

SUMMARY OF THE KEY MATTERS DISCUSSED AT THE SIXTIETH ANNUAL GENERAL MEETING OF THE COMPANY HELD ON A FULLY VIRTUAL BASIS HOSTED ON SECURITIES SERVICES E-PORTAL AT [HTTPS://SSHSB.NET.MY/](https://sshsb.net.my/) AT LEVEL 7, MENARA MILENIUM, JALAN DAMANLELA, PUSAT BANDAR DAMANSARA, DAMANSARA HEIGHTS, 50490 KUALA LUMPUR ON MONDAY, 20 SEPTEMBER 2021 AT 10:00 A.M. (“the Meeting”)

1. CHAIRMAN

Y. Bhg. Tan Sri Dato’ (Dr.) Teo Chiang Liang (“**Tan Sri Chairman**”) chaired the Meeting.

2. QUORUM

The requisite quorum being present pursuant to Clause 96 of the Company's Constitution, Tan Sri Chairman declared the Meeting duly convened.

3. PROCEEDINGS

Ms. Chua Siew Chuan (“**Ms. Chua**”), the Company Secretary briefed all present that with the remote participation and voting facilities, shareholders, corporate representatives and proxies of the Company are allowed to post questions to the Board of Directors and vote remotely at the Meeting. Ms. Chua further informed that all shareholders and proxies could rely on real time submission of typed texts to exercise their rights to speak or communicate in a virtual Meeting by using the text box facility under the live stream player within the same e-Portal page to transmit their questions and/or remarks during the Meeting. The Meeting shall via the broadcast announce the relevant question and answer the question accordingly. Should there be any unattended questions and/or remarks submitted, the Company would respond after the Meeting via email.

4. POLL VOTING

Tan Sri Chairman informed all present that pursuant to the Bursa Malaysia Securities Berhad Main Market Listing Requirements, all the proposed resolutions to be tabled at the Meeting shall be voted by poll. With this, Tan Sri Chairman exercised his rights as the Chairman of the Meeting to demand for a poll.

5. PRESENTATION ON THE OVERVIEW OF THE COMPANY’S PERFORMANCE AND FINANCIAL RESULTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021 (“FY2021”) AND BUSINESS STRATEGY FOR THE FISCAL YEAR ENDING 31 MARCH 2022 (“FY2022”)

Mr. Tomoharu Abe, the Managing Director/Chief Executive Officer of the Company, presented the above, which includes the Company’s –

- Sales revenue trend
- Net profit trend
- Total equity (shareholders’ funds)
- Dividends
- Performance for FY2022 first quarter

- Response to COVID-19
- Business topics
 - Mission
 - Vision
 - Social Activities to address health and well-being:
 1. Nutrition Month Malaysia Virtual Fair
 2. Enhanced recipe page on the Company's websites
 3. Jom Fit with aminoVITAL®
- Relocation Project: "TechPark@Enstek", Negeri Sembilan

6. LETTER RECEIVED FROM MINORITY SHAREHOLDER WATCH GROUP ("MSWG")

Tan Sri Chairman informed the Meeting that the Company had received a letter from MSWG dated 6 September 2021 and was requested to respond to the queries raised by the MSWG at the Meeting. The questions raised by MSWG and the Company's corresponding response were as follows:-

Operational and Financial Matters

1. Revenue from Consumer Business segment declined by 7.3% from RM334.4 million in FY2020 to RM309.9 million in FY2021. This was mainly due to lower demand of AJI-NO-MOTO® in both domestic and export markets as a result of the Movement Control Order (MCO) implemented by the Malaysian government and restrictions imposed by the Middle East local authorities to contain the Covid-19 pandemic. Segment profit decreased from RM40.8 million in FY2020 to RM29.3 million or 28.2% due to lower revenue and higher advertising expenses (page 7 of Annual Report (AR) 2021).
 - a) The prolonged impact of the pandemic and renewed lockdown i.e., MCO 3.0 with restrictions on social activities are expected to continue impacting out-of-home consumption. What is the Group's online/delivery strategy going forward?

Response:

The Company's online/delivery strategy had focused on marketing and promoting through e-commerce platform ("Shopee" and "Lazada") in June last year, operating the Company's own Social Networking Service (SNS) platform, and increased on-line demonstration of cooking healthy meals for the family. The Company will intensify efforts in this direction. At the same time, the Company is closely monitoring the Food Services sector and will implement appropriate strategies to meet and adapt to market requirements.

- b) How has the Group adapted to the challenges caused by the pandemic? How will the Group prepare itself for a post-pandemic environment to ensure timely business recovery and sustainability?

Response:

The Company has met the challenges of the pandemic by focusing on the following:

- a. Strengthen the sales activities.
- b. Launching promotion campaigns with higher rates of online promotions to engage and promote the Company's products to consumers.
- c. Expanding new sales channel such as e-commerce.
- d. Regularly reviewing strategies for business sustainability, growth and profitability.

With COVID-19 pandemic situation, the household market demand is increasing with the increase of cooking frequency at home. The Company further accelerates the sales with Digital Marketing activities, utilising Corporate Facebook, Brand Facebook and Recipes Facebook. The Company's digital marketing activities have increased the number of fans (followers) and efforts in this direction. The Company will continue to review and implement strategies to increase our customer base as part of our recovery and sustainability plan. At the same time, the Company will continue to manage costs, productivity, and revenue.

2. The Company has purchased land at Bandar Baru Enstek, Negeri Sembilan in August 2019 to construct a new plant and its main office in Techpark@Enstek. Currently, the construction progress has reached 99%. The next phase will entail setting up of facilities and installation of machineries and equipment. The new plant and main office are expected to be completed and equipped by first half of year 2022 (page 8 of AR 2021).

- a) What is the progress of installation of machineries and equipment and other facilities at the new plant? Is it on track to complete by first half of 2022?

Response:

New Machinery & Equipment installation progress as of August 2021 was at around 50%. Yes, it is still on track to complete by 1st half of 2022.

- b) What is the expected production capacity of the new plant compared to the existing plant in Jalan Kuchai Lama, Petaling?

Response:

Production capacity at the new plant is planned to increase by 20% initially although production can be ramped up to 35% depending on demand.

- c) Please explain how the Company will benefit from the new manufacturing facility in this Halal Hub in the short and medium term.

Response:

In the short term, this Halal Hub will further boost the Company's image as an established and reputable Halal Food manufacturer in Malaysia and enhance local Muslim consumers' confidence.

In the medium to long term, it will position Ajinomoto (Malaysia) Berhad as a "Halal Centre" of the Ajinomoto Group and allow companies of the Group to leverage as a platform to further expand our business into other Muslim countries and increase the reach to Halal food consumers globally.

3. The Company has launched two new variants of seasoned flour, namely, Seri-Aji® Fried Fritter and Seri-Aji® Banana Fritter in July 2021 and has gained high acceptance among households (page 4 of AR 2021).

- a) What is their contribution to the Group's revenue since their launch and what are their potential revenue contribution in FY2022?

Response:

Seri-Aji® seasoned flour has gained high acceptance and the Company has launched 2 new variants as a product extension from seasoned flour

category. Seri-Aji® Fried Fritter and Banana Fritter are yet to be fully distributed to market due to limited operation of outlets arising from the COVID-19 Movement Control Order (MCO) and National Recovery Plan Phase-1. As potential revenue, the Company aim to boost Seri-Aji® total sales at around double-digit growth of not only existing line-up but also those new variants in FY2022.

- b) Are there any plans to launch, and export, them to overseas market?

Response:

The Company will definitely introduce these products overseas if there is demand.

4. The Group has written-off property, plant and equipment ("PPE") of RM730,141 in FY2021 as compared to RM115,441 in FY2020 (Note 8 to the Financial Statements, page 70 of AR 2021).

- a) What type of PPE was written off-in FY2021?

Response:

PPE Written Off (FYE 31/3/2021) (in RM)	Cost	Acc. Dep	NBV
Building	1,904,460	(1,708,711)	195,749
Plant & Machinery (include tool, lab & office equipment)	2,674,384	(2,165,884)	508.500
Furniture & Fittings	163,664	(137,772)	25,892
Total	4,742,508	(4,012,367)	730,141

- b) What were the reasons for the higher PPE write-off in FY2021?

Response:

The written off in FYE 31/3/2021 was mainly due to the cessation of an internal raw material production line during the financial year.

Corporate Governance Matters

5. Paragraph 9.21(2) of the Main Market Listing Requirements requires companies to publish a summary of the key matters discussed at the AGM onto the Company's website soon after the conclusion of the AGM. As of 6 September 2021, summary of the key matters discussed at the 59th AGM held on 28 September 2020 was not available on the Company website under the section, Annual General Meeting. Why was the summary of the key matters discussed not uploaded on the corporate website?

Response:

The summary of the key matters discussed at the AGM held in 2020 has now been made available in our website.

6. Resolution 3 - To approve gratuity payment to Dato' Setia Ramli bin Mahmud, the former independent Non-Executive Director of the Company, in recognition and appreciation of his past service and contribution to the Company. The amount of gratuity payment that the Company is seeking for approval from shareholders is not stated in the Notice of AGM, as such shareholders may not be aware of the amount that they are voting for. What is the amount, in respect of which, the Company is seeking shareholders' approval for?

Response:

The amount of proposed gratuity payment to Dato' Setia Ramli bin Mahmud is RM124,000.00.

Sustainability Matters

7. Ajinomoto group started its Sustainability Statement since 2017 and the statement was prepared based on the Bursa Malaysia Securities Berhad listing requirements and guided by the Global Reporting Initiative (GRI) Standards 'Core Option' (page 105 & 113 of AR 2021).

Does the Board intend to have the data contained within the Sustainability Statement independently assured, and if so, by when?

Response:

Our Sustainability Statement is not only prepared based on Bursa Malaysia Securities Bhd listing requirements and guided by Global Reporting Initiative (GRI). It is also guided by Ajinomoto Group's philosophy and sustainability global objectives and targets. The Company has also used United Nation's relevant Sustainable Development Goals (SDGs) to demonstrate the Company's contribution to the global Sustainable Development Agenda. Adopting these strict global requirements and guidelines, and the Group's objectives, the Company is of the view that its Sustainability Statement is robust without independent assurance.

7. RECEIPT OF THE AUDITED FINANCIAL STATEMENTS FOR FY2021 TOGETHER WITH THE REPORTS OF THE DIRECTORS AND THE AUDITORS THEREON ("AFS 2021")

Tan Sri Chairman then invited questions from all present in respect of the AFS. After having addressed all questions raised accordingly, the AFS 2021 were duly received.

8. VOTING RESULTS

Having addressed all queries raised and the following resolutions voted upon by e-polling, all the following resolutions were duly passed with the results of the e-polling announced accordingly to Bursa Securities on 20 September 2021:-

Resolution	
1	To approve the payment of Directors' fees for the financial year ended 31 March 2021.
2	To approve the payment of Directors' benefits up to an amount of RM650,000 from 21 September 2021 until the date of the next Annual General Meeting of the Company.
3	To approve the gratuity payment to Dato' Setia Ramli bin Mahmud, the former Independent Non-Executive Director of the Company and member of the Audit Committee, Remuneration Committee and Nomination Committee of the Company respectively, in recognition and appreciation of his past service and contribution to the Company.
4	To re-elect Ms. Noriko Fujimoto who is retiring in accordance with Clause 119 of the Company's Constitution and being eligible, has offered herself for re-election.

Resolution	
5	To re-elect Mr. Takahiro Sato who is retiring in accordance with Clause 119 of the Company's Constitution and being eligible, has offered himself for re-election.
6	To re-elect Mr. Cheong Heng Choy who is retiring in accordance with Clause 119 of the Company's Constitution and being eligible, has offered himself for re-election.
7	To re-elect Mr. Shunsuke Sasaki who is due to retire pursuant to Clause 120 of the Company's Constitution and being eligible, has offered himself for re-election.
8	To re-elect Encik Kamarudin bin Rasid who is due to retire pursuant to Clause 120 of the Company's Constitution and being eligible, has offered himself for re-election.
9	To re-elect Encik Azhan bin Mohamed who is due to retire pursuant to Clause 120 of the Company's Constitution and being eligible, has offered himself for re-election.
10	To appoint Messrs. KPMG PLT as Auditors of the Company in place of the outgoing Auditors, Messrs. Ernst & Young PLT for the ensuing year and to authorise the Directors to fix their remuneration.
11	<u>Ordinary Resolution No. 1:</u> Authority to Issue Shares pursuant to the Companies Act 2016.
12	<u>Ordinary Resolution No. 2:</u> Proposed Renewal of Existing Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature.
13	<u>Ordinary Resolution No. 3:</u> Retention of Tan Sri Dato' (Dr.) Teo Chiang Liang as an Independent Director.
14	<u>Ordinary Resolution No. 4:</u> Retention of Mr. Koay Kah Ee as an Independent Director.
15	<u>Ordinary Resolution No. 5:</u> Retention of Mr. Dominic Aw Kian-Wee as an Independent Director.

There being no other business to be transacted, Tan Sri Chairman concluded the Meeting at 12:05 p.m. and thanked all present for their attendance.