



ORIENTAL FOOD INDUSTRIES HOLDINGS BERHAD
Registration No. 1996601017418 (389769-M)
(Incorporated in Malaysia)

Minutes of the Twenty-Seventh Annual General Meeting (“27th AGM”) of the Company held at Adam Function Hall, Tiara Melaka Golf and Country Club, Jalan Gapam, Bukit Katil, 75760 Melaka on Wednesday, 23 August 2023 at 2.30 p.m.

Present	:	Tan Sri Dato’ Azizan Bin Husain	Senior Non-Independent Non-Executive Chairman
		Datuk Seri Son Chen Chuan	Group Managing Director
		Datuk Son Tong Leong	Group Chief Executive Officer
		Datuk Son Tong Eng	Executive Director
		Mr. Lim Keat Ser	Non-Independent Non-Executive Director
		Mr. Chong Peng Khang	Independent Director
		Ms. You Chen Kei	Independent Director
Members /Proxy Present	:	As per Attendance List	
In Attendance	:	Ms. Karina Chong Mr. Alex Nip	Joint Company Secretaries Joint Company Secretaries
By Invitation	:	Mr. Piong Yew Peng	Messrs. Crowe Malaysia PLT

CHAIRMAN

Tan Sri Dato’ Azizan Bin Husain (“Tan Sri”) presided as Chairman and welcomed all present to the 27th AGM. The Chairman called the Meeting to order at 2.35 p.m.

QUORUM

The requisite quorum being present pursuant to the Constitution of the Company; the Meeting was duly convened.

NOTICE

The Notice of BODM having been circulated and seconded by Mr. Chow Jit Seng was taken as read.

POLL

The Chairman informed the meeting that all resolutions as set out in the Notice of the 27th AGM shall be voted by poll pursuant to 8.29A of the Bursa Malaysia Listing Requirements. Dvote Services Sdn Bhd has been appointed as Poll Administrator to conduct the polling process and Coopers Professional Scrutineers Sdn Bhd has been appointed as the Independent Scrutineer to verify the results of the poll.

The Chairman then proceed to table the following agendas of the 27th AGM for discussion

Agenda 1	<p>To receive the Statutory Financial Statements for the financial year ended 31 March 2023 together with the Directors’ and Auditors’ Reports thereon</p> <p>The Chairman informed the meeting that this agenda was meant for discussion only as the provision of Section 340 (1)(a) of the Companies Act 2016 does not require the formal approval from the shareholders and hence was not put forth for voting.</p> <p>Before inviting the shareholders to raise questions relating to the Financial Statements for the year ended 31 March 2023, the Chairman handed the floor to Datuk Son Tong Leong (“DSTL”) to address the inquiries put forth by the Minority Shareholders Watch Group (“MSWG”) on their letter to the Company dated 4 August 2023. DSTL led the shareholders through the following:</p>																							
Q&A	<table border="1"> <thead> <tr> <th>Question</th> <th>Management Response</th> </tr> </thead> <tbody> <tr> <td>The Group recorded a strong 25% growth in revenue to RM360 million in FY2023. However, the Gross Profit Margin (“GPM”) declined from 17.9% in FY2022 to 15.1% in FT2023. Which product categories were the top contributors to revenue growth in FY2023</td> <td style="text-align: center;">Potato Based Products</td> </tr> <tr> <td>Please provide the sales breakdown by product categories for FY2023.</td> <td> <table border="1"> <thead> <tr> <th>Product Category</th> <th>%</th> </tr> </thead> <tbody> <tr> <td>Snacks</td> <td>32%</td> </tr> <tr> <td>Cakes</td> <td>11%</td> </tr> <tr> <td>Wafer</td> <td>7%</td> </tr> <tr> <td>Biscuits and cookies</td> <td>6%</td> </tr> <tr> <td>Potato chips and crisps</td> <td>44%</td> </tr> <tr> <td>Total</td> <td>100%</td> </tr> </tbody> </table> </td> </tr> <tr> <td>What were the reasons for the significant decline in GPM?</td> <td> <ul style="list-style-type: none"> • Increased in Raw Material Cost • Higher cost of imported raw materials due to USD rates fluctuations. • Increased in TNB ICPT rate from RM0.037 to RM0.20/kWh (from 1 January 2023) • Increased in gas price from RM38.834 to RM63.136 / GJ (price increase from July 2022 in stages until March 2023) • Higher labour wages resulting from the implementation of Minimum Wages from RM1,200 to RM1,500 effective 1 May 2022. </td> </tr> </tbody> </table>		Question	Management Response	The Group recorded a strong 25% growth in revenue to RM360 million in FY2023. However, the Gross Profit Margin (“GPM”) declined from 17.9% in FY2022 to 15.1% in FT2023. Which product categories were the top contributors to revenue growth in FY2023	Potato Based Products	Please provide the sales breakdown by product categories for FY2023.	<table border="1"> <thead> <tr> <th>Product Category</th> <th>%</th> </tr> </thead> <tbody> <tr> <td>Snacks</td> <td>32%</td> </tr> <tr> <td>Cakes</td> <td>11%</td> </tr> <tr> <td>Wafer</td> <td>7%</td> </tr> <tr> <td>Biscuits and cookies</td> <td>6%</td> </tr> <tr> <td>Potato chips and crisps</td> <td>44%</td> </tr> <tr> <td>Total</td> <td>100%</td> </tr> </tbody> </table>	Product Category	%	Snacks	32%	Cakes	11%	Wafer	7%	Biscuits and cookies	6%	Potato chips and crisps	44%	Total	100%	What were the reasons for the significant decline in GPM?	<ul style="list-style-type: none"> • Increased in Raw Material Cost • Higher cost of imported raw materials due to USD rates fluctuations. • Increased in TNB ICPT rate from RM0.037 to RM0.20/kWh (from 1 January 2023) • Increased in gas price from RM38.834 to RM63.136 / GJ (price increase from July 2022 in stages until March 2023) • Higher labour wages resulting from the implementation of Minimum Wages from RM1,200 to RM1,500 effective 1 May 2022.
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Q&A	Question	Response														
	Does the Group expect GPM to recover in FY2024?	Yes														
	What measure are you taking to improve GP?	<ul style="list-style-type: none"> • Increase in selling price • Sourcing for alternative cheaper suppliers without compromising on the quality of raw materials • Reducing sales rebate to customers • Automation of process to reduce labour cost and manpower • Optimising production output planning and scheduling 														
	What is the budgeted capex for FY2023?	Approximately RM9.7million														
	Please provide the capex breakdown (e.g. plant and machineries, maintenance cost etc)	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 80%;"></th> <th style="width: 20%; text-align: center;">RM mil</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">Building</td> <td style="text-align: center;">0.19</td> </tr> <tr> <td style="text-align: center;">Plant & Machinery</td> <td style="text-align: center;">3.44</td> </tr> <tr> <td style="text-align: center;">Motor Vehicle</td> <td style="text-align: center;">0.28</td> </tr> <tr> <td style="text-align: center;">Furniture, Fittings & Office Equipment</td> <td style="text-align: center;">0.15</td> </tr> <tr> <td style="text-align: center;">Construction (FW Hostel) in progress</td> <td style="text-align: center;">5.64</td> </tr> <tr> <td style="text-align: center;">Total</td> <td style="text-align: center;">9.70</td> </tr> </tbody> </table>		RM mil	Building	0.19	Plant & Machinery	3.44	Motor Vehicle	0.28	Furniture, Fittings & Office Equipment	0.15	Construction (FW Hostel) in progress	5.64	Total	9.70
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	<p>The Company will soon be introducing new products to consumers under the brand name “ZESS”. The products will soon be found on the shelves of most hypermarkets and established department stores both locally and oversea. (page 9 of AR 2023)</p> <p>a. Please provide more details on these new products</p> <p>b. When does the Group plan to launch these new products</p> <p>c. What is the budgeted marketing expenses for these products</p>	<p>a. Butter cookies Super Ring Cheese Crackers</p> <p>b. 2nd Quarter, the products are currently undergoing the final stages of R&D and packaging design</p> <p>c. Approximately RM1.2 million</p>														

Question	Response
Practice 5.2 of the Malaysian Code of Corporate Governance stipulates that at least half of the board should comprise independent directors. For FY2023, there were only 2 independent directors out of the 7 directors on the Board. Does the Company intend to apply Practice 5.2, and if yes, by when?	<p>Currently, the Board has 7 Directors comprising of the following:</p> <ul style="list-style-type: none"> • One (1) Non-Independent Non-Executive Chairman • Two (2) Independent Non-Executive Directors • One (1) Non-Independent Non-Executive Director • Three (3) Executive Directors <p>The Board is aware of the requirement that at least half of the Board comprises independent directors. The Board will continue to find a suitable candidate to fill up the position.</p>
Practice 5.9 of the Malaysian Code of Corporate Governance stipulates that 30% of the Board should comprise women. As of FY2023, there was only one women director which represents 14.3% female representation on the Board. Does the Company intend to apply Practice 5.9, and if yes, by when?	The Board supports the country's aspirational target of 30% representation of women directors. The process of sourcing for potential candidates would be undertaken by the Board and this is an on-going process. The Board will continue to find suitable women candidate to fill up the position.
<p>The Chairman then opens the floor to the shareholders to raise questions relating to the Financial Statements for the year ended 31 March 2023.</p> <p>Mr. Chong Jit Seng directed the following questions to the Board and DSTL responded the following questions raised during the meeting:</p>	
Question	Response
Can the Management provide the breakdown of the 25% increase in revenue?	<p>The increase in revenue by 25% mainly attributed by</p> <ul style="list-style-type: none"> • Increase in selling price • Sales increase in oversea market • Foreign exchange gain
How many products the Group carries?	More than 200 products
What is the Management's strategies to penetrate oversea market?	By participating in trade fairs.
Perhaps the Management may consider to market its products via Multi-Level Marketing companies.	The Management took note of the suggestion.

	<table border="1" data-bbox="423 401 1341 558"> <thead> <tr> <th data-bbox="423 401 883 432">Question</th> <th data-bbox="883 401 1341 432">Response</th> </tr> </thead> <tbody> <tr> <td data-bbox="423 432 883 558">The progress of the construction for hostel for foreign workers.</td> <td data-bbox="883 432 1341 558">The construction work expected to be completed in 2 months and should be ready by December 2023.</td> </tr> </tbody> </table> <p data-bbox="423 590 1341 646">There being no further questions from the floor, DSTL handed the floor back to the Chairman.</p> <p data-bbox="423 680 1341 737">The Chairman then declared the Q & A session is closed and proceed to the next agenda.</p>	Question	Response	The progress of the construction for hostel for foreign workers.	The construction work expected to be completed in 2 months and should be ready by December 2023.
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<p data-bbox="228 823 409 884">Agenda 2 Resolution 1</p>	<p data-bbox="409 823 1351 884">To approve the payment of Directors’ fees amounting to RM330,000.00 for the financial year ended 31 March 2023.</p> <p data-bbox="409 919 1351 976">Before putting the motion to vote, the Chairman opens the floor for any question relating to the motion.</p> <p data-bbox="409 1012 760 1043">There was no question raised.</p> <p data-bbox="409 1077 1211 1108">The motion was proposed and seconded by the following shareholders”</p> <table border="1" data-bbox="423 1140 1027 1203"> <tr> <td data-bbox="423 1140 586 1171">Proposer</td> <td data-bbox="586 1140 1027 1171">Mr. Chong Jit Seng</td> </tr> <tr> <td data-bbox="423 1171 586 1203">Seconder</td> <td data-bbox="586 1171 1027 1203">Ms. Jenny Haw Chau Yan</td> </tr> </table>	Proposer	Mr. Chong Jit Seng	Seconder	Ms. Jenny Haw Chau Yan
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<p data-bbox="228 1283 409 1344">Agenda 3 Resolution 2</p>	<p data-bbox="409 1283 1351 1375">To approve the proposed payment of Directors’ remuneration and benefits (excluding Directors’ fees) up to an amount of RM145,000.00 to the Directors with effect from 23 August 2023 until the next Annual General Meeting.</p> <p data-bbox="409 1411 1351 1467">Before putting the motion to vote, the Chairman opens the floor for any question relating to the motion.</p> <p data-bbox="409 1503 760 1535">There was no question raised.</p> <p data-bbox="409 1568 1211 1600">The motion was proposed and seconded by the following shareholders”</p> <table border="1" data-bbox="423 1631 1027 1694"> <tr> <td data-bbox="423 1631 586 1663">Proposer</td> <td data-bbox="586 1631 1027 1663">Mr. Mohd Nazri Bin Ramli</td> </tr> <tr> <td data-bbox="423 1663 586 1694">Seconder</td> <td data-bbox="586 1663 1027 1694">Ms. Son Mei Chin</td> </tr> </table>	Proposer	Mr. Mohd Nazri Bin Ramli	Seconder	Ms. Son Mei Chin
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Agenda 4 Resolution 3	<p>To re-elect the following Directors, each of whom retires by rotation in accordance to Clause 122 of the Constitution of the Company:</p> <p>a) Datuk Son Tong Leong</p> <p>Before putting the motion to vote, the Chairman opens the floor for any question relating to the motion.</p> <p>There was no question raised.</p> <p>The motion was proposed and seconded by the following shareholders”</p> <table border="1" data-bbox="423 709 1027 779"><tr><td>Proposer</td><td>Mr. Mohd Nazri Bin Ramli</td></tr><tr><td>Seconder</td><td>Mdm. Goh Pek Hong</td></tr></table>	Proposer	Mr. Mohd Nazri Bin Ramli	Seconder	Mdm. Goh Pek Hong
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Agenda 4 Resolution 4	<p>To re-elect the following Directors, each of whom retires by rotation in accordance to Clause 122 of the Constitution of the Company:</p> <p>b) Datuk Son Tong Eng</p> <p>Before putting the motion to vote, the Chairman opens the floor for any question relating to the motion.</p> <p>There was no question raised.</p> <p>The motion was proposed and seconded by the following shareholders”</p> <table border="1" data-bbox="423 1176 1027 1245"><tr><td>Proposer</td><td>Ms. Jenny Haw Chau Yan</td></tr><tr><td>Seconder</td><td>Ms. Tan Poh Gate</td></tr></table>	Proposer	Ms. Jenny Haw Chau Yan	Seconder	Ms. Tan Poh Gate
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Agenda 5 Resolution 5	<p>To re-elect Ms. You Chen Kei who retires in accordance to Clause 106 of the Constitution of the Company.</p> <p>Before putting the motion to vote, the Chairman opens the floor for any question relating to the motion.</p> <p>There was no question raised.</p> <p>The motion was proposed and seconded by the following shareholders”</p> <table border="1" data-bbox="423 1577 1027 1646"><tr><td>Proposer</td><td>Mdm. Goh Pek Hong</td></tr><tr><td>Seconder</td><td>Ms. Jenny Haw Chau Yan</td></tr></table>	Proposer	Mdm. Goh Pek Hong	Seconder	Ms. Jenny Haw Chau Yan
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<p>Agenda 6 Resolution 6</p>	<p>To re-appoint Messrs Crowe Malaysia PLT as Auditors of the Company for the financial year ending 31 March 2024 and to authorise the Directors to determine their remuneration.</p> <p>Before putting the motion to vote, the Chairman opens the floor for any question relating to the motion.</p> <p>There was no question raised.</p> <p>The motion was proposed and seconded by the following shareholders”</p> <table border="1" data-bbox="423 678 1027 743"> <tr> <td>Proposer</td> <td>Mr. Mohd Nazri Bin Ramli</td> </tr> <tr> <td>Seconder</td> <td>Ms. Son Mei Chin</td> </tr> </table>	Proposer	Mr. Mohd Nazri Bin Ramli	Seconder	Ms. Son Mei Chin
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<p>Agenda 7 Resolution 7</p>	<p>Authority to Allot Shares pursuant to Sections 75 and 76 of the Companies Act, 2016</p> <p>Before putting the motion to vote, the Chairman opens the floor for any question relating to the motion.</p> <p>There was no question raised.</p> <p>The motion was proposed and seconded by the following shareholders”</p> <table border="1" data-bbox="423 1083 1027 1148"> <tr> <td>Proposer</td> <td>Ms. Tan Poh Gate</td> </tr> <tr> <td>Seconder</td> <td>Mdm. Goh Pek Hong</td> </tr> </table>	Proposer	Ms. Tan Poh Gate	Seconder	Mdm. Goh Pek Hong
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<p>Agenda 8 Resolution 8</p>	<p>Proposed Renewal of Shareholders’ Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature (“Proposed Shareholders’ Mandate”)</p> <p>Before putting the motion to vote, the Chairman opens the floor for any question relating to the motion.</p> <p>There was no question raised.</p> <p>The motion was proposed and seconded by the following shareholders”</p> <table border="1" data-bbox="423 1518 1027 1583"> <tr> <td>Proposer</td> <td>Ms. Jenny Haw Chau Yan</td> </tr> <tr> <td>Seconder</td> <td>Mr. Mohd Nazri Bin Ramli</td> </tr> </table>	Proposer	Ms. Jenny Haw Chau Yan	Seconder	Mr. Mohd Nazri Bin Ramli
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<p>Agenda 9 Resolution 9</p>	<p>Proposed Renewal of Share Buy-Back Authority for the Purchase by the Company of its Own Shares (“Proposed Renewal of Share Buy-Back Authority”)</p> <p>Before putting the motion to vote, the Chairman opens the floor for any question relating to the motion.</p> <p>There was no question raised.</p> <p>The motion was proposed and seconded by the following shareholders”</p> <table border="1" data-bbox="423 653 1027 720"><tr><td>Proposer</td><td>Ms. Sim Yoke Sa</td></tr><tr><td>Seconder</td><td>Mr. Chong Jit Seng</td></tr></table>	Proposer	Ms. Sim Yoke Sa	Seconder	Mr. Chong Jit Seng																
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	<p>There being not any other business, the meeting proceed with polling and the Chairman invited Mr. Wong Huan Jun from Dvote Services Sdn Bhd to brief the Meeting through the polling procedure.</p> <p>The Chairman then now open the floor for the shareholders to cast their votes and adjourned the meeting at 3.18 p.m.</p> <p>At 3.39 p.m. the Chairman called the meeting to order and the read the polling results and declared the following (“Appendix A”):</p> <table border="1" data-bbox="581 1058 1185 1379"><thead><tr><th>Resolution</th><th>Carried / Not Carried</th></tr></thead><tbody><tr><td>Resolution 1</td><td>Carried</td></tr><tr><td>Resolution 2</td><td>Carried</td></tr><tr><td>Resolution 3</td><td>Carried</td></tr><tr><td>Resolution 4</td><td>Carried</td></tr><tr><td>Resolution 5</td><td>Carried</td></tr><tr><td>Resolution 6</td><td>Carried</td></tr><tr><td>Resolution 7</td><td>Carried</td></tr><tr><td>Resolution 8</td><td>Carried</td></tr><tr><td>Resolution 9</td><td>Carried</td></tr></tbody></table> <p>Then the Chairman then called the meeting to a closed at 3.42 p.m.</p>	Resolution	Carried / Not Carried	Resolution 1	Carried	Resolution 2	Carried	Resolution 3	Carried	Resolution 4	Carried	Resolution 5	Carried	Resolution 6	Carried	Resolution 7	Carried	Resolution 8	Carried	Resolution 9	Carried
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Confirmed by

Tan Sri Dato’ Azizan Bin Husain
Chairman