balance sheet to maintain the Return on Equity that the Company has historically achieved.

The Company's Response:

The cash reserves can be used to expand into other industries, as well as for mergers and acquisitions in the future.

8. Mr. Cheah Yem Lim inquired on the machine utilisation rate.

The Company's Response:

Approximately 80% of the machines are utilised currently.

9. Mr. Tan Yet Siong asked whether it would be too conservative as Company has zero borrowing? He commented that with manageable debt level, can it boost Company to grow faster?

The Company's Response:

The borrowing has very high uncertainty due to current Covid-19 pandemic and workforce issues. The Company is still working hard to expand and grow the business.

10. Mr. Fong Kah Kuen requested the Management to share how much labour is required with existing machines as compared to digital printing machine.

The Company's Response:

The Company is not very labour intensive. Currently, the existing machines require one to three workers as the machine is fully automated.

11. Mr. Soo Choo Kum posed the following questions:

- a.) There is an ongoing legal case on a new land purchased recently, what is the chances of winning the case?

The Company's Response:

The updates on the legal case would be announced to Bursa Malaysia. Shareholders are advised to keep an eye on Bursa Malaysia's website for further details.

- b.) Will the Company benefit from the US-China trade war especially on EMS sector?

The Company's Response:

The Company has received some enquiry from China. Therefore, the Company anticipates that the trade war between the United States and China will benefit the Company.

12. Mr. Tan Teck Choon @ Teck Kiew asked if the Company's existing facilities would be moved over to the new plant when it is completed in future.

The Company's Response:

The existing facilities will be moved over once the land is identified.

There were no other questions raised by the shareholders and proxies at the 4th Annual General Meeting of the Company, the meeting closed at 11.20 a.m.