

# MSM Malaysia Holdings Berhad

## PRE-AGM QUESTIONS AND RESPONSES



# PRE-AGM QUESTIONS & RESPONSES

## 1. Dividend & Shares

### Shareholder Name

GOH YOKE CHOO

### Question

Why won't the company buy back our shares as the market price is too low now. Will the share price be above RM1.00?

### Response

MSM's shares started to experience a downtrend since 2018 but saw a rise in 2021 to a peak of RM2.09. Share buyback is not encouraged as it is an artificial intervention that will require capital affecting cashflow and possibly solvency.

The Group aims to continue to improve our operating cashflow, pare down long-term debts to reduce finance costs and free up more cash. Our priority remains to strengthen our balance sheet.

# PRE-AGM QUESTIONS & RESPONSES

## 2. Dividend & Shares

Shareholder Name	Question
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KOW LIH SHI

Will the company be able to increase dividend payout?

Response
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The Board had declared dividends of 3.0 sen per share for FY2021 amounting to RM21.09 million, which is above our 50% dividend payout ratio policy measured against PAT from continuing operations. The total dividend declared represents 57% of the total Group profit for FY2021 from continuing operations.

The amount is also equivalent to 17% of the total Group profit for FY2021 of RM125.35 million.

Nevertheless, the intention for FY2022 is to work towards the improvement of the company's financial and operational performances to deliver better values to our shareholders.

# PRE-AGM QUESTIONS & RESPONSES

## 3. Door Gift – E-vouchers

### Shareholder Name

### Question

JOACHIM ARULRAJ ANTHONYSAMY

Dear BOD - Kindly give us some e-vouchers, food vouchers or e-wallet (no discount vouchers please) for being loyal shareholders and attending this meeting. Times are bad now. Please be considerate to us shareholders during these trying times. TQ

CHONG KUM FATT

Dear BOD - Kindly give us some e-vouchers, food vouchers or e-wallet (no discount vouchers please) for being loyal shareholders and attending this meeting. Times are bad now. Please be considerate to us shareholders during these trying times. TQ

# PRE-AGM QUESTIONS & RESPONSES

## 3. Door Gift – E-vouchers (Cont’)

### Response

All shareholders/proxies/corporate representatives who logged in during the AGM on 8 June 2022 will receive a door gift worth over RM50 including delivery. The items are as follows:

Item
<b>PRODUCTS &amp; VOUCHER</b>
1. Gula Prai CGS 1kg
2. Gula Prai Soft Brown 500gm
3. Minyak Masak Saji 1kg
4. Garam Putih Saji 400gm
5. Sajimee Goreng Asli
6. Beras Wangi Ladang57 1kg
7. RM20 KFC Food Voucher

# PRE-AGM QUESTIONS & RESPONSES

## 4. Annual Integrated Report 2021

Shareholder Name	Question	Response
CHUA CHIN LEONG	Dear sirs, Kindly arrange to send me a company Report. TQ	We take note of your request and we have arranged for the delivery of a physical copy of MSM's Annual Integrated Report 2021 to your mailing address as per registered with Boardroom Share Registrar.

# PRE-AGM QUESTIONS & RESPONSES

## 5. Sugar Outlook

### Shareholder Name

MOHD RIDZUAN BIN OTHMAN

### Question

Bagaimana perbincangan kenaikan harga gula untuk 5 tahun akan datang. Adakah dipersetujui atau masih dalam perbincangan?

### Response

MSM bersama CSR sebagai gabungan industri pengeluar gula telah mengadakan beberapa sesi libat urus bersama pihak kerajaan terutama KPDNHEP, MITI, KKM dan UPE berkaitan dengan semakan harga siling bagi segmen borong untuk menangani isu peningkatan kos yang dihadapi oleh industri gula sedunia. Perbincangan juga telah melibatkan wakil-wakil industri makanan dan minuman besar dan SMEs. Perbincangan masih berjalan dan keputusan tertakluk kepada pihak kabinet kerajaan.

Walaupun bagaimanapun, MSM akan terus mengekalkan harga jualan purata pada tahap maksima Harga Jualan Terkawal bagi segmen borong.

# PRE-AGM QUESTIONS & RESPONSES

## 6. Sugar Outlook

### Shareholder Name

KOW LIH SHI

### Question

The world sugar cost has increased as well as the supply of raw and semi raw materials are being restricted for other countries. How will this impact the company? Does Malaysia not depend on import material and can the domestic market be able to make it without imports?

### Response

MSM has an omni-sourcing programme for raw sugar and hence, we are not solely dependent on a specific country importation. Raw sugar is imported largely from Brazil and rest of market origins being India, Thailand, South Africa and Guatemala.

In the long term, MSM has proposed to the government to explore on large scale sugarcane plantation as part of the national food security blueprint and in doing so reduce this key component cost significantly for sugar refiners. The government has taken this suggestion positively.

# PRE-AGM QUESTIONS & RESPONSES

## 7. Moving Forward

### Shareholder Name

KOW LIH SHI

### Question

Will MSM be able to overcome operational costing to gain more profit?

### Response

In order to optimise our production cost, we will need to be able to produce and sell at higher volumes to reduce the overall cost per unit. These will be conducted via a ramp up plan and intensified sales efforts in both domestic and export markets. Furthermore, as part of overcoming these cost elements, we are also improving our production yield with lean manufacturing management programme and prudently hedging our input costs such as raw sugar, freight, natural gas and forex.



Janji...  
gula peket  
hijau!



## THANK YOU

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