

**MSM MALAYSIA HOLDINGS BERHAD**

Incorporated in Malaysia ♦ Registration No. : 201101007583 (935722-K)



**MINUTES OF THE TWELFTH ANNUAL GENERAL MEETING OF MSM MALAYSIA HOLDINGS BERHAD HELD VIRTUALLY THROUGH LIVE STREAMING AND ENTIRELY VIA REMOTE PARTICIPATION AND ELECTRONIC VOTING (RPEV) FACILITIES FROM BANQUET HALL 3, LEVEL B2, MENARA FELDA, PLATINUM PARK, NO. 11, PERSIARAN KLCC, 50088 KUALA LUMPUR, WILAYAH PERSEKUTUAN KUALA LUMPUR, MALAYSIA AS THE BROADCAST VENUE ON THURSDAY, 8 JUNE 2023 AT 11.00 A.M.**

**BOARD OF DIRECTORS****Present at the broadcast venue**

YBhg. Datuk Syed Hisham Syed Wazir	Chairman, Independent Non-Executive Director
YBhg. Dato' Rosini Abd Samad	Independent Non-Executive Director
YBhg. Datuk Dr. Abd Hapiz Abdullah	Independent Non-Executive Director
YBhg. Dato' Muthanna Abdullah	Independent Non-Executive Director
Puan Nik Fazila Nik Mohamed Shihabuddin	Non-Independent Non-Executive Director
YBhg. Dato' Mohd Nazrul Izam Mansor	Non-Independent Non-Executive Director
Puan Raja Faridah Raja Ahmad	Non-Independent Non-Executive Director
Encik Fakhrunniam Othman	Non-Independent Non-Executive Director

**Present remotely**

Mr. Choy Khai Choon	Independent Non-Executive Director
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**SENIOR MANAGEMENT**

Tuan Syed Feizal Syed Mohammad	Group Chief Executive Officer
Dr. Mazatul 'Aini Shahr Abdul Malek Shahr	Chief Financial Officer
Encik Hasni Ahmad	Group Chief Operating Officer

**IN ATTENDANCE**

Puan Azni Ariffin	Company Secretary
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## **BY INVITATION**

Mr. Mahesh Ramesh	Representative from
Puan Fariza Haizumi Ahmad	PricewaterhouseCoopers PLT
Encik Muhammad Faritz Roslan	Investor Relation Officer
	Lead, Company Secretarial
<b>Boardroom Share Registrars Sdn Bhd:</b>	
Mr. Yap Soon Hoe	Meeting Service/ Poll Administrator
Mr. Allen Sii	Meeting Service/ Poll Administrator
Mr. Kenneth Siew	Meeting Service/ Poll Administrator
En. Anas Khalid	Meeting Service/ Poll Administrator
Ms. Vivien Khoh	Meeting Service/ Poll Administrator
Mr. Richard Lee	Meeting Service/ Poll Administrator
Ms. Esther Loo Mun Har	Meeting Service/ Poll Administrator
<b>KPMG Management &amp; Risk Consulting Sdn. Bhd.</b>	
Mr. Navintran Vadivelu	By Invitation
<b>Webcasters:</b>	
Mr. Prethpal Singh Dhubb a/l Daljeet Singh	
Mr. Amanjyot Singh	
<b>Tricor Business Intelligence &amp; Solutions Sdn Bhd</b>	
Ms. Wong Cheau Mei	Independent Scrutineer
Ms. Wong Shiang Ying	Independent Scrutineer
Ms. Mok Calli	Independent Scrutineer
Mr. Wong Chee Hao	Moderator

## **Shareholders and Proxies**

A total of **1,362** members comprising of MSM's Shareholders ("Shareholders") and Proxies, representing **533,505,168** ordinary shares of the total issued and paid-up capital of MSM Malaysia Holdings Berhad ("MSM" or "Company"), participated at the MSM's Twelfth Annual General Meeting ("12<sup>th</sup> AGM" or "Meeting") via Remote Participation and Electronic Voting ("RPEV") facilities as confirmed by MSM's Share Registrar, Boardroom Share Registrars Sdn Bhd ("Boardroom").

## **1.0 CHAIRMAN OF THE MEETING**

Datuk Syed Hisham Syed Wazir presided as the Chairman of the Meeting (hereinafter referred to as "Datuk Chairman") and welcomed Shareholders, Proxies and Corporate Representatives and all those present to the 12<sup>th</sup> AGM of MSM which was in compliance with Section 327 of the Companies Act, 2016 and Clause 56 of the Constitution of MSM.

Datuk Chairman informed that the AGM was convened in a virtual manner to continue safeguarding the well-being of Shareholders, Directors and employees of the Company in light of the ongoing Covid-19 endemic. It was also the intention of the Company to take advantage of the technology advancement where access by or to the Shareholders could be made more efficient and cost effective.

The convening of the 12<sup>th</sup> AGM was in compliance with Section 327 of the Companies Act 2016 and in accordance with the Securities Commission Malaysia's Guidance and Frequently Asked Questions on the Conduct of General Meetings for Listed Issuers.

## **2.0 QUORUM OF MEETING**

Datuk Chairman called upon the Company Secretary, Puan Azni Ariffin ("Pn Azni") to confirm the presence of a quorum. To this end, Pn Azni confirmed that in accordance with Clause 69 Constitution of the Company, the quorum of the AGM was present.

As the requisite quorum was present, the Meeting was called to order at 11:00 a.m. and Datuk Chairman informed the Shareholders, Proxies and Corporate Representatives that they could start submitting their votes at any time up to the close of the voting session as announced later.

## **3.0 NOTICE OF MEETING**

Datuk Chairman informed that the notice convening the 12<sup>th</sup> AGM of MSM ("AGM Notice") was circulated to the Shareholders on 27 April 2023 and was available on MSM's corporate website and Bursa Malaysia's website.

The Chairman proposed that if there was no objection, the AGM Notice including the text of the resolutions and the Circular to Shareholders, to be taken as read.

## **4.0 INTRODUCTION OF THE BOARD OF DIRECTORS AND SENIOR MANAGEMENT AND ATTENDEES OF AGM**

Datuk Chairman proceeded to introduce the Board of Directors, Senior Management personnel, the Company Secretary and other attendees present at the broadcast venue and also those who were participating in the 12<sup>th</sup> AGM remotely.

## **5.0 ATTENDANCE RECORD AND CHAIRMAN AS APPOINTED PROXY**

Upon invited by Datuk Chairman, Pn Azni updated the Meeting attendees on the Attendees Summary Report including the Shareholder who had appointed Datuk Chairman as proxy as follows:

- (i) As at 31 May 2023, MSM had **9,945** Shareholders with the total number of shareholdings stood at **702,980,000** ordinary shares.

- (ii) As confirmed by Boardroom Share Registrars Sdn Bhd (“Boardroom”), the Share Registrar, as at 11.00 a.m. on 8 June 2023, there were **296** Shareholders including Proxies representing **522,244,446** ordinary shares had registered and logged in at the commencement of the 12<sup>th</sup> AGM.
- (iii) A Shareholder holding a total of two (2) shares of MSM, had appointed the Chairman of the Meeting to represent the Shareholder as proxy in this AGM.

## **6.0 SUBMISSION OF QUESTIONS ONLINE**

Datuk Chairman encouraged the online AGM attendees to participate in the 12<sup>th</sup> AGM by submitting their questions in real time via the messaging icon. He informed that the questions could be submitted until the announcement of the closure of the Question-and-Answer (“Q&A”) session.

He briefed that the Q&A session would be conducted after tabling all the items on the agenda. The questions received would be grouped, combined to avoid repetition, and summarized for expediency. He also highlighted that the questions would not be answered in any particular sequence in relation to the agenda.

Tricor Business Intelligence & Solutions Sdn Bhd (“Tricor”) had been appointed as the independent moderator for this 12<sup>th</sup> AGM. Tricor acted independently and objectively, overseeing and moderating the collation of questions submitted by the Shareholders to ensure that they were responded to accordingly.

## **7.0 VOTING PROCEDURES**

Datuk Chairman then briefed all Meeting attendees on the following:

- In accordance with paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in the AGM Notice were put to vote by poll, using the RPEV facility provided by Boardroom.

In this regard, Datuk Chairman exercised the powers conferred under Clause 73 of the Constitution of the Company, for the Chairman of the Meeting to demand a poll for all resolutions set out in the AGM Notice dated 27 April 2023.

- Boardroom Share Registrars Sdn. Bhd. was appointed as Poll Administrator to conduct the E-Polling process and Tricor had been appointed as an Independent Scrutineer to verify the poll results for the 12<sup>th</sup> AGM.
- A short video by the Poll Administrator was played to demonstrate to the Shareholders, Proxies and Corporate Representatives present at the 12<sup>th</sup> AGM on the functions available on the online meeting platform.

## **8.0 MEETING OUTLINE**

Datuk Chairman provided an outline on the conduct of the 12<sup>th</sup> AGM as follows:-

- a. Firstly, under Agenda 1 of the meeting on the Audited Financial Statements for financial year ended 31 December 2022, the Group Chief Executive Officer ("GCEO"), Tuan Syed Feizal Syed Mohammad ("Tuan Syed Feizal") would be presenting the Group's Financial Performance for the said financial year.
- b. Next, Datuk Chairman would read out all resolutions set out in the AGM Notice before proceeding to vote by poll.
- c. After all the agenda items had been tabled, the Meeting then would continue with the Q&A session where Tuan Syed Feizal would present the questions received from the Minority Shareholders Watch Group ("MSWG") together with the responses on behalf of the Company.
- d. Thereafter, the Company would address the questions received from/posted by the Shareholders, Proxies or Corporate Representatives prior and during the Q&A session relating to the Group Financial Performance and other matters for the financial year ended 31 December 2022 or questions in relation to the AGM business agenda.
- e. The online voting had been opened since 11:00 a.m. and remained open until further announcement.
- f. The Meeting would then be concluded, once Datuk Chairman announced the results of the poll.

Datuk Chairman clarified that this AGM was restricted to Shareholders, Proxies and Corporate Representatives who had registered to participate at the meeting remotely. He also highlighted that the discussion that transpired in this AGM was deemed confidential and only for the knowledge of such relevant parties. Therefore, any visual or audio recording of this AGM was strictly prohibited unless the Company's prior written consent was obtained.

Datuk Chairman also stated that the Company had taken all efforts to ensure a smooth live streaming of this 12<sup>th</sup> AGM. However, the quality of the broadcast might be affected by participants' internet bandwidth connection and stability.

## 9.0 MEETING PROCEEDINGS

Datuk Chairman then proceeded with the businesses on the agenda of the 12<sup>th</sup> AGM.

### 9.1 AGENDA 1

#### **TO RECEIVE THE AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 TOGETHER WITH THE REPORTS OF THE DIRECTORS AND AUDITORS THEREON**

Datuk Chairman informed that the Annual Report and Audited Financial Statements had been circulated on 27 April 2023 and pursuant to Section 340(1)(a) of the Companies Act 2016 and Clause 137 of the Company's Constitution, the adoption of the Company's Audited Financial Statements were for discussion only and not required to be put to vote.

In that connection, the Chairman declared:

***"THAT The Audited Financial Statements for the financial year ended 31 December 2022 together with the Reports of the Directors and Auditors thereon presented to the meeting be and are hereby received and adopted."***

Datuk Chairman then invited Tuan Syed Feizal, the GCEO to present the Group's Financial Performance for financial year ended 31 December 2022 which covered the following as per **Annexure 1**:

- 1) MSM at a Glance
- 2) Group Financial Performance:
  - (a) Financial Factsheet;
  - (b) Financial Performance Overview; and
  - (c) Group Cost Breakdown.
- 3) Product Sales & Initiatives:
  - (a) Sales Performance;
  - (b) MSM Global Presence;
  - (c) Current MSM Products; and
  - (d) MSM Ongoing Sales Initiatives.
- 4) Strategy in Review & Moving Forward Plans:
  - (a) Current Progress & Achievements; and
  - (b) Key Risks and Mitigations.
- 5) ESG Journey:
  - (a) ESG Key Achievements; and
  - (b) Sustainability Driving Continuous Transformation.

Tuan Syed Feizal concluded his presentation and passed back the session to Datuk Chairman to continue with the AGM.

Datuk Chairman then proceeded with the next business agenda of the 12<sup>th</sup> AGM.

**9.2 AGENDA 2 - RESOLUTION 1**

**TO APPROVE THE PAYMENT OF DIRECTORS' FEES FOR THE NON-EXECUTIVE CHAIRMAN AND TO EACH OF THE NON-EXECUTIVE DIRECTORS FOR THE PERIOD FROM 8 JUNE 2023 UNTIL THE CONCLUSION OF THE NEXT AGM OF MSM TO BE HELD IN 2024 AND BE PAID ON A MONTHLY BASIS**

The Chairman declared the motion of Resolution 1 as follows:

***"THAT the payment of Directors' fees to the Non-Executive Chairman and to each of the Non-Executive Directors for the period from 8 June 2023 until the conclusion of the next AGM of MSM to be held in 2024 and be paid on a monthly basis, be and is hereby approved."***

**9.3 AGENDA 3 - RESOLUTION 2**

**TO APPROVE THE PAYMENT OF BENEFITS PAYABLE TO THE NON-EXECUTIVE CHAIRMAN AND TO EACH OF THE NON-EXECUTIVE DIRECTORS FOR THE PERIOD FROM 8 JUNE 2023 UNTIL THE CONCLUSION OF THE NEXT AGM OF MSM TO BE HELD IN 2024**

The Chairman declared the motion of Resolution 2 as follows:

***"THAT the payment of benefits payable to the Non-Executive Chairman and to each of the Non-Executive Directors for the period from 8 June 2023 until the conclusion of the next AGM of MSM to be held in 2024, be and is hereby approved."***

**9.4 AGENDA 4 - RESOLUTION 3**

**TO APPROVE THE PAYMENT OF MEETING ALLOWANCE OF RM26,000 TO FIVE (5) NON-EXECUTIVE DIRECTORS WHO WERE MEMBERS OF THE SPECIAL BOARD COMMITTEE FOR THE PERIOD FROM JULY 2022 TO NOVEMBER 2022.**

As the agenda was pertaining to the payment of meeting allowance to the Special Board Committee of which Datuk Chairman was a member, Datuk Chairman invited Dato' Mohd Nazrul Izam Mansor ("Dato' Nazrul") to put forth the Resolution to the Meeting.

Dato' Nazrul proceeded to read the Agenda and declared the motion of Resolution 3 as follows:

***“THAT the payment of Meeting Allowance of RM26,000 to Five (5) Non-Executive Directors who were members of the Special Board Committee for the Period from July 2022 to November 2022, be and is hereby approved.”***

Dato' Nazrul then handed the chair back to Datuk Chairman to continue with the AGM.

**9.5 AGENDA 5 - RESOLUTION 4**

**TO RE-ELECT DATO' ROSINI ABD SAMAD, NON-EXECUTIVE DIRECTOR, WHO RETIRES BY ROTATION IN ACCORDANCE WITH CLAUSE 99 OF THE COMPANY'S CONSTITUTION AND WHO, BEING ELIGIBLE, OFFERS HERSELF FOR RE-ELECTION**

Datuk Chairman informed the Meeting that Dato' Rosini Abd Samad's profile was provided on page 82 of the Company's Annual Integrated Report ("AIR") 2022.

Datuk Chairman further clarified that the independence of Dato' Rosini Abd Samad, having served as Independent Non-Executive Director of the Company, had been assessed by the Nomination and Remuneration Committee and affirmed by the Board.

Datuk Chairman also reiterated that Dato' Rosini Abd Samad had not exceeded the 9-year tenure as Independent Director and proceeded to declare the motion of Resolution 4 as follows:

***“THAT Dato' Rosini Abd Samad who is retiring in accordance with Clause 99 of the Company's Constitution, be re-elected as Director of the Company.”***

**9.6 AGENDA 6(i) - RESOLUTION 5**

**TO RE-ELECT DATUK SYED HISHAM SYED WAZIR, INDEPENDENT NON-EXECUTIVE DIRECTOR, WHOSE TENURE IS SUBJECT TO CLAUSE 108 OF THE COMPANY'S CONSTITUTION, IN ACCORDANCE WITH CLAUSE 105 OF THE COMPANY'S CONSTITUTION AND WHO, BEING ELIGIBLE, OFFERS HIMSELF FOR RE-ELECTION**

As this agenda was pertaining to Datuk Chairman's re-election as Director of the Company, Datuk Chairman invited Dato' Muthanna Abdullah ("Dato' Muthanna") to preside over the Meeting for the agenda.



Dato' Muthanna informed that Datuk Syed Hisham Syed Wazir 's profile was provided on page 78 of the Company's Annual Integrated Report 2022.

Dato' Muthanna declared the motion of Resolution 5 as follows:

***“THAT Datuk Syed Hisham Syed Wazir whose tenure is subject to Clause 108 of the Company's Constitution and being eligible for re-election in accordance with Clause 105 of the Company's Constitution, be re-elected as Director of the Company.”***

Dato' Muthanna then handed the chair back to Datuk Chairman to continue with the AGM.

**9.7 AGENDA 6(ii) - RESOLUTION 6**

**TO RE-ELECT CHOY KHAI CHOON, INDEPENDENT NON-EXECUTIVE DIRECTOR, WHOSE TENURE IS SUBJECT TO CLAUSE 108 OF THE COMPANY'S CONSTITUTION, IN ACCORDANCE WITH CLAUSE 105 OF THE COMPANY'S CONSTITUTION AND WHO, BEING ELIGIBLE, OFFERS HIMSELF FOR RE-ELECTION**

Datuk Chairman briefed the AGM attendees that the profile of Choy Khai Choon's profile was disclosed on page 79 of the Company's Annual Integrated Report 2022.

The Chairman declared the motion of Resolution 6 as follows:

***“THAT Choy Khai Choon whose tenure is subject to Clause 108 of the Company's Constitution and being eligible for re-election in accordance with Clause 105 of the Company's Constitution, be re-elected as Director of the Company.”***

**9.8 AGENDA 6(iii) - RESOLUTION 7**

**TO RE-ELECT DATO' MUTHANNA ABDULLAH, INDEPENDENT NON-EXECUTIVE DIRECTOR, WHOSE TENURE IS SUBJECT TO CLAUSE 108 OF THE COMPANY'S CONSTITUTION, IN ACCORDANCE WITH CLAUSE 105 OF THE COMPANY'S CONSTITUTION AND WHO, BEING ELIGIBLE, OFFERS HIMSELF FOR RE-ELECTION**

Datuk Chairman informed that Dato' Muthanna Abdullah's profile was disclosed on page 80 of the Company's Annual Integrated Report 2022.

The Chairman declared the motion of Resolution 7 as follows:

***“THAT Dato’ Muthanna Abdullah whose tenure is subject to Clause 108 of the Company’s Constitution and being eligible for re-election in accordance with Clause 105 of the Company’s Constitution, be re-elected as Director of the Company.”***

**9.9 AGENDA 6(iv) - RESOLUTION 8**

**TO RE-ELECT DATUK DR ABD HAPIZ ABDULLAH, INDEPENDENT NON-EXECUTIVE DIRECTOR, WHOSE TENURE IS SUBJECT TO CLAUSE 108 OF THE COMPANY’S CONSTITUTION, IN ACCORDANCE WITH CLAUSE 105 OF THE COMPANY’S CONSTITUTION AND WHO, BEING ELIGIBLE, OFFERS HIMSELF FOR RE-ELECTION**

Datuk Chairman proceeded to inform that Datuk Dr Abd Hapiz Abdullah’s profile was disclosed on page 81 of the Company’s Annual Integrated Report 2022.

The Chairman declared the motion of Resolution 8 as follows:

***“THAT Datuk Dr Abd Hapiz Abdullah whose tenure is subject to Clause 108 of the Company’s Constitution and being eligible for re-election in accordance with Clause 105 of the Company’s Constitution, be re-elected as Director of the Company.”***

**9.10 AGENDA 7(i) - RESOLUTION 9**

**TO RE-ELECT DATO’ MOHD NAZRUL IZAM MANSOR, NON-EXECUTIVE DIRECTOR IN ACCORDANCE WITH CLAUSE 105 OF THE COMPANY’S CONSTITUTION AND WHO, BEING ELIGIBLE, OFFERS HIMSELF FOR RE-ELECTION**

Datuk Chairman informed that Dato’ Mohd Nazrul Izam Mansor’s profile was disclosed on page 85 of the Company’s Annual Integrated Report 2022.

The Chairman declared the motion of Resolution 9 as follows:

***“THAT Dato’ Mohd Nazrul Izam Mansor, being eligible for re-election in accordance with Clause 105 of the Company’s Constitution, be re-elected as Director of the Company.”***

**9.11 AGENDA 7(ii) - RESOLUTION 10**

**TO RE-ELECT RAJA FARIDAH RAJA AHMAD, NON-EXECUTIVE DIRECTOR IN ACCORDANCE WITH CLAUSE 105 OF THE COMPANY'S CONSTITUTION AND WHO, BEING ELIGIBLE, OFFERS HERSELF FOR RE-ELECTION**

Datuk Chairman briefed the AGM attendees that Raja Faridah Raja Ahmad's profile was disclosed on page 84 of the Company's Annual Integrated Report 2022.

The Chairman declared the motion of Resolution 10 as follows:

***"THAT Raja Faridah Raja Ahmad, being eligible for re-election in accordance with Clause 105 of the Company's Constitution, be re-elected as Director of the Company."***

**9.12 AGENDA 7(iii) - RESOLUTION 11**

**TO RE-ELECT FAKHRUNNIAM OTHMAN, NON-EXECUTIVE DIRECTOR IN ACCORDANCE WITH CLAUSE 105 OF THE COMPANY'S CONSTITUTION AND WHO, BEING ELIGIBLE, OFFERS HIMSELF FOR RE-ELECTION**

Datuk Chairman informed that Fakhrunniam Othman's profile was disclosed on page 86 of the Company's Annual Integrated Report 2022.

The Chairman declared the motion of Resolution 11 as follows:

***"THAT Fakhrunniam Othman, being eligible for re-election in accordance with Clause 105 of the Company's Constitution, be re-elected as Director of the Company."***

**9.13 AGENDA 8 - RESOLUTION 12**

**TO RE-APPOINT MESSRS. PRICEWATERHOUSECOOPERS PLT AS AUDITORS OF THE COMPANY FOR THE FINANCIAL YEAR ENDING 31 DECEMBER 2023 AND TO AUTHORISE THE BOARD OF DIRECTORS TO DETERMINE THEIR REMUNERATION**

The next ordinary resolution entailed the re-appointment of the Company's auditors. Datuk Chairman also disclosed that Messrs. PricewaterhouseCoopers PLT, the retiring Auditors, had given their consent to be re-appointed as Auditors of the Company for the financial year ending 31 December 2023 and to hold office until the conclusion of the next AGM at a remuneration to be determined by the Board of Directors.

The Chairman declared the motion of Resolution 12 as follows:

***“THAT Messrs. PricewaterhouseCoopers PLT be hereby re-appointed as Auditors of the Company for the financial year ending 31 December 2023 and to authorise the Board of Directors to determine the remuneration.”***

Before proceeding with the next agenda, Datuk Chairman stated that the details of Resolution 13 was explained in the Circular to Shareholders dated 27 April 2023.

#### **9.14 AGENDA 9 - RESOLUTION 13**

**PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR THE EXISTING RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE FOR MSM MALAYSIA HOLDINGS BERHAD (MSM HOLDINGS) AND ITS GROUP OF COMPANIES (MSM HOLDINGS GROUP) AND PROPOSED SHAREHOLDERS' MANDATE FOR THE NEW RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE FOR THE MSM HOLDINGS GROUP – SPECIAL BUSINESS 1**

The Chairman declared the motion of Resolution 13 as follows:

***“THAT, subject always to the Companies Act, 2016, the Company's Constitution, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (Listing Requirements), other applicable laws, guidelines, rules and regulations, and the approval of the relevant governmental/regulatory authorities (where applicable), approval be and is hereby given to the Company and its subsidiaries to enter into all arrangements and/or transactions involving the interests of the related parties as specified in Appendix 1 of the Circular to the Shareholders dated 27 April 2023, provided that such arrangements and/or transactions are:***

- (i) recurrent transactions of a revenue or trading nature;***
- (ii) necessary for the day-to-day operations;***
- (iii) carried out in the ordinary course of business on normal commercial terms which are not more favourable to the related parties than those generally available to the public; and***
- (iv) not detrimental to the minority shareholders of the Company; (“Proposed Mandates”);***

***AND THAT the Proposed Mandates shall commence immediately upon passing of this ordinary resolution and continue to be in force until:***

- (a) the conclusion of the next AGM of the Company following this AGM, at which time the Proposed Mandates will lapse, unless the Proposed Mandates are renewed by a resolution passed at the next AGM of the Company; or***

- (b) the expiration of the period within which the next AGM is required by law to be held; or*
  - (c) the Proposed Mandates are revoked or varied by a resolution passed by the Shareholders of the Company in a general meeting of the Company,*
- whichever is the earlier;*

***AND FURTHER THAT authority be and is hereby given to the Directors of the Company and/or its subsidiaries to complete and do all such acts and things (including executing such documents as may be required) as they may consider expedient or necessary to give effect to such transactions as authorised by this resolution and the Proposed Mandates."***

#### **9.15 AGENDA 10 - RESOLUTION 14**

##### **AUTHORITY FOR DIRECTORS TO ALLOT AND ISSUE SHARES PURSUANT TO SECTION 75 OF THE COMPANIES ACT, 2016 – SPECIAL BUSINESS 2**

Datuk Chairman proceeded with the last agenda item entailed the ordinary resolution to authorise the Board of Directors to allot and issue shares pursuant to Section 75 of the Companies Act 2016.

The Chairman declared the motion of Resolution 14 as follows:

***"THAT, pursuant to Section 75 of the Companies Act, 2016 and subject always to the Company's Constitution, the Listing Requirements and approvals of the relevant government/regulatory authorities, the Directors be and are hereby authorised to allot and issue shares in the Company at any time and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion deem fit, provided that the aggregate number of shares to be allotted and issued pursuant to this resolution does not exceed ten percent (10%) of the issued share capital of the Company as at the date of such allotment AND THAT the Directors be and are also hereby authorised to obtain all necessary approvals from the relevant authorities for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad and that such authority shall continue to be in force until the conclusion of the next AGM of the Company."***

#### **QUESTIONS AND ANSWERS SESSION**

Datuk Chairman informed the Meeting that MSM had received questions prior to and during the 12<sup>th</sup> AGM. The Board Members and Senior Management of MSM were in attendance to answer any questions from the Shareholders on the Group Financial Performance as presented under Agenda 1 and any matters in relation to the 12<sup>th</sup> AGM business agendas.

The Group CEO presented to the Shareholders the pre-AGM questions received from MSWG and the questions submitted by the Shareholders prior to this AGM together with the Company's responses to the same. The complete list of questions received from MSWG and the pre-submitted questions together with the responses for the same are attached as **Annexure 2** and **Annexure 3** respectively.

Datuk Chairman and Senior Management attended to the pertinent questions submitted through the chat messaging platform during the live streaming by the Shareholders, Proxies and Corporate Representatives. The questions were read out by Puan Fariza Hazumi Ahmad, MSM Investor Relations Officer, and made visible to all meeting participants during the meeting itself. The complete list of questions received and attended to during the 12<sup>th</sup> AGM together with the responses for the same are as per the attached **Annexure 4**.

Datuk Chairman then thanked the AGM attendees for their questions and comments and closed the Q&A session. He also reminded everyone that the Company would respond to any unanswered questions in a written manner and publish them on the Company's website after the AGM.

#### **9.16 AGENDA 11**

**TO TRANSACT ANY OTHER BUSINESS OF THE COMPANY FOR WHICH DUE NOTICE SHALL BE GIVEN IN ACCORDANCE WITH THE COMPANY'S CONSTITUTION AND THE COMPANIES ACT, 2016**

Dato' Chairman sought confirmation from the Company Secretary whether the Company had received any notice for the transaction of other business which had been given in accordance with the Companies Act 2016 and the Company's Constitution. The Company Secretary confirmed that the Company did not receive any notice for the transaction of any other business at the AGM.

#### **10.0 VOTING SESSION COUNTDOWN**

Datuk Chairman informed that as the E-Polling process had commenced since the beginning of the 12<sup>th</sup> AGM at 11.00 a.m., he then reminded those who have yet to cast their votes for the resolutions accordingly.

For the benefit of the Shareholders, Datuk Chairman informed again that he had been appointed as proxy for a Shareholder and should vote in accordance with the instructions given.

Thereafter, Datuk Chairman informed that the voting session would remain open for another 10 minutes from 1:01 p.m. and the countdown time was shown on screen.

The poll was closed at 1:11 p.m. and the Meeting was then adjourned for tabulation and verification of votes by the Poll Administrator and Independent Scrutineer with resumption slated in 15 minutes for the results announcement.

## 11.0 POLL RESULTS ANNOUNCEMENT

The Meeting then resumed at 1:30 p.m. for the announcement of the poll results. Datuk Chairman invited Ms Wong. Cheau Mei from Tricor, the Independent Scrutineer to read the results of the poll.

The poll results were displayed on the live screen. Ms. Wong Cheau Mei, the Independent Scrutineer prior to making the announcement confirmed that the results which were displayed on the live screen were compiled by Boardroom Share Registrars Sdn Bhd, the Poll Administrator and had been duly verified by the, appointed Tricor Business Intelligence & Solutions Sdn Bhd, the Independent Scrutineer.

The resolutions tabled at the AGM were passed with the results as follows as per the attached **Annexure 5**.

RESOLUTION	Vote FOR			Vote AGAINST			TOTAL Vote	
	NO. OF			NO. OF			NO. OF	
	REC	UNITS	%	REC	UNITS	%	REC	UNITS
Ordinary Resolution No 1	1,172	532,482,017	99.8276	187	919,677	0.1724	1,359	533,401,694
Ordinary Resolution No 2	1,151	532,272,997	99.7890	200	1,125,394	0.2110	1,351	533,398,391
Ordinary Resolution No 3	1,143	532,161,326	99.7692	204	1,231,064	0.2308	1,347	533,392,390
Ordinary Resolution No 4	1,253	532,974,210	99.9200	101	426,878	0.0800	1,354	533,401,088
Ordinary Resolution No 5	1,257	532,981,015	99.9214	101	419,278	0.0786	1,358	533,400,293
Ordinary Resolution No 6	1,261	532,982,906	99.9216	97	418,386	0.0784	1,358	533,401,292
Ordinary Resolution No 7	1,251	532,974,384	99.9202	104	425,608	0.0798	1,355	533,399,992
Ordinary Resolution No 8	1,256	532,979,185	99.9209	100	422,105	0.0791	1,356	533,401,290
Ordinary Resolution No 9	1,253	532,976,664	99.9205	101	423,907	0.0795	1,354	533,400,571
Ordinary Resolution No 10	1,252	532,974,784	99.9202	102	425,907	0.0798	1,354	533,400,691
Ordinary Resolution No 11	1,250	532,981,482	99.9214	105	419,308	0.0786	1,355	533,400,790
Ordinary Resolution No 12	1,283	533,019,116	99.9283	74	382,275	0.0717	1,357	533,401,391
Ordinary Resolution No 13	1,261	67,075,263	99.3888	92	412,495	0.6112	1,353	67,487,758
Ordinary Resolution No 14	1,212	108,311,912	20.3066	143	425,071,420	79.6934	1,355	533,383,332

The Chairman then declared that all the resolutions were carried except for Ordinary Resolution 14 on the Authority for Directors to allot and issue shares pursuant to Section 75 of the Companies Act, 2016 which was not carried based on the poll results.

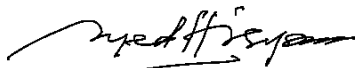
**12.0 CONCLUSION**

Upon concluded the businesses of the Company's 12<sup>th</sup> AGM and on behalf of the Board of Directors and Management, Datuk Chairman recorded appreciation to the Shareholders, Proxies and Corporate Representatives for their continuous support and participation at the 12<sup>th</sup> AGM of MSM.

Before Datuk Chairman declared the conclusion of the 12<sup>th</sup> AGM, he put on record that based on the registration data given by the Company's Share Registrar, Boardroom Share Registrars Sdn Bhd, as at 1:20 p.m. on 8 June 2023, a total of 1,362 Shareholders and Proxies for a total of 533,505,168 ordinary shares had registered and logged into the online meeting platform.

With that and being no other business to be transacted, at 1:36 p.m. Datuk Chairman declared the 12<sup>th</sup> AGM of MSM Malaysia Holdings Berhad was closed.

**SIGNED AS A CORRECT RECORD OF THE PROCEEDINGS THEREAT**



---

**DATUK SYED HISHAM SYED WAZIR**  
Chairman



MOVING FORWARD WITH  
**RESILIENCE** 

# MSM MALAYSIA HOLDINGS BERHAD

12<sup>TH</sup> ANNUAL GENERAL  
MEETING  
GCEO PRESENTATION

8 JUNE 2023, THURSDAY



MSM MALAYSIA HOLDINGS BERHAD

ANNEXURE 1







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- 1** MSM AT A GLANCE
- 2** GROUP FINANCIAL PERFORMANCE
- 3** PRODUCT SALES & INITIATIVES
- 4** STRATEGY IN REVIEW & MOVING FORWARD PLANS
- 5** ESG JOURNEY



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# THE YEAR IN REVIEW

In 2022, **MSM HAS REMAINED RESILIENT** despite the pressures of high input costs in a challenging global inflationary environment, through optimising our production assets and costs, improving risk management, strengthening domestic market position, widening export footprint and reinforcing financial liquidity.

We strived to improve our **manufacturing** and **sales performance**, implementing **better energy planning, optimising cost and capital**, forging **new partnerships** and driving **digitalisation**. We have achieved a reasonable measure of success in these initiatives such as **securing new sales channels** besides witnessing **positive** year-on-year **growth** of sales volumes. We continue to step up in our **ESG journey** and **digitalisation** towards **IR 4.0 as part of MSM's transformation**.

1

**MSM AT A GLANCE**

The logo consists of a large, light blue triangle with a dark blue border. Inside the triangle, the letters 'M S M' are written in a bold, dark blue, sans-serif font. Below the letters, there is a dark blue horizontal bar.

**M S M**

# MSM AT A GLANCE



Gula Prai  
established  
in  
**1964**

Largest standalone sugar refiner  
in Malaysia with

**2.05 million  
tonnes**

production capacity

**>60%**  
GLC equity  
ownership

Premium Quality Sugar

Polarisation

**99.7%**

ICUMSA

**45**

- Wide range of products
- Sugar products packed in assorted sizes
- Various grades of refined sugar

Production Output  
**946,834 MT**

Capacity Utilisation  
**Group - 46%**  
Johor - 17%, Prai - 74%

Production Yield  
**94.5%**

Serving **>300** customers

- Wholesalers
- Modern Trade and GTs
- Big Industry
- SMIs
- Export > 15 countries

**Ranked 3<sup>rd</sup>**  
most chosen FMCG  
brand in Malaysia for  
FY2021

MSM Logistics  
operates own  
transport assets  
(43-truck fleet)

2

## GROUP FINANCIAL PERFORMANCE

The logo consists of a large, light blue triangle with a darker blue outline. Inside this triangle, the letters 'M S M' are written in a bold, dark blue, sans-serif font. Below the letters, there is a horizontal dark blue bar. The background of the slide features a faint, stylized city skyline with several skyscrapers.

**M S M**





# FINANCIAL FACTSHEET

## REVENUE

**RM2.57 billion**

31 Dec 2021: RM2.26 billion

14%

## GROSS (LOSS)/PROFIT (RM46 million)

31 Dec 2021: RM161 million

>100%

## LAT

**RM179 million**

31 Dec 2021: RM125 million (PAT)

>100%

## TOTAL ASSETS

**RM2.81 billion**

31 Dec 2021: RM2.87 billion

2%

## CASH BALANCE

**RM221 million**

31 Dec 2021: RM195 million

13%

## GEARING RATIO

**31%**

31 Dec 2021: 26%

5%



# FINANCIAL PERFORMANCE OVERVIEW

MSM's financial performance was affected by persistently **high overall input costs** leading to four consecutive quarterly losses in FY2022.

## P&L Analysis FY22 vs FY21

- Cost of production had increased by **22%**, ASP had only increased by 11%.
- Most notable increase in production cost is **natural gas prices which had increased by 62% (FY21 at RM29.19/MMBtu)**.

P&L FY2022 (RM million)	Q1	Q2	Q3	Q4	FY2022
Revenue	596	624	668	678	2,566
Gross Profit	(5)	(7)	(66)	32	(46)
E/(L)BIT	(18)	(25)	(67)	(40)	(151)
P/(L)BT	(25)	(35)	(72)	(47)	(179)
P/(L)AT	(28)	(34)	(73)	(44)	(179)

# GROUP COST BREAKDOWN



PRODUCTION COST  
TOTAL COST



Raw sugar usage  
76%

NY11 prices

Freight

FX rate

Handling

Polarisation %

Yield %

Refining Cost  
18%

Natural Gas (40%)

Depreciation (P&M)

Repair & Maintenance

Packing cost

Labor cost

Utilities

Sub-material

Selling and Distribution  
4%

Handling cost

Security cost

Warehousing

Pallets

Delivery

Insurance cost

General & Admin  
2%

Admin salary cost

Depreciation  
(Admin. assets)

Rental of offices

IT & Consultancy cost

Board & Management  
Fees

Advertising Fees

Finance cost

**3**

---

## **PRODUCT SALES & INITIATIVES**



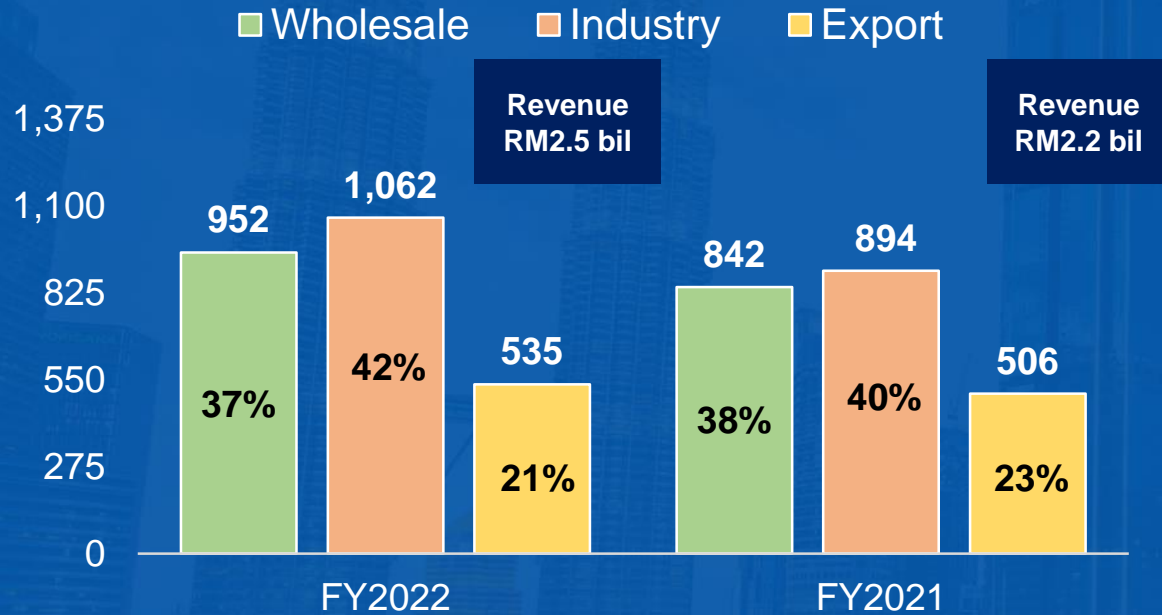
**MSM**

The logo consists of the letters 'M', 'S', and 'M' in a bold, sans-serif font, centered within a large, light blue triangle. The triangle has a darker blue outline and a horizontal bar at its base. The background of the slide features a faint, blue-tinted image of a city skyline with several skyscrapers.

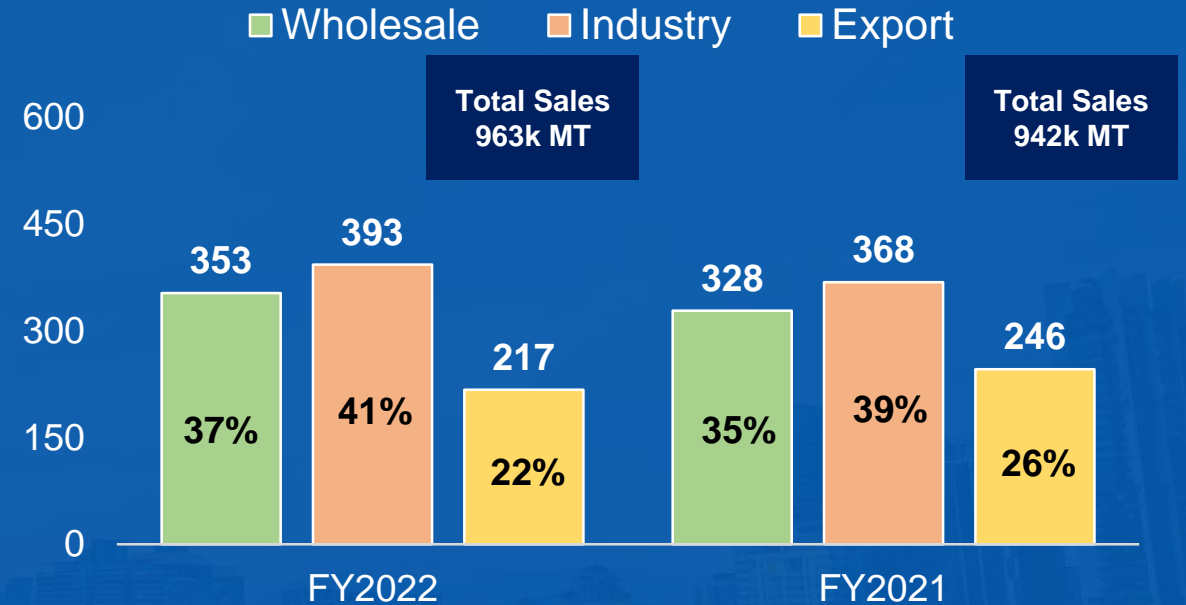


# SALES PERFORMANCE

## Sales Revenue



## Sales Volume



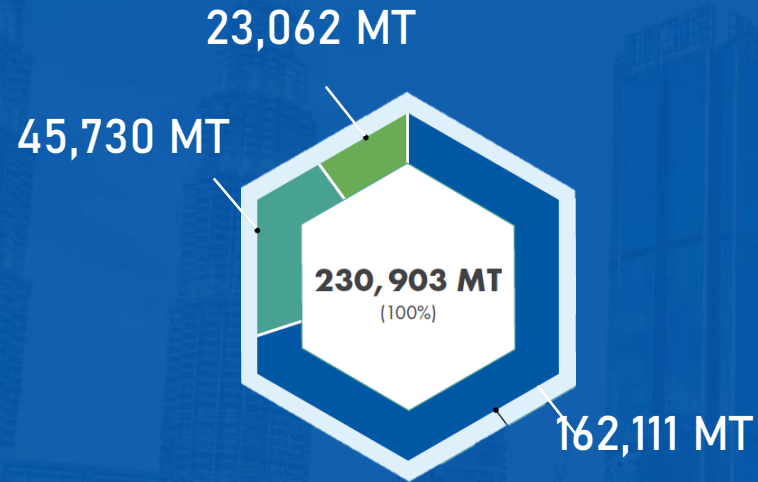
*Note: Total sales volume excludes sales of molasses.*

- The Group's sales revenue increased by 14% in FY2022 from higher sales volume and higher Average Selling Price (ASP) compared to previous year.
- MSM recorded 7% higher domestic sales in the Wholesale and Industry segments.
- The Group recorded lower Export sales volumes as priority was given to local orders.

# MSM GLOBAL PRESENCE

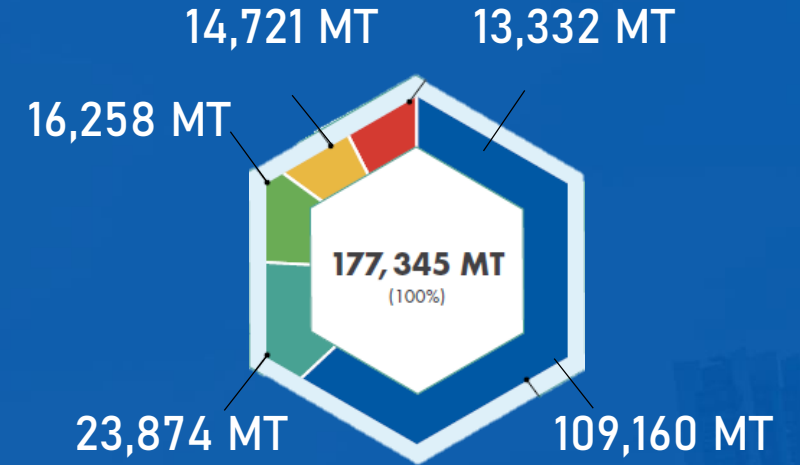
## Region breakdown

- Asia Pacific
- Asia
- Oceania



## Top 5 Export Destinations

- Vietnam
- Singapore
- China
- Taiwan
- Indonesia



*Note: Total export volume includes sales of molasses.*

## Other Export Destinations







# CURRENT MSM PRODUCTS



COARSE  
GRAIN SUGAR  
(CGS)



FINE  
GRANULATED  
SUGAR



SOFT BROWN  
SUGAR



CASTER  
SUGAR



ICING  
SUGAR

## HEALTH PRODUCTS



GO NATURA



GO 1/2

## VALUE-ADDED PRODUCTS



LIQUID  
SUGAR



PREMIX



FINE  
SYRUP



MOLASSES  
(by-product)



# MSM ONGOING SALES INITIATIVES

NEW PRODUCT LAUNCH – APPROVED ON MAY 25 BY KPDN

## PREMIUM REFINED SUGAR

SUPER SUGAR FOR A  
SUPER USER LIKE YOU!



### PRODUCT DIFFERENTIATION

- Introducing super premium 1kg sugar to provide high purity option to consumers
- ICUMSA 45 or better

### KEY HIGHLIGHTS

- Refined to an exceptional level
- Pure uniform white colour
- Pure cane granulated sugar
- Exceptionally sweet
- Perfect choice for culinary, confectionary to baking and beverages

### PRODUCT PRICING

- Refinery price: RM 4.20/KG
- Wholesale price: RM 4.40/KG
- Super Premium Sugar Recommended Retail Price: **RM4.60/KG**



# MSM ONGOING SALES INITIATIVES

## NEW MARKET EXPANSION - NEAR REGION

### OBJECTIVES



Market expansion



Higher margin  
than export segment



Capacity  
optimisation

### TARGET MARKETS



**Sumatera**  
(Population: 50 mil)  
**RM4.20 – RM4.50/kg**



**Southern Philippines**  
(Population: 30 mil)  
**RM8.50 – RM9.50/kg**



**Kalimantan**  
(Population: 17 mil)  
**RM4.50/kg**



**Singapore**  
(Population: 4 mil)  
**RM6.11 – RM6.79/kg**

**Retail Selling Price**



# 4

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## **STRATEGY IN REVIEW & MOVING FORWARD PLANS**

A large, light blue triangle with a dark blue outline is positioned on the right side of the slide. Inside the triangle, the letters 'M S M' are written in a bold, dark blue, sans-serif font. The letters are spaced out and centered within the triangle's base.

**M S M**



# CURRENT PROGRESS & ACHIEVEMENTS

## Sustainable Manufacturing Performance



- Higher production volume Group UF 46% FY2022 vs 44% FY2021.
- Improved UF at MSM Johor with single boiler.
- Boiler no 2 achieved full CF while Boiler no 1 changeout was on good target progress.

## Better Energy and Environmental Management



- Driving ton steam/ton raw sugar efficiency.
- PPA for Solar PV systems at Prai and Sg Buloh Warehouse.
- Met DOE compliance with effluent discharge.
- Reducing cost of mudcake disposal with waste to green initiative.

## Strategic Finance and Capital Management



- Raising USD trade lines as natural hedge against forex volatility.
- Increase USD revenue including from domestic based export customers.
- Developed a capital blueprint on target fund raising in 2023.

## Improving Sales Performance



- Achieved higher Average Selling Prices.
- Industry sales premium increased.
- Sales volume mainly affected by MSM Johor's temporary shutdown and high export container costs.



# CURRENT PROGRESS & ACHIEVEMENTS



## Sales & Distribution (S&D) Cost Savings

- Optimized fleet management and warehousing.
- Achieved lower sales & distribution cost per MT sold in FY2022 vs. FY2021.



## Digital Transformation towards Industry 4.0

- Developed internal Sales and ESG dashboards.
- Rolled-out Smart Contracts and HR Digital.
- Launched preparatory works for Smart Manufacturing.



## Diversity, Equity and Inclusion

- MSM has made good progress on DEI embedded as a Corporate Charter since Feb 2021.
- Diversity in ethnicity and gender allowed greater key talents in organizational capability building.





# KEY RISKS AND MITIGATIONS



## Increase in Input Costs

Risks	Mitigation and Opportunities
<ul style="list-style-type: none"> <li>Raw sugar NY11 &gt;60%.</li> <li>Natural gas prices &gt;200%.</li> <li>Higher freight &gt;50%.</li> </ul>	<ul style="list-style-type: none"> <li>Forward Hedging NY11.</li> <li>Hedging gas via Brent crude options.</li> <li>Managing freight costs with long-term charters.</li> <li>Higher selling premiums.</li> </ul>



## Financial Covenants

Risks	Mitigation and Opportunities
<ul style="list-style-type: none"> <li>Covenants breach of 1/3 criteria on loan.</li> <li>Prolonged high input costs impede profitability and sustainability.</li> </ul>	<ul style="list-style-type: none"> <li>Letter of Indulgence with regular updating.</li> </ul>



## Warehouse Space Constraints

Risks	Mitigation and Opportunities
<ul style="list-style-type: none"> <li>Limited internal warehouse space.</li> <li>Led to slowdown in production and increased unit cost.</li> </ul>	<ul style="list-style-type: none"> <li>Additional warehouse currently being built at Johor.</li> <li>Interim external warehouses.</li> </ul>



## MSM Johor Performance

Risks	Mitigation and Opportunities
<ul style="list-style-type: none"> <li>Low utilisation factor (UF) and yield in MSM Johor.</li> <li>Running at lower UF led to higher refining and production costs.</li> </ul>	<ul style="list-style-type: none"> <li>Ramping up Johor with process improvements.</li> <li>Improving domestic sales.</li> <li>Leveraging value-added products.</li> </ul>



## Imported Low-Quality White (LQW) Sugar

Risks	Mitigation and Opportunities
<ul style="list-style-type: none"> <li>Higher Indian imports of LQW.</li> <li>Disrupted SMI market share of local industry of 50kg SKUs.</li> </ul>	<ul style="list-style-type: none"> <li>Reduced 50kgs selling price to counter LQW growth.</li> <li>Requested KPDN to control imports and vigilance on Halal.</li> </ul>



## Malaysian Domestic Regulations

Risks	Mitigation and Opportunities
<ul style="list-style-type: none"> <li>Controlled sugar price at RM2.69/kg.</li> <li>Unable to pass through rising cost resulting in a negative margin for Wholesale segment.</li> </ul>	<ul style="list-style-type: none"> <li>As input costs remain bullish Joint Sugar Industry has requested KPDN for a price ceiling revision or subsidy in-lieu.</li> </ul>



# 5

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## ESG JOURNEY

**M S M**

# ESG KEY ACHIEVEMENTS



## SBTi PLEDGE

Aim to become a NET ZERO business

13 CLIMATE ACTION



## CEO ACTION NETWORK

Climate Action Goal



## NDPE

Collaboration with Wilmar on NDPE Policy



## DIGITALISATION

Automated Smart Sales Contract



## TCFD

Task Force on Climate-related Financial Disclosure



## ENHANCING GOVERNANCE

Best practices and a culture of integrity



## HEALTH & SAFETY

Prevent work-related injuries and illness



## WASTE MANAGEMENT

Reduce, Reuse, Recycle, Recover



## STAKEHOLDER ENGAGEMENT

Regular engagement with authorities, regulators and shareholders



## DIVERSITY, EQUITY & INCLUSION

Female Representation – 37.5% in EXCO, 35% in executive roles and above





# SUSTAINABILITY DRIVING CONTINUOUS TRANSFORMATION



ESG Practices

**Climate Action,  
Circularity, Resource  
management,  
FTSE4Good**



Governance

**Responsive and  
Transparent as  
Culture of Excellence**



SBTi

**SBTi Net-Zero  
plan and pathway  
March 2024**



Diversity, Equity &  
Inclusion

**Equal Opportunity  
Employer, 30%Club,  
Male Allyship**



Supplier  
Engagement

**Greater Supply  
Chain ESG  
ecosystem**



Quality & Safety

**Ensuring Quality and  
Safety with greater  
product varieties for  
consumers benefit**



# THANK YOU

**Investor Relations,**  
MSM Malaysia Holdings Berhad (HQ),  
Level 44, Menara FELDA, Platinum Park,  
No.11, Persiaran KLCC, Kuala Lumpur,  
Malaysia.



MOVING FORWARD WITH  
**RESILIENCE** 

# MSM MALAYSIA HOLDINGS BERHAD

## 12<sup>TH</sup> ANNUAL GENERAL MEETING

8 JUNE 2023, THURSDAY

## MSWG Pre-AGM Questions & Responses



MSM MALAYSIA HOLDINGS BERHAD

ANNEXURE 2



## **QUESTIONS FROM MINORITY SHAREHOLDER WATCH GROUP (MSWG)**

### **Question 1**

**MSM group recorded loss from operations of RM150.57 million compared to previous year profit from operations of RM125.56 million mainly due to elevated raw sugar prices, higher cost of natural gas, freight and a weak Malaysian Ringgit which led to higher overall input costs (page 22 & 34 of Annual Integrated Report (AIR) 2022).**

**a) Does the Company expect normalisation in input costs such as raw sugar price, natural gas price and shipping rates in 2H2023?**



## QUESTIONS FROM MINORITY SHAREHOLDER WATCH GROUP (MSWG)

### Question 1(a) (continued)

*The Company does expect normalisation in shipping rates to pre-COVID levels. However, raw sugar is still to remain high and shows no signs of retracing with the forecasted El Nino weather between August and October 2023 which would disrupt a percentage of crop production.*

*On natural gas, barring any shocks affecting market, prices will normalise to a lower indicative rate obtained from authorities for the 2<sup>nd</sup> half of the year. MSM expects to see gas prices to be at a lower rate than 2022.*

## QUESTIONS FROM MINORITY SHAREHOLDER WATCH GROUP (MSWG)

### Question 1 (continued)

**b)What is the management pricing strategy for Wholesale, Industries and Export segments for FY2023, considering the prevailing market conditions and cost dynamics? Will there be another revision in average selling prices (ASPs) in 2H2023?**

## QUESTIONS FROM MINORITY SHAREHOLDER WATCH GROUP (MSWG)

### Question 1(b) (continued)

*The Group had taken various initiatives to curb the losses. Amongst the initiatives are to increase the selling prices of sugar in various segments:*

- Increased the Average Selling Price (ASP) to RM2,800/MT (Q1 2023) from RM2,649/MT (FY2022).*
- Expect ASP for FY2023 to range between RM2,900/MT to RM3,100/MT. Included is the high-quality SKU (Gula Super) with a selling price of RM4,200/MT as the initial price float.*

*We shall keep the possibility of further hikes in selling prices depending on the Government outcome to increase the controlled ceiling price for the consumer segment to which the joint sugar industry is scheduled to reengage KPDN in Q3 2023 to address structural price changes for long term sugar industry sustainability.*

## QUESTIONS FROM MINORITY SHAREHOLDER WATCH GROUP (MSWG)

### Question 1 (continued)

**c) What is the Company's outlook on profit margins? Do you expect profit margins to normalize, stabilize or potentially improve in FY2023?**

*MSM has taken proactive measures to improve margins and performance in FY2023 with necessary robustness. The company's outlook on margin is still highly dependent on the Government's decision and announcement on the revised selling price since currently we are still operating under high input cost. With the recent Government's announcement allowing local sugar industry to produce and market Gula Super at a price determined by market forces, this should improve the Group's margins in the coming quarters and FY2023.*



## QUESTIONS FROM MINORITY SHAREHOLDER WATCH GROUP (MSWG)

### Question 1 (continued)

**d) Please update the progress of engagement with the relevant government ministries on floating the ceiling price for retail sugar.**

*On 25th May 2023, the Government allowed the sale of Gula Super as a first indicator to allowing a more sustainable market driven price float structure. The joint sugar industry is scheduled to reengage KPDN in Q3 2023 to address structural price changes for long term sugar industry sustainability.*

## QUESTIONS FROM MINORITY SHAREHOLDER WATCH GROUP (MSWG)

### Question 2

Considering that 100% raw sugar is sourced and procured by the group from various countries such as Brazil, India, Thailand, South Africa, and Guatemala. Imports from these countries are restricted to export quotas and any move to curb sugar exports by these countries will contribute to a very tight supplies of raw sugar (page 41 of AIR 2022).

a) Given that imports from these countries are not a sustainable option, what are the mitigating strategies to ensure availability of raw sugar supply?



## QUESTIONS FROM MINORITY SHAREHOLDER WATCH GROUP (MSWG)

### Question 2(a) (continued)

*MSM has an omni sourcing strategy from various countries assured by a leading global trade house to mitigate any disruption. Volumes are forward loaded about 2 months stock as security ahead of production requirements and drawn under a pay-per-use arrangement.*

## QUESTIONS FROM MINORITY SHAREHOLDER WATCH GROUP (MSWG)

### Question 2 (continued)

**b) Is the Company still exploring with the government on large scale sugarcane plantation as part of the national food security blueprint?**

*Based on MSM's input, the Government is studying the feasibility of cultivating sugarcane crop in Malaysia. MSM is supportive of the Government's interest and will act as the off-taker for the raw sugar produced locally by Malaysian growers. Land availability, terrain, weather and growing scheme with an integrated crushing mill are some considerations for further studies.*

## QUESTIONS FROM MINORITY SHAREHOLDER WATCH GROUP (MSWG)

### Question 3

Natural gas makes up about 40% of refining costs and poses an upside risk in FY2023, especially with the price of natural gas at RM67.16 per MMBtu in the first quarter of 2023 (FY2022: average price of RM47.71 per MMBtu) (page 41 of AIR 2022).

Apart from hedging the rising natural gas cost with Brent-linked derivatives, what are the proactive measures taken to reduce the consumption of natural gas in the long run?

## QUESTIONS FROM MINORITY SHAREHOLDER WATCH GROUP (MSWG)

### Question 3 (continued)

*MSM also takes the following proactive measures to reduce the consumption of natural gas.*

#### **Recovery**

*MSM in its process recovers most of its steam and reuses it for the next cycle. This in turn reduces the amount of new steam generation for the process. MSM Johor as part of its long term changeout on Boiler 1 had incorporated some new technologies to improve heat recovery. MSM Prai had its mechanical vapour recovery system optimised to recover more steam from the process.*



## QUESTIONS FROM MINORITY SHAREHOLDER WATCH GROUP (MSWG)

### Question 3 (continued)

#### **Steam optimisation**

*One of the main parameters that MSM monitors is the Tonne Steam per Tonne Raw Sugar melt (TS/TR). The steam generation process is constant, MSM optimises the production portion of it by increasing raw sugar melt to improve and reduce the cost per Tonne Raw Sugar melted.*

*To reduce the dependency on natural gas, MSM is also exploring renewable energy via solar and biomass.*



## QUESTIONS FROM MINORITY SHAREHOLDER WATCH GROUP (MSWG)

### Question 4

The “Assessment of funding requirements and ability to meet the short-term obligations” is a key audit matter (KAM) highlighted by the Independent Auditor’s in their Report on the Audit of the Financial Statements (page 141 of AIR 2022). Key audit matters are those matters that, in the professional judgement of the Independent Auditor’s, were of most significance in the audit of the financial statements of the current period.

## QUESTIONS FROM MINORITY SHAREHOLDER WATCH GROUP (MSWG)

### Question 4 (continued)

#### **As noted in the KAM:**

*As at 31 December 2022, the Group had short term borrowings of RM580 million and payables of RM335 million. This resulted in the current liabilities of the Group exceeding the current assets by RM53 million at that date. As a result, we focused on the Group's funding and ability to meet their short-term obligations due to the net current liabilities position mentioned above.*

**If the group is unable to secure any form of funding, how does the Board plan to address the funding requirements to meet its short-term obligations due in the next 12 months?**

## QUESTIONS FROM MINORITY SHAREHOLDER WATCH GROUP (MSWG)

### Question 4 (continued)

*The Group maintains a sufficient level of cash and cash equivalents to meet the Group's working capital requirements by closely monitoring its cash flows.*

*Cash flow forecasting is performed in the operating entities, and then aggregated by management. Management also monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs.*

*As disclosed in our Audited Financial Statements, the Directors are of the view that, based on management's assumptions, there are reasonable grounds that the Group will have sufficient cash flows for the next 12 months to meet its cash flow requirements, despite the net current liabilities position mentioned above.*

## QUESTIONS FROM MINORITY SHAREHOLDER WATCH GROUP (MSWG)

### Question 4 (continued)

*The Group's cash requirements for at least the next 12 months from the financial statements approval date primarily include operational requirements, capital expenditure for the Group's refineries and repayment of loan facilities and tax liabilities. The Group may continue to draw upon the availability of unutilised trade lines with its suppliers and trade lines under subsidiaries of FGV Holdings Berhad (FGV), as and when it is required.*

*In addition, FGV has also confirmed its intention to provide continuing financial support to the Group as and when necessary to enable the Group to meet its liabilities as they fall due including the Company's Islamic Term Loan obligations.*





# THANK YOU

**Investor Relations,**  
MSM Malaysia Holdings Berhad (HQ),  
Level 44, Menara FELDA, Platinum Park,  
No.11, Persiaran KLCC, Kuala Lumpur,  
Malaysia.



MOVING FORWARD WITH  
**RESILIENCE** 

# MSM MALAYSIA HOLDINGS BERHAD

## 12<sup>TH</sup> ANNUAL GENERAL MEETING

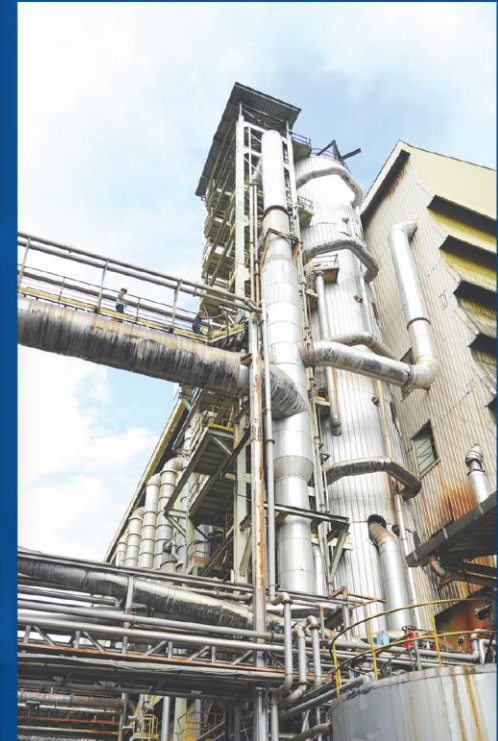
8 JUNE 2023, THURSDAY

**Pre-AGM Questions &  
Answers**



ANNEXURE 3

MSM MALAYSIA HOLDINGS BERHAD



## PRE-AGM QUESTIONS & RESPONSES

### 1. GIFT

Shareholder Name	Question
NOORINA BINTI MD SOM	I humbly request BOD to give E-wallet or E-voucher to attendees as a token of appreciation. I believe the token sum is small, manageable and within annual budgeted expenses.
AZHAR BIN KHAMARUZAMAN	I humbly request BOD to give E-wallet or E-voucher to attendees as a token of appreciation. I believe the token sum is small, manageable and within annual budgeted expenses.
LEE CHEW FOONG	Dear Board of Directors, Please kindly consider giving all shareholders a good and generous door gift as we have worked hard, taken a lot of time, effort, involvement and participation in this important AGM. Thank you very much for your kindness and generosity.
MOHAMAD NAQUIUDDIN BIN ROSDI	Is there any door gift for this year AGM?

## PRE-AGM QUESTIONS & RESPONSES

### 1. GIFT (CONT'D)

#### Response

For MSM 12th AGM 2023, All shareholders/proxies/corporate representatives who logged in during the AGM on 8 June 2023 will receive a door gift worth over RM50 including delivery charges which will be borne by MSM. The items are as follows:

Item
<b>PRODUCTS &amp; VOUCHER</b>
1. Gula Super Premium Grain Sugar PGS 1kg
2. Beras Wangi Ladang '57 1kg
3. Minyak Masak Saji 1kg
4. Garam Putih Saji 400ml
5. Susu Pekat Saji
6. Santan Krim Saji 200ml
7. KFC Food Voucher RM20



## PRE-AGM QUESTIONS & RESPONSES

### 2. DIVIDEND

Name	Question
KOW LIH SHI	Can the company increase dividend to RM 0.30 and above?
KOU CHAN KAI@KOW CHEE FOO	This year's able pay dividend higher? Company keep on loss

### Response

In FY2022, no dividend was declared. Nevertheless, the intention for FY2023 is to work towards the improvement of company's financial and operational performance to deliver greater value to our shareholders.

Any dividend in FY2023, will be assessed based on the whole year's performance at the discretion of the Board and guided by the Group's dividend policy.

## PRE-AGM QUESTIONS & RESPONSES

### 3. GROUP PEOPLE & CULTURE

Name	Question
NOORINA BINTI MD SOM	How much are you investing in employee training, and how has it translated into increased revenue, productivity gains and employee engagements?

#### Response

Approximately RM600,000 has been spent comprising more than 18,000 hours on employee learning in FY2022 versus around 9,000 learning hours in FY2021.

Employee engagement improved safety records where fatality dropped from 0.62 in FY2021 to zero in FY2022 whereas Lost Time Injury (LTI) dropped to 0.78 in FY2022 from 3.93 the year prior signifying engaged employees leads to higher productivity, less incident and safer work environment.

Despite MCO constraints and business challenges, the Group recorded higher revenue of RM2.57 billion in FY2022 versus RM2.26 billion in FY2021. Productivity factor being revenue/employee (1,038pax) RM2.47 million per employee in FY2022 versus revenue/employee (1,033pax) RM2.18 million per employee in FY2021.

MSM also engages employee well-being through People Happiness Index survey at 70% conducted twice a year.



## PRE-AGM QUESTIONS & RESPONSES

### 4. GROUP PEOPLE & CULTURE

Name	Question
AZHAR BIN KHAMARUZAMAN	What is the ratio of the annual total compensation of the CEO to the median of the annual total compensation of all employees, except the CEO?
Response	
Generally, the CEO pay ratio is within the range of P50 of the market at large.	

## PRE-AGM QUESTIONS & RESPONSES

### 5. GROUP PEOPLE & CULTURE

Name	Question
AZHAR BIN KHAMARUZAMAN	What is your ratio of standard entry-level wage by gender, compared to the local minimum wage?
Response	
MSM is an equal opportunity employer and has no gender discrimination in employment compensation. MSM subscribes to the Women Empowerment Principles (WEP) under the United Nations Global Compact.	

## PRE-AGM QUESTIONS & RESPONSES

### 6. ESG

Name	Question
NOORINA BINTI MD SOM	Has your company committed to a net-zero pledge? If yes, what is the strategy to achieve this target?
Response	
<ul style="list-style-type: none"><li>MSM has committed to the Science Based Targets Initiative (SBTi) and Net-Zero Ambition (Business Ambition for 1.5 Celsius (1.5°C)) by the United Nations Global Compact (UNGC) on 3 March 2022.</li><li>Our journey to Net-Zero is: Get clear on our baseline of Scope 1 and 2, set ambitious Net-Zero Goal with clear interim milestones, engage with leaders to create and sustain organizational buy-in and integrate Net-Zero goals into our core business strategy, collaborate with suppliers and employees on meeting Scope 3 traceability and commitments.</li><li>Energy saving audits were performed in identifying opportunities for efficiency and reducing carbon emissions. Renewable energy (RE) such as photovoltaic solar panels will be installed in Prai and Sg. Buloh as example. Biomass based steam generation is also being studied with the support of EPU.</li><li>MSM has also initiated our first electric vehicle (EV) transport van in reducing diesel use.</li></ul>	

## PRE-AGM QUESTIONS & RESPONSES

### 7. ESG

Name	Question
AZHAR BIN KHAMARUZAMAN	How are you currently engaging your suppliers to adopt sustainable practices? What are your future plans?

### Response

One of the main procured item, MSM is pleased to declare that the NDPE programme is 100% in traceability of raw sugar procurement. The joint effort demonstrates MSM and Wilmar's commitment in protecting the environment, labour and communities while promoting progress in operational efficiencies and best practices.

Our future plans include:

- Continue to strengthen our sustainable local supply chain network through procurement initiatives;
- Our collaboration with local suppliers to contribute to the group ESG initiatives and goals to meet the country's economy while ensuring that they comply with our strict quality requirement and sustainability standards;
- To include ESG awareness in the Vendor Open Day with our critical vendors who are crucial to our operations and carry high financial impact. We will also include ESG as part of vendor selection criteria moving forward; and
- Gain full insight on the secondary source of emissions and gain access to data surrounding our overall supply chain mileage and the effect of their transport methods.

## PRE-AGM QUESTIONS & RESPONSES

### 8. GROUP SECRETARIAL

Name	Question
NOORINA BINTI MD SOM	Are executive directors in charge of different organisations at the same time able to provide undivided focus in managing the company?

### Response

All Board members are Non-Executive Directors. As Board members, they have devoted their time and commitment to perform their fiduciary and statutory duties. Their attendance at Board meetings and number of directorship on listed companies comply with the Main Market Listing Requirements.



## PRE-AGM QUESTIONS & RESPONSES

### 9. STRATEGY

Name	Question
SOO HOO ZHEYANG	MSM has several times mentioned the discussion with government on increasing the sugar selling price or introduce a floating price basis, what has government reply to MSM? and if government reject to change the policy, what will MSM do next? and How MSM survive in this challenging situation?

### Response

The Government understands our challenges as input cost continues to remain high post Ukraine-Russia war. Global demand outstrips lower production due to weather. The world sugar prices have been increasing but Malaysia retail prices have remained unchanged with no subsidy.

## PRE-AGM QUESTIONS & RESPONSES

### 10. STRATEGY

Name	Question
TEO CHER MING	In view of weak ringgit and expected high NY11, how much of 2023 requirements has been hedged?

### Response

Currently, MSM has hedged approximately 64% and 90% of the estimated full year FX exposure and NY11 requirements for year 2023, respectively.

MSM has strong risk management committee chaired by GCEO, policy and practices in place presiding over all hedging activities.

## PRE-AGM QUESTIONS & RESPONSES

### 11. BUSINESS OUTLOOK

Name	Question
TEO CHER MING	What is the current utilisation rate for MSM Johor as of Q1 2023 and what kind of products are being produced there and it is mostly for export market?
<b>Response</b>	
<p>The current utilisation rate for MSM Johor has been increased to 30% UF presently from 20% UF in Q1 2023. The target is to ramp-up to 50% UF by 2<sup>nd</sup> half 2023 with market demand. The products produced at MSM Johor are CGS 1kg, P1 50kg, P1 1tonne, PXX 50kg, PXX 1tonne, Bulk Sugar (tanker), Liquid Sugar, Fine Syrup, Premix Sugar and Molasses (by-product).</p> <p>As of Q1 2023, the export segment contributed 8% of MSM Johor's product sales (excluding molasses). MSM Johor will have more export volumes moving forward to industry and Near Region markets. Besides containerized shipments, MSM Johor is now able to offer break bulk shipping for higher volumes to market destinations in China, Indonesia and Bangladesh as examples.</p>	

## PRE-AGM QUESTIONS & RESPONSES

### 12. BUSINESS OUTLOOK

Name	Question
TEO CHER MING	With the approval of clear refined white sugar production at market price, who would be the target market for this new product? And how much does the company intend to produce for this product in FY2023?
Response	
Gula Super is perfect for the food and beverage enthusiasts who are seeking for enhanced sweetness and higher purity sugar.	
MSM is currently producing 5,000 MT per month of the Gula Super as an initial phase. In time, we will grow the volumes of this product according to market demand.	



## PRE-AGM QUESTIONS & RESPONSES

### 13. FINANCIAL PERFORMANCE

Name	Question
TEO CHER MING	Based on Q1 2023 results, there is no gross profit as cost is higher than revenue, how does the company plan to tackle this and deliver value to shareholders in 2023?
Response	
<p>MSM is striving to reduce cost with operation efficiencies. However, we have been experiencing a global rise in sugar production cost. We have also engaged the Government on the rationale to review the ceiling price under the control items.</p> <p>On 25 May 2023, the Government has allowed the float pricing of Gula Super. The joint sugar industry is scheduled to reengage KPDN in Q3 2023 to address structural price changes for long term sugar industry sustainability.</p>	

## PRE-AGM QUESTIONS & RESPONSES

### 14. OTHER

Name	Question
KOW LIH SHI	The government announced to review the selling price of sugar to increase by RM1.00. What would the company benefit from this increment? Will this be able to cover overall business losses and will profit targeting be back to earning 5% - 9% net profit?
Response	
<p>Currently there are no adjustments on the control price of Coarse Grain Sugar and Fine Grain Sugar. The joint sugar industry is scheduled to reengage KPDN in Q3 2023 to address structural price changes for long term sugar industry sustainability.</p> <p>As the Group has been faced with prolonged increase in input cost and margin compression, any increase in price will contribute positively to the margin of MSM. At the same time, we expect from forecast that some input costs will reduce.</p>	

## PRE-AGM QUESTIONS & RESPONSES

### 15. OTHER

Name	Question
KOW LIH SHI	1. The packaging of sugar has bad seal, thus issues happen for more than 5 years. Do the factories have regular weekly maintenance, servicing and checking?
Response	
<p>The rate of failure based on the amount we produce is very small 0.002% against the industry benchmark.</p> <p>Inspection and checking of the packaging machines are done on a daily basis in every shift and servicing is conducted based on periodic maintenance program.</p> <p>Only vendors that are able to produce good and consistent packaging film quality are selected. In addition, replacement of sealing machine collars are done periodically to ensure good and consistent sealing quality.</p>	

## PRE-AGM QUESTIONS & RESPONSES

### 16. OTHER

Name	Question
KOW LIH SHI	2. What is the action plan for reducing wastage and damaging of output products?
Response	
<p>MSM takes the following actions in order to reduce wastage and damage to finished goods:</p> <ul style="list-style-type: none"><li>• Conduct regular assessment of current processes to identify areas of waste and product damage;</li><li>• Train employees on waste reduction, quality control and safe handling practices;</li><li>• Optimise inventory management and implement a first-in, first-out approach;</li><li>• Improving packaging and storage practices to minimise damage during transportation and storage;</li><li>• Implementing quality control measures at various production stages;</li><li>• Encouraging employee involvement and recognition in waste reduction initiatives; and</li><li>• Continuously improve processes and maintain a culture of waste reduction and quality.</li></ul>	



## PRE-AGM QUESTIONS & RESPONSES

### 17. OTHER

Name	Question
KOW LIH SHI	1. Does the company have any policies to ensure sufficient inventory despite news of sugar shortages? What is cause of the shortage and the common inventory days and level does MSM practice?
Response	

MSM complies to the stockpile requirement set by KPDN of 32,000MT refined sugar stockpile. Average stockpile record from January 2023 to April 2023 is 34,000MT.

MSM is continuously working to achieve stability of sugar supply including close monitoring of MSM Johor Ramp-Up program, Enhance the Equipment Reliability program, strengthen Demand & Supply process as well as engaging external co-packers to increase consumer pack production capacity.

The common overall inventory days is between 7 to 14 days and MSM's inventory days is currently at 10 days. The shortage reported for 1kg consumer pack is due to high demand and slower distribution replenishment by wholesalers, not related to production. MSM has taken all necessary measures accordingly with all wholesalers.

## PRE-AGM QUESTIONS & RESPONSES

### 18. OTHER

Name	Question
KOW LIH SHI	2. What is the long term plan of the company after completion of the new factory in Johor?
Response	
<p>Locally we plan to reinforce our domestic market in the Southern region and East Malaysia leveraging on MSM Johor.</p> <p>Approximately 40% of MSM Johor's production will cater to the domestic market while the remaining 60% will cater to the export market including the Near Region markets like Kalimantan, Myanmar, South Philippines, Indonesia and Singapore. These markets are large importers and have comparatively higher retail selling prices between RM4.50/kg – RM8.50/kg compared to Malaysia RM2.85/kg.</p>	

## PRE-AGM QUESTIONS & RESPONSES

### 19. OTHER

Name	Question
KOW LIH SHI	3. What can the company do to increase the output of refined sugar for Malaysian sugar consumption demand?
Response	
MSM possesses the capacity to increase its production with significant headroom when required. MSM presently adopts a just-in-time approach aligned with market demand.	

## PRE-AGM QUESTIONS & RESPONSES

### 20. OTHER

Name	Question
KOW LIH SHI	4. Domestic sugar usage has remained high while government is still controlling sugar prices. Did the company look for alternative strategies, products or cost saving initiative to produce below the controlled ceiling price?
Response	
<p>We have introduced a higher grade sugar (Pure White Refined Sugar) in the market. The sugar has enhanced sweetness and lower impurities. On 25 May 2023, the Government has approved the selling of the new SKU with a floating price.</p> <p>MSM also has Value Added Products like Premix and Liquid Sugar which has better price and value. We hope all this new products will be able to improve our overall profitability.</p>	





# THANK YOU

**Investor Relations,**  
MSM Malaysia Holdings Berhad (HQ),  
Level 44, Menara FELDA, Platinum Park,  
No.11, Persiaran KLCC, Kuala Lumpur,  
Malaysia.

## MSM 12<sup>th</sup> AGM: Responses to Live AGM Questions Received

### 1. Raw Sugar & Commodities

Shareholder Name	Question
MOHD RIDZUAN BIN MOHD NOOR	<p>Raw sugar price increase by more than 100% since CY2000.</p> <ol style="list-style-type: none"> <li>1. What % of supply is imported?</li> <li>2. Will the country be able to sustain sugar subsidy?</li> <li>3. Any plans to grow sugarcane locally to ensure supply?</li> </ol>
<b>Response</b>	
<ol style="list-style-type: none"> <li>1. For FY2022, MSM imported 100% of our raw sugar comprised 52% from Brazil, 22% from India and the rest from Thailand and South Africa.</li> <li>2. Sugar is not a subsidised product in Malaysia since 2013.</li> <li>3. 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 could provide job opportunities to farmers and small contract farmers in the rural region. It is prudent to have 30% - 50% of our domestic demand produced locally. The sugarcane plantation will also help the country reduce dependencies on import and sugar refiners reduce their key component cost (raw sugar) significantly during sugar crisis.</li> </ol>	

Shareholder Name	Question
LIM PIN YEONG	<ol style="list-style-type: none"> <li>1. Whether the raw sugar price is up or down, the company does not make a profit. Is this a management incompetency?</li> <li>2. What is your commodity hedging police to minimise losses?</li> </ol>
<b>Response</b>	
<p>MSM, via its Trading Committee (TC), a combination of C-suites and top management, closely monitors, oversees and implements hedging mechanism to overcome the bullish market of raw sugar.</p> <p>In FY2023, MSM has successfully hedged 90% of raw sugar requirement at the price of USD19c/lbs to USD20c/lbs which is below the current spot market price of raw sugar of USD24.5c/lbs. MSM raw sugar hedging position is better off by approximately RM340 million if compared to the spot raw sugar futures prices.</p>	

## 2. Sales & Export

Shareholder Name	Question
KOW LIH SHI	How was comments always short of green pack prai sugar in Malaysia?
<b>Response</b>	
<p>The Gula Peket Hijau (green pack) Gula Prai is the number one selling sugar in Malaysia. Nonetheless, the recent news reported on the unavailability of the sugar in certain retail outlets are mainly isolated cases and had been contributed to some distribution challenges faced by the distribution channels.</p> <p>Our production and supplies have remained consistent and we have pledged to the Government to supply up to 24,000 mt per month of the retail sugar.</p>	

Shareholder Name	Question
LIM HOCK SING	Where are we now on our export footprint and will we meet our target of between 12% - 15% in the near future? If we achieve this what will it mean in terms of our bottom line?
<b>Response</b>	
<p>To date, the export volume is around 25% of total production per month versus 23% in year 2022. With new target of MSM Johor utilisation factor (UF) in second half of 2023, we aim to achieve between 28% - 33% of export sales in the near future. MSM has been exporting to more than 10 countries in the Asian region and has capacity headroom to further grow export volume.</p> <p>As for financial impact - Export will provide contribution towards higher UF, and in turn reduce refining and production cost per unit hence improving overall margin. Furthermore, export has achieved better selling prices recently, following Export Premium revision and higher NY11.</p>	

Shareholder Name	Question
NG HOON HO	With Government allow refined sugar to be produced and not under the price-controlled mechanism, what's the expected sales coming from this area?
<b>Response</b>	
<p>At the moment, there are 2 types of retail sugar pricing. One is the government controlled Gula Standard and the other is the uncontrolled float price Gula Super. Since its introduction, the response for the Gula Super has been very encouraging.</p> <p>To date, we have also received repeat order for the premium sugar and at the moment, we have already signed over 10,000mt of supply contracts for the Gula Super. We foresee the demand for the Gula Super to grow as the market demands for a better, higher quality sugar at reasonable prices.</p>	

### 3. MSM Johor & Strategy

Shareholder Name	Question
LIM HOCK SING	Now that our second boiler change out work has been completed at our Johor factory and plans are in place for a third boiler what will be the utilisation rate for this factory and will we break even this year?
<b>Response</b>	
<p>The target monthly utilisation factor (UF) that we aim to achieve for MSM Johor by the end of 2023 is 50% aligned with market demand. The average full year UF for MSM Johor is expected to be close to 30%.</p> <p>The Group aims to improve the financial performance with all key initiatives embarked on. MSM Johor has no constraints to go even higher beyond UF 50% if needed with market demand including exports.</p>	

### 4. Financial Performance

Shareholder Name	Question
VOON KHIAN JIN	Any update on the insurance claim of the boiler?
<b>Response</b>	
<p>We are currently working closely with the loss adjuster to finalise the quantum of the claim, and we are happy with the status of the progress so far.</p> <p>Any insurance claim will take some time as it involves various parties and meticulous calculations and supporting documents. Any material information will be announced and treated accordingly in our accounts.</p>	

Shareholder Name	Question
TEOH CHEY YEAT	The Group suffering Gross Loss and increasing in gearing ratio, how the Group going to turn around the situations?
<b>Response</b>	
<p>If we exclude short term debt incurred to fund working capital, the Group's gearing is actually much lower at 14%. The Group shall continue to improve the average selling prices and optimize costs with key initiatives as previously mentioned to improve margin.</p>	



Shareholder Name	Question
TEOH KENSEN	Debt is not well covered by the operating cashflow. What's the plan of the Group to trim its high debt level?
<b>Response</b>	
<p>Year on year, the Group has been trimming its outstanding term loan. The higher debt level is attributed by higher short term borrowing to fund working capital requirement; which has a direct correlation to the higher input cost. As revenue improves, the Group has been using more of its internally generated funds to fund working capital - in order to trim the higher debt level.</p>	

Shareholder Name	Question
LIM HOCK SING	We have been bleeding red ink for the last 6 quarters and with the recent decision to let market forces determine the price of refined white sugar, how will decision improve our profitability for the rest of the year? Will we be able to make a profit this year?
<b>Response</b>	
<p>The recent announcement means MSM would be able to market our new SKU Gula Super at better margin. This would contribute considerably towards improving our profitability.</p> <p>However, certain input costs such as NY11 raw sugar prices are expected to remain elevated, hence we are doing our level best to manage these by effective hedging and cost optimisation.</p> <p>Nonetheless, the joint sugar industry is scheduled to reengage KPDN in Q3 2023 to address structural price changes for long term sugar industry sustainability which is amongst the key turnaround factors for the Group and we shall continue to engage the Government.</p>	

## 5. Gula Super and Outlook

Shareholder Name	Question
MOHAMAD FIRDAUS BIN ABDUL WAHID	How much expected profit for sales of sugar premium?
KOH KAR KIAT	Based on the recent announcement that the government allowed MSM to produce clear refined white sugar at market price, could the BOD elaborate what's the impact on Company financial performance in specific metrics i.e % increase in profit and etc, whichever is applicable.
ZAFFARY BIN AB RASHID	1. In terms of %, how much do you expect the new sugar would contribute to the Top line?

	<p>2. Can you share a bit the outlook for the Super sugar? And would this new Super Sugar able to mitigate or cushion the of margin GP &amp; profit margin erosion?</p> <p>3. Are there any significant increase in cost related to this product? This super sugar anticipates to attract what kind of clients? Is it for mass market or solely for industry usage i.e. HORECA industry or F&amp;B?</p>
<b>Response</b>	
<p>The expected profit from sugar premium will alleviate the current margin compression faced by the sugar industry and assist MSM to continue its business as a sugar producer in the country given the current high production cost environment.</p> <p>The new sugar will progressively impact the top line for MSM Group and will help to sustain its business as a sugar producer in the country given the current high production cost environment.</p> <p>The response for the Gula Super has been very encouraging. Since its inception 2 weeks ago, we have contracted over 10,000mt of supply orders for the Gula Super. It may cushion and mitigate some of the profit margin erosion. The Gula Standard price revision is also scheduled for review in Q3 2023. Only then the profit margin erosion can be fully mitigated.</p> <p>Cost increase for the new product is very marginal. Gula Super's target market is for those who demands high quality sugar for HORECA, F&amp;B channels, baking, confectionary or anyone who seeks higher purity of sugar with enhanced sweetness.</p>	

## 6. AGM Related

Shareholder Name	Question
LIEW CHEE MING	How much does our Company spend to hold this virtual AGM plus remote participation & voting (RPV)?
<b>Response</b>	
<p>The cost to hold this virtual AGM plus remote participation and voting (RPV) is approximately RM150,000.</p>	

Shareholder Name	Question
LIEW CHEE MING	Could our Company conduct our next a.g.m / e.g.m. / other meetings physically?
<b>Response</b>	
<p>Thank you for the suggestion. We will look into this matter in future and will determine based on the appropriateness of the situation. The general meeting of MSM for this year is conducted virtually in light of the ongoing Covid-19 and to apply best practice</p>	

recommended under Practice 13.3 of MCGG 2021 where Listed companies should leverage technology to facilitate–

- i. voting including voting in absentia; and
- ii. remote shareholders' participation at general meetings.

Furthermore, virtual AGM is more cost effective compared to a physical AGM.

Shareholder Name	Question
CHONG KUM FATT	Mr Chairman - Kindly allow us to vote when the meeting starts and not keep us waiting long. TQ
STEPHEN LYE TUCK MENG	Pls let us vote at the start of the meeting so that I can vote all For. TQ
<b>Response</b>	
As outlined in the Administrative Guide, Shareholders can proceed to vote on the resolutions and submit their votes at any time from the commencement of the 12th AGM at 11.00 a.m. until a time when the Chairman of the meeting announces the completion of the voting session.	

## 7. Dividend & Shares

Shareholder Name	Question
LIM PIN YEONG	When the company turnaround and declare dividends to shareholders?
KOW LIH SHI	Why dividend not increase sales is increase?
KOU CHAN KAI @ KOW CHEE FOO	Please give more dividend thank you.
GOH KOK HOOI	A better dividend shd be considered.thks
<b>Response</b>	
In FY2022, no dividend was declared. Nevertheless, the intention for FY2023 is to work towards the improvement of company's financial and operational performance to deliver greater value to our shareholders.	
Any dividend in FY2023, will be assessed based on the whole year's performance at the discretion of the Board and guided by the Group's dividend policy.	

## 8. Door Gift (E-Voucher)

Shareholder Name	Question
LAU SO KIAT	Dear Director, please increase the amount of Door Gift, times are hard, please be considerate, Thank you
VENUGOPAL A/L RUKUMANGATHARAJAH	Door gift?

GOH SOO HOON	A better doorgift would be much appreciated.tq.
LEE CHEW FOONG	<p>Dear Board of Directors,</p> <p>Thank you for giving a door gift to shareholders as we have worked hard, taken a lot of time, efforts, involvement and participation in this important AGM. However, the door gift value should exclude the expensive delivery charges of about RM20 so that this value saved can be given to the poor shareholders too. The shareholders are innocently bearing this high cost.</p> <p>We hope the Board of Directors could kindly give us Touch &amp; Go reload vouchers which will avoid / save delivery charges.</p> <p>Thank you very much for your kindness and generosity.</p>
LIEW CHEE MING	Could the Management of our Company be kind enough to give away e-/meal vouchers to the event participants (particularly grateful to help minority shareholders to improve their life qualities during the current high inflation economy)?
<b>Response</b>	
<p>For MSM 12<sup>th</sup> AGM 2023, all shareholders/proxies/corporate representatives who logged in during the AGM on 8 June 2023 will receive a door gift worth over RM50 including delivery charges which will be borne by MSM. The items are as follows:</p> <ul style="list-style-type: none"> <li>i. Gula Super Premium Grain Sugar PGS 1kg</li> <li>ii. Beras Wangi Ladang '57 1kg</li> <li>iii. Minyak Masak Saji 1kg</li> <li>iv. Garam Putih Saji 400ml</li> <li>v. Susu Pekat Saji</li> <li>vi. Santan Krim Saji 200ml</li> <li>vii. KFC Food Voucher RM20</li> </ul>	

## 9. Request for MSM AIR 2022

Shareholder Name	Question
LEE SUAN BEE	I would like to request for a hard copy of Annual Report. Thank you
TAN KIM KHUAT	Pls send me the printed report, thanks.
LEONG WAI LENG	Morning BOD please send a copy of annual report to me.Tq Annie goh
TAN CHUN KIAT	Today presentation by CEO, MSM export to 17 countries, and I wish to know whether we make profits on foreign exchange, as I do not have a copy of your Annual Report 2022, I would appreciate if you could send me a copy, thank you



AZNUR KAMA BINTI AZMIR	I would like to request physical copy of the AIR.
HO CHUN KIT	Please send me hardcopy annual report. Thanks
HO WING SENG	Can I have a hardcopy of the annual report to be sent to me?
<b>Response</b>	
We take note of your request and we have arranged for a physical copy of MSM's Annual Integrated Report 2022 to be delivered.	

## 10. Miscellaneous

Shareholder Name	Question
TAN SHOK HAR	Thank you for the door gift
TAN ENG THENG	Tq for dividend n door gift
LIM CHEE WIEH	Well done
MOHD RAJAEI NURUDDIN BIN MOHD RANI	Thanks MSM for the doorgift/e-vouchers. Keep going forward with the bright future for MSM.
MOHD KHALIL BIN MD DOM	Alhamdulillah, semoga chairman, directors and staff of MSM sentiasa sihat dan bahagia di samping keluarga, Insyaallah. May the coming years more good result from MSM and benefitted shareholders as well
MUHAMMAD ZAIM FARHAN BIN MOHD RIDZUAN	Thank you for insightful communication via messaging box! Pls reward the staff that make this decision n implementation.
RAPHAEL WONG KIM LEONG	To Board of Directors, thank you for the door gift, I continue to support the AGM virtual meeting as the cost/expenses is cheaper when compare to hold a physical meeting. For that reason, appreciate if Board of Directors will give more of door gift
HARIZA BINTI ISMAIL	Thank you for rewarding meeting attendees.
AHMAD NABIL BIN SAHIFUL BAHARI	Thank you very much for giving doorgift sorely need.
TAN SAIK KUEN	I am very happy with the doorgifts. Thank you very much. However, I hope there are enough stocks and no items will be substituted with other items. Thanks again!
CHAN NGUN FONG	Please stick to virtual AGM as it reduces our carbon footprint, saves time and is effective, but please do continue to give us good doorgifts. Thank you!
CHONG KUM FATT	Mr Chairman – Do not use Boardroom for RPV in future. It is not integrated and doesn't allow us to vote when the meeting starts. Need a separate app for RPV. Complaints made to Boardroom Senior Management are ignored. Use SSHSB or Tricor in future. TQ
CHEONG TEOW GOOK @ CHEONG CHOW YOKE	why no broadcast thank you

LEE YU KEONG	I had login n log off 3 times and tried 2 hand phones to access your broadcast but the connection was bad.
CHU NUI MOI @ CHOO HWA KIEW	not able to listen to agm
LEONG WEN CHEW	Can the company look into the voting system of Boardroom? I find the system flawed. Shareholders can change the vote throughout the course of the meeting, there is no finalization of the vote. This is dangerous because votes can be changed and may be abused by people with malice intention. I always vote when attending agm but I was told I did not vote for a particular agm. I thought I voted but in fact my vote was not in Boardroom system. There is no record of vote submission at Boardroom platform for shareholders to confirm successful voting. Can the company look into this matter further for us shareholders? Thank you very much.
<b>Response</b>	
We take note of your continued support, suggestions and appreciation. To all shareholders, we thank you for joining this virtual MSM 12th AGM and your valued support.	

**MSM Malaysia Holdings Berhad**  
(Company No.: 201101007583 (935722-K))

As scrutineer appointed for the purpose of the Poll taken at the Annual General Meeting of the Members of the Company held on 8 June 2023, I HEREBY CERTIFY that the result of the Poll is correctly set out as follows:-

RESOLUTION	Vote FOR			Vote AGAINST			TOTAL Vote	
	NO. OF			NO. OF			NO. OF	
	REC	UNITS	%	REC	UNITS	%	REC	UNITS
Ordinary Resolution No 1	1,172	532,482,017	99.8276	187	919,677	0.1724	1,359	533,401,694
Ordinary Resolution No 2	1,151	532,272,997	99.7890	200	1,125,394	0.2110	1,351	533,398,391
Ordinary Resolution No 3	1,143	532,161,326	99.7692	204	1,231,064	0.2308	1,347	533,392,390
Ordinary Resolution No 4	1,253	532,974,210	99.9200	101	426,878	0.0800	1,354	533,401,088
Ordinary Resolution No 5	1,257	532,981,015	99.9214	101	419,278	0.0786	1,358	533,400,293
Ordinary Resolution No 6	1,261	532,982,906	99.9216	97	418,386	0.0784	1,358	533,401,292
Ordinary Resolution No 7	1,251	532,974,384	99.9202	104	425,608	0.0798	1,355	533,399,992
Ordinary Resolution No 8	1,256	532,979,185	99.9209	100	422,105	0.0791	1,356	533,401,290
Ordinary Resolution No 9	1,253	532,976,664	99.9205	101	423,907	0.0795	1,354	533,400,571
Ordinary Resolution No 10	1,252	532,974,784	99.9202	102	425,907	0.0798	1,354	533,400,691
Ordinary Resolution No 11	1,250	532,981,482	99.9214	105	419,308	0.0786	1,355	533,400,790
Ordinary Resolution No 12	1,283	533,019,116	99.9283	74	382,275	0.0717	1,357	533,401,391
Ordinary Resolution No 13	1,261	67,075,263	99.3888	92	412,495	0.6112	1,353	67,487,758
Ordinary Resolution No 14	1,212	108,311,912	20.3066	143	425,071,420	79.6934	1,355	533,383,332

Signed by: WONG CHEAU MEI  
Signed at: 2023-06-08 13:55:51 +08:00  
Reason:-



tricolor digital signature

