

MSM Malaysia Holdings Berhad

EXTRAORDINARY GENERAL MEETING

ANNEXURE 2



A Member of **FGV**

Pre-EGM Questions & Responses

1. MSM Johor Plant

Shareholder Name	Question
TEO CHER MING	Referring to the 50m disposal proceed earmarked for MSM Johor special ramp up capex. Is this part of back up plan for plant reliability or is the reliability still not up to mark yet? Can the management share what is the current downtime and current utilisation rate of MSM Johor?
Response	
<p>The earmarked RM50 million is intended for the improvements of MSM Johor comprising the following:-</p> <ul style="list-style-type: none"> i. RM37.5 million for additional steam generation and improving the distribution system for the purpose of increasing reliability and availability of the full capacity of the refinery. This will enable 2 boilers to operate at any time with 1 additional boiler as backup and for ease of maintenance planning. ii. RM11.0 million for the melting, purification and curing system enhancement. This is expected to contribute to the yield by producing additional refined sugar product (brown sugar) and reduce spillages. Improvement in yield will result in increased output from the same amount of raw material (raw sugar) and will improve profits. 	

Pre-EGM Questions & Responses

(Continued)

Response

- iii. RM1.5 million for sugar process enhancement will reduce downtime, production loss in the refinery and is in line with MSM Johor production ramp up plan.

The downtime for MSM Johor was due to Boiler 1 and Boiler 2 rectification activities. Boiler 1 has been fixed and resumed operation in June 2021. In addition, Boiler 2 is expected to be back in operation by October 2021.

MSM Johor's present utilisation factor (UF) with Boiler 1 has demonstrated ability to reach 33% versus 14% as a result of planned rectification and operational optimisation on steam use. We are optimistic that Boiler 2 will indicate similar performance. Hence, MSM Johor is expected to reach min 50% UF target in the 2H 2021 as planned.

Pre-EGM Questions & Responses

2. MSM Johor Plant

Shareholder Name	Question
KOW LIH SHI	The pandemic and failure of sugar boiler processing , how was profit to be maintained and growth after pandemic, any new inventory or machinery add on to produce more output?

Response

Boiler 1 has been fixed and resumed operation in June 2021 with a much stronger melting rate at 33% UF versus 14% prior to planned improvements. In addition, Boiler 2 is expected to be back in operation by October 2021.

We have also completed the projects for Liquid Sugar (LS) and Fine Syrup (FS) expansion doubling the capacity. Additionally, 4 units of 1 kg Coarse Grain Sugar (CGS) retail packaging lines had also been commissioned, doubling the capacity of that SKU to serve the domestic southern region and East Malaysia markets.

Both of these will ensure MSM would be more flexible in terms of addressing changing demand between 50kg industry and 1kg retail packaging in the market and addressing increasing demand for LS and FS. MSM Johor is expanding the customer base in tandem with increase of production. MSM expects further profit growth even during the pandemic with MSM Johor's capability to reach higher output, diversify SKUs and maintain reliability and availability in operations.

Pre-EGM Questions & Responses

3. Door Gift - E-vouchers

Shareholder Names	Questions
CHEE TENG HO	Will the company be giving any e vouchers/e wallet to all the shareholders/proxies attending this live streaming egm and remote voting as a token of appreciation for their attendance? Tq
TEE BENG CHOO	Hope the company will consider giving some e vouchers/e wallet to all the shareholders/proxies attending this live streaming egm and remote voting as a token of appreciation for their attendance. Tq
TEE BENG NGO	Will the company be giving any e vouchers/e wallet to all shareholders/proxies attending this live streaming egm and remote voting? Tq
TEE BENG HEE	Hope the company will consider giving some e vouchers/e wallet to all the shareholders/proxies attending this live streaming egm and remote voting as a token of appreciation for their attendance. Tq
LIM BA TAI @ LIM ENG KIM	Hope the company will consider giving some e vouchers/e wallet to all the shareholders/proxies attending this live streaming egm and remote voting as a token of appreciation for their attendance. Tq

Pre-EGM Questions & Responses

(Continued)

Response

All shareholders/proxies/corporate representatives who logged in during the EGM on 15 September 2021 will receive an E-voucher worth close to RM 40 which can be used to redeem the following items:

No	Items	Unit Cost
1	Minyak masak SAJI 1kg x 2	RM13.98
2	Gula Prai CGS 1kg	RM2.85
3	Gula Prai Soft Brown 500gm	RM2.85
4	Sos Cili SAJI 500gm	RM3.70
5	Marjerin Adela Tub 240gm	RM4.10
6	KFC voucher	RM10.00
	Subtotal	RM37.48

Any further questions pertaining to door gift, please send an email to MSM Corporate Communication at corpcomms@msmsugar.com



THANK YOU

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