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**PANASONIC MANUFACTURING MALAYSIA BERHAD**

REGISTRATION NO. : 196501000304 (6100-K)

MINUTES OF THE FIFTY-SIXTH ANNUAL GENERAL MEETING (56<sup>TH</sup> AGM) OF THE COMPANY HELD VIA FULLY VIRTUAL AT PANASONIC MANUFACTURING MALAYSIA BERHAD, NO. 3, JALAN SESIKU 15/2, SHAH ALAM INDUSTRIAL SITE, SECTION 15, 40200 SHAH ALAM, SELANGOR, MALAYSIA ON MONDAY, 30 AUGUST 2021 AT 2.00PM.

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Present:

**Directors**

YBhg Tan Sri Asmat Bin Kamaludin (Chairman)  
Mr Kenji Kamada (Managing Director)  
YBhg Tan Sri Hasmah Binti Abdullah  
YM Raja Anuar Bin Raja Abu Hassan  
YBhg Dato' Kaziah Binti Abd Kadir  
YBhg Dato' Azman Bin Mahmud  
Ms Siew Pui Ling  
Ms Kwan Wai Yue  
Mr Cheng Chee Chung  
Mr Shigeru Dono

**Shareholders**

As per participant list

In Attendance:

Ms Leong Oi Wah (Company Secretary)

By Invitation:

Mr Mok Wan Kong – KPMG PLT

**AGM56/1 PRELIMINARY**

YBhg Tan Sri Asmat Bin Kamaludin, the Chairman of the Company, welcomed everyone present at the Meeting.

**AGM56/2 QUORUM**

The requisite quorum being present pursuant to Article 65 of the Company's Constitution, the Chairman declared the Meeting duly convened at 2.00 p.m.

**AGM56/3 NOTICE**

The notice having been circulated to the members and advertised in the Star newspaper on 30 July 2021 was taken as read.

**AGM56/4 POLL ADMINISTRATOR AND SCRUTINEER**

The Chairman informed the shareholders participating online that Boardroom Share Registrars Sdn Bhd was appointed as the Poll Administrator and Boardroom Corporate Services Sdn Bhd was appointed as Independent Scrutineer to verify the poll results today. The Chairman then invited the representative of Boardroom Share Registrars Sdn Bhd to explain the voting procedure and how to raise questions at this virtual meeting.

The Chairman then informed that the online remote voting for resolutions 1 to 11 was open and would be accessible until announced otherwise.

**AGM56/5 KEY FINANCIAL AND OPERATIONAL HIGHLIGHTS**

The Chairman invited Mr Kenji Kamada, the Managing Director of the Company to present the Company's performance and key financial and operational highlights for the financial year ended 31 March 2021. Mr Kamada also included in his presentation, the Company's new products, share price performance as well as the prospects and outlook for the new financial year.

On behalf of the Management and Board of Directors, Mr Kamada took the opportunity to express their special thanks and appreciation to Tan Sri Asmat Bin Kamaludin, who would be retiring after this Annual General Meeting. He said that the Chairman's strong support and guidance to the Management during his twenty years as the Company's Chairman has been invaluable and was an inspiration to the Management.

The Chairman then invited by Ms Siew Pui Ling, Ms Kwan Wai Yue and Mr Cheng Chee Chung to present the Company's replies to the questions raised by the Minority Shareholder Watch Group which are listed out in the Appendix A attached to this minutes. The Chairman informed that the Company had also received a number of questions submitted prior to the meeting and the mentioned Directors would address the questions raised as listed out in Appendix B attached to this minutes.

**AGM56/6 RECEIPT OF STATUTORY FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021 TOGETHER WITH THE DIRECTORS' AND AUDITORS' REPORTS THEREON**

The Statutory Financial Statements for the financial year ended 31 March 2021 together with the Reports of the Directors and Auditors thereon which had been circulated to all shareholders within the prescribed period, were tabled for discussion.

The Chairman requested participants to post other questions in the query box which the Board will address them at the Question & Answer session after all the resolutions are tabled for voting.

The Audited Financial Statements for the financial year ended 31 March 2021 together with the Reports of the Directors and Auditors thereon was considered received by the Meeting.

The Chairman informed the participants that all resolutions tabled would be voted on by poll in accordance with the requirement of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

**AGM56/7 DECLARATION OF A FINAL SINGLE TIER DIVIDEND OF 183 SEN PER ORDINARY SHARE**

The Chairman informed that the Board of Directors had recommended for the shareholders' approval, a final single tier dividend of 148 sen per ordinary share for the financial year ended 31 March 2021.

The Chairman then proposed the motion for Resolution 1 to declare a final single tier dividend of 148 sen per ordinary share for the financial year ended 31 March 2021 to be voted on.

The Chairman informed that a shareholder present had seconded all the motions to be tabled at the Meeting. He then put the motion for Resolution 1 to be voted by poll and invited the participants to cast their votes.

**AGM56/8 RE-ELECTION OF DIRECTORS PURSUANT TO ARTICLE 100 OF THE COMPANY'S CONSTITUTION**

The Chairman informed the Meeting that the Directors retiring under Article 100 of the Company's Constitution were Mr Cheng Chee Chung and Ms Kwan Wai Yue. Being eligible, they have offered themselves for re-election

The Meeting was informed that Mr Cheng Chee Chung had served as Non-Independent Non-Executive Director of the Company since 2015 and the Board recommended his re-election. The Chairman then proposed the motion for Resolution 2 to re-elect Mr Cheng Chee Chung who was retiring in accordance with Article 100 of the Company's Constitution which had been seconded to be voted on by poll. He then invited the participants to cast their votes.

The Chairman then informed the meeting the Board has also recommended the re-election of Ms Kwan Wai Yue who was appointed to the Board since 2018. He proposed the motion to re-elect Ms Kwan Wai Yue who was retiring in accordance with Article 100 of the Company's Constitution to be voted on. The members were invited to vote on Resolution 3.

**AGM56/9 RE-ELECTION OF DIRECTORS PURSUANT TO ARTICLE 105 OF THE COMPANY'S CONSTITUTION**

The Chairman informed the Meeting that the Directors retiring under Article 105 of the Company's Constitution were Mr Kenji Kamada and Dato' Azman Bin Mahmud as they were appointed to the Board on 1 April 2021 and 15 April 2021, respectively after the 2020 Annual General Meeting and being eligible, they had offered themselves for re-election.

The Chairman proposed the motion to re-elect Mr Kenji Kamada who is retiring in accordance with Article 105 of the Company's Constitution. The motion being duly seconded, the Chairman invited the participants to cast their votes on Resolution 4.

The Chairman then proposed the motion for Resolution 5 to re-elect Dato' Azman Bin Mahmud who is retiring in accordance with Article 105 of the Company's Constitution to be voted on by poll.

The Chairman informed that a shareholder present had seconded the motion and the participants could proceed to cast their votes.

**AGM56/10 DIRECTORS' FEES AND MEETING ATTENDANCE ALLOWANCE FOR THE FINANCIAL YEAR ENDING 31 MARCH 2022**

The Chairman then tabled the motion to approve the payment of Directors' fees not exceeding RM920,000 in respect of the financial year ending 31 March 2022. He clarified that the Directors' fees and meeting attendance allowances were payable only to the Independent Directors and would be paid on a quarterly basis after the Directors have served their term of office.

The Chairman then proposed the motion for the payment of Directors' fees and meeting allowances not exceeding RM920,000 in respect of the financial year ending 31 March 2022 to be approved by the shareholders.

With the motion duly seconded, the Chairman put the motion for Resolution 6 to be voted on by poll.

**AGM56/11 RE-APPOINTMENT OF AUDITORS**

The Chairman then tabled the next motion, which was to consider the re-appointment of the Company's Auditors, KPMG PLT. He said that KPMG PLT have expressed their willingness to continue in office and the Board had recommended their re-appointment.

The Chairman then proposed the motion for voting by poll on the re-appointment of KPMG PLT as Auditors of the Company and to authorise the Directors to fix their remuneration to be voted on.

The motion being duly seconded, the Chairman put the motion for Resolution 7 to be voted by poll. He then invited the participants to cast their votes.

**AGM56/12 SPECIAL BUSINESS  
ORDINARY RESOLUTION  
PROPOSED RENEWAL AND NEW SHAREHOLDERS' MANDATE FOR  
RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE AND/OR  
TRADING NATURE**

The Meeting was informed that the next four resolutions were to consider the proposed renewal and new Shareholders' mandate for the recurrent related party transactions ("RRPT") of a revenue and/or trading nature ("Proposed Shareholders' Mandate") as stated in the Circular to Shareholders dated 30 July 2021. The interested major Shareholders and persons connected with them were reminded to abstain from voting on the relevant resolutions that they are interested in.

**(in) Sales and purchase of products, raw material and component parts, tools, equipment or machinery with Panasonic Corporation Group of Companies**

The Chairman informed the Shareholders that Resolution 8 was to approve the RRPT on the sales and purchase of products, raw material and component parts, tools, equipment or machinery with Panasonic Corporation Group of Companies.

The Chairman then proposed the motion for Resolution 9 to approve the RRPT the sales and purchase of products, raw material and component parts, tools, equipment or machinery with Panasonic Corporation Group of Companies as specified in Section 2 of the Circular to Shareholders dated 30 July 2021 to be voted on.

The Chairman informed that the Secretary has informed that a shareholder present has seconded the motion and the Chairman put the motion to vote by poll. He then invited the participants to cast their votes.

**(ii) Payment of fees to and receipt of fees from Panasonic Corporation Group of Companies**

The Chairman informed the Shareholders that Resolution 9 was to approve the RRPT on payment of fees to and receipt of fees from Panasonic Corporation Group of Companies.

The Chairman then proposed the motion for Resolution 9 to approve the RRPT on the payment of fees to and receipt of fees from Panasonic Corporation Group of Companies as specified in Section 2 of the Circular to Shareholders dated 30 July 2021 to be voted on.

As the motion was duly seconded, the Chairman put the motion to vote by poll.

**(iii) Placement of cash deposits with Panasonic Financial Centre (Malaysia) Sdn Bhd**

The Chairman informed the Shareholders that Resolution 10 was to approve the placement of cash deposits with Panasonic Financial Centre (Malaysia) Sdn Bhd (“PFI”). He added that the placement with related party has enabled the Company to earn higher interest income of approximately RM1.9 million than from the placement with commercial banks.

The Chairman then proposed the motion to approve the RRPT on the placement of cash deposits with PFI as specified in Section 2 of the Circular to Shareholders dated 30 July 2021 informed that the motion had been seconded. He then invited the participants to cast their votes.

**(iii) Other financial transaction services with PFI**

The Chairman informed the Shareholders that the last resolution in the agenda was to approve the other financial transaction services with PFI.

The motion for Resolution 11 to approve the RRPT on the other financial transaction services with PFI as specified in Section 2 of the Circular to Shareholders dated 30 July 2021 was proposed by the Chairman and he then put the motion to vote by poll.

**AGM56/13 QUESTION & ANSWER (Q&A) SESSION**

The Chairman informed that the Board would try and answer all the question and where similar questions were raised by different Members, the Company would combine them. He added that the Q&A would also be published in the Company’s website for the Members’ information.

The questions submitted were duly addressed by Executive Directors and the Company Secretary as listed out in the Appendix C attached to this minutes.

**AGM56/14 REMOTE ELECTRONIC VOTING**

The Chairman informed the Meeting that he has been appointed to act as proxy for a number of shareholders and would vote in accordance with the instructions given. Having dealt with all the resolutions of the Meeting, the Chairman informed that the polling session would be open for another 5 minutes and request the shareholders to cast their votes. He declared the polling closed at 3.16 p.m. and with the consent of shareholders the meeting was adjourned at 3.17 p.m. for the counting and verification of votes.

**AGM56/15 POLL RESULTS**

The meeting resumed at 3.26 p.m.

The Chairman informed the participants that he has been advised by the Independent Scrutineers that the results of the poll for the 11 ordinary resolutions were as follows:

Resolution No.	FOR		AGAINST	
	No. of Shares	%	No. of Shares	%
1	42,027,481	99.9954	1,937	0.0046
2	42,013,657	99.9630	15,553	0.0370
3	42,022,055	99.9830	7,153	0.0170
4	42,022,107	99.9831	7,103	0.0169
5	41,992,752	99.9130	36,558	0.0870
6	42,008,062	99.9494	21,248	0.0506
7	42,005,516	99.9436	23,695	0.0564
8	13,199,618	99.9559	5,818	0.0441
9	13,194,998	99.9209	10,443	0.0791

Resolution No.	FOR		AGAINST	
	No. of Shares	%	No. of Shares	%
10	13,193,028	99.9068	12,311	0.9320
11	13,192,750	99.9047	12,590	0.0953

The Chairman then declared that all the resolutions tabled were carried and RESOLVED:

Resolution 1	<i>“THAT the declaration of a final single tier dividend of 148 sen per ordinary share for the financial year ended 31 March 2021, payable to Shareholders on 23 September 2021 be hereby approved.”</i>
Resolution 2	<i>“THAT the retiring Director, Mr Cheng Chee Chung be re-elected to the Board.”</i>
Resolution 3	<i>“THAT the retiring Director, Ms Kwan Wai Yue be re-elected to the Board.”</i>
Resolution 4	<i>“THAT the retiring Director, Mr Kenji Kamada be re-elected to the Board.”</i>
Resolution 5	<i>“THAT the retiring Director, YBhg Dato’ Azman Bin Mahmud be re-elected to the Board.”</i>
Resolution 6	<i>“THAT the payment of Directors’ Fees and meeting attendance allowance not exceeding RM920,000 in respect of the financial year ending 31 March 2022 be and is hereby approved.”</i>
Resolution 7	<i>“That KPMG PLT be and are hereby appointed as auditors of the Company for the ensuing year at a remuneration to be determined by the Board of Directors.”</i>
Resolution 8-11	<p><i>“THAT subject always to the Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given to the Company to renew the existing and new Shareholders’ mandate for recurrent related party transactions of a revenue or trading nature (“Proposed Shareholders’ Mandate”) for the Company to enter into the following recurrent related party transactions:</i></p> <p>(i) <i>Sales and purchase of products, raw material and component parts, tool, equipment or machinery with Panasonic Corporation Group of Companies as specified in Section 2 of the Circular to Shareholders dated 30 July 2021.</i></p> <p>(ii) <i>Payment of fees to and receipt of fees from Panasonic Corporation Group of Companies as specified in Section 2 of the Circular to Shareholders dated 30 July 2021.</i></p>

	<p>(iii) <i>Placement of cash deposits with Panasonic Financial Centre (Malaysia) Sdn Bhd as specified in Section 2 of the Circular to Shareholders dated 30 July 2021..</i></p> <p>(iii) <i>Other financial transaction services with Panasonic Financial Centre (Malaysia) Sdn Bhd as specified in Section 2 of the Circular to Shareholders dated 30 July 2021.</i></p> <p><i>THAT the Proposed Shareholders' Mandate is subject to the following:</i></p> <p>(a) <i>the transactions are in the ordinary course of business and are on terms not more favourable to the related parties than those generally available to the public;</i></p> <p>(b) <i>disclosure is made in the Annual Report of the aggregate value of transactions conducted pursuant to the Proposed Shareholders' Mandate during the financial year where the aggregate value is equal to or exceeds the applicable prescribed threshold under the Listing Requirements and/or the relevant Practice Notes; and</i></p> <p>(c) <i>annual renewal and such approval shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next Annual General Meeting of the Company or the expiration of the period within which the next Annual General Meeting is to be held pursuant to Section 340 of the Companies Act 2016 (but shall not extend to such extension as may be allowed pursuant to Section 340 of the Companies Act 2016), whichever is earlier.</i></p> <p><i>AND THAT the Directors be and are hereby authorised to complete and execute all such acts and things (including such documents as may be required) to give effect to the transactions contemplated and/or authorised by these Ordinary Resolutions."</i></p>
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## **AGM56/16 CONCLUSION**

The Chairman thanked all shareholders for their participation and cooperation. He said that it had been great honour and privilege for him to serve as Chairman of the Company and the conclusion of this meeting marks his retirement from office. The Chairman expressed his thanks to all shareholders, the Board of Directors, Management and staff of the company for the support, trust and confidence which were given to him during his tenure as Chairman for the past 20 years.



**PANASONIC MANUFACTURING MALAYSIA BERHAD**

REGISTRATION NO. : 196501000304 (6100-K)

The Chairman informed the Meeting that Dato' Azman Bin Mahmud has been identified as his successor and he was convinced that Dato' Azman would be an excellent Chairman with his expertise and high integrity. He wished all shareholders, employees, business partners, Board members and the entire management team all the best for a successful future.

There being no other matters to be transacted, the Meeting concluded at 3.28 p.m. with a vote of thanks to the Chair.

SIGNED AS A CORRECT RECORD

CHAIRMAN

Shah Alam

Date:

**Panasonic**

Panasonic Manufacturing Malaysia Berhad  
(Registration No.: 196501000304 (6100-K))

**56<sup>th</sup>**

**ANNUAL GENERAL MEETING**

*via Virtual Telecast*

Date : 30 August 2021

Time : 2:00pm



**BUILDING  
RESILIENCE  
FOR A BETTER  
TOMORROW**



**1**

**FINANCIAL RESULTS**

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**OPERATION REVIEW &  
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**3**

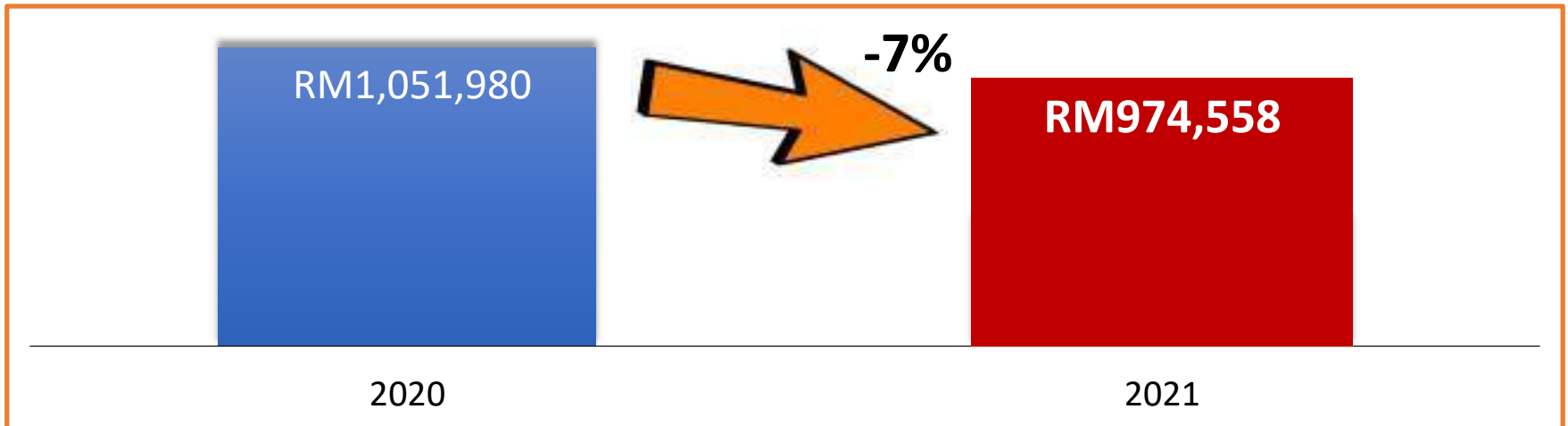
**MANAGING COVID-19**

## GLOBAL OVERVIEW

The COVID-19 pandemic has severely affected the global economy and financial markets leading to recessions, and impacted the livelihoods of many.



# REVENUE BY SEGMENT AND GEOGRAPHICAL DISTRIBUTION



Home Appliances RM <b>480,067</b>	Growth <b>-6%</b>	Fan RM <b>494,329</b>	Growth <b>-9%</b>	Others (MID) RM <b>162</b>	Growth <b>-</b>
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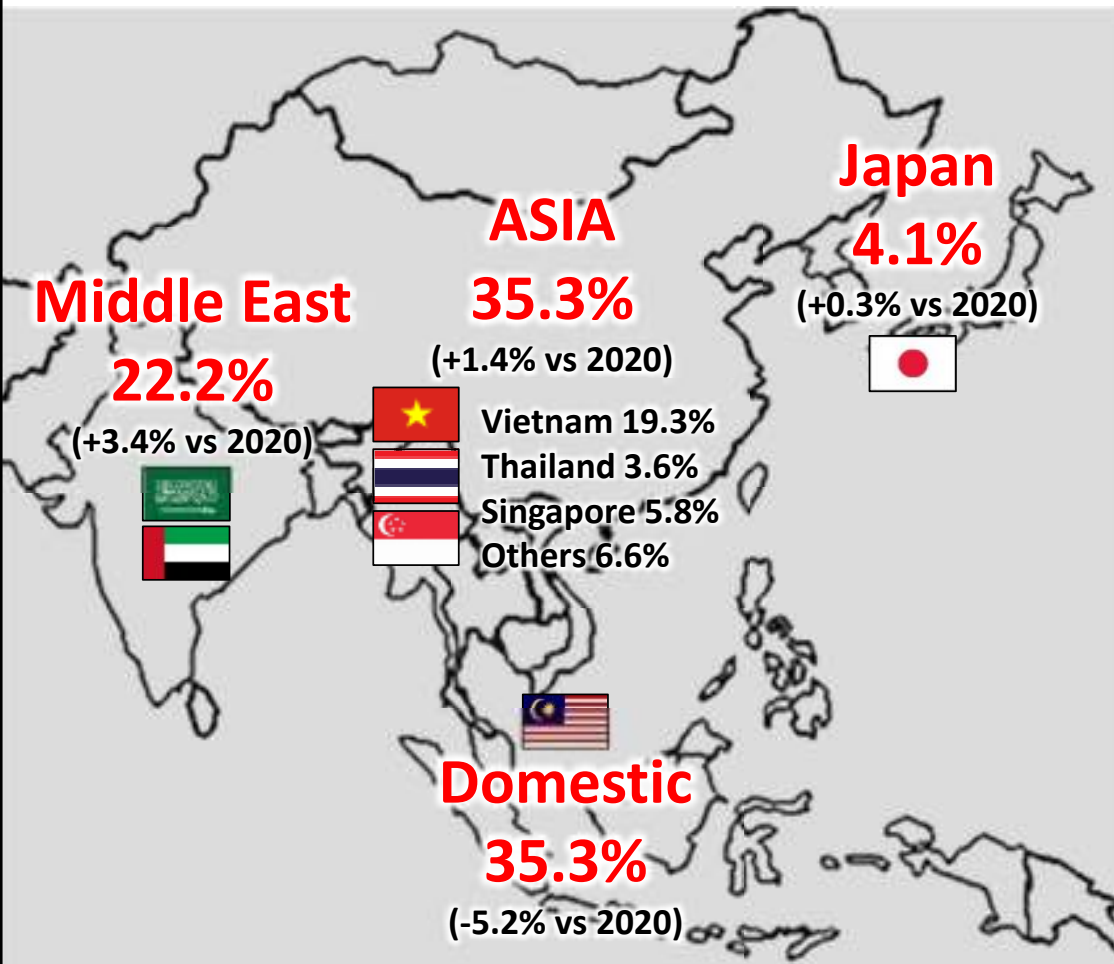


Domestic RM <b>344,012</b>	Growth <b>-19%</b>	Export RM <b>630,546</b>	Growth <b>+1%</b>
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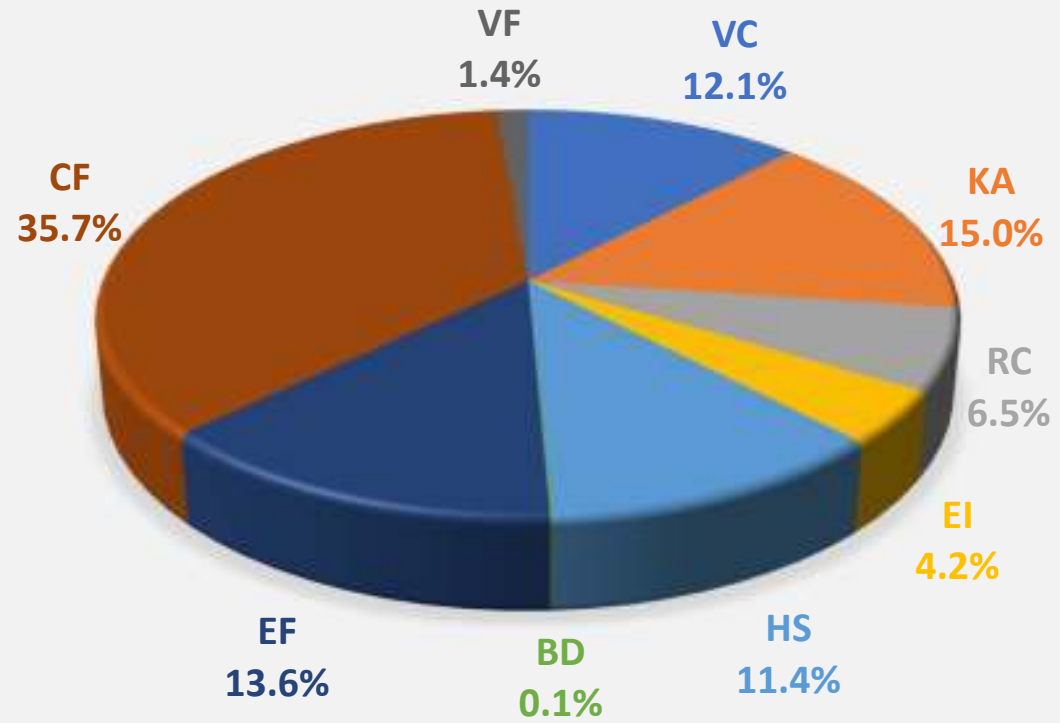


# REVENUE DISTRIBUTION BY PRODUCT TYPE AND REGION

Region



Product Type



KEYS

VC	Vacuum Cleaner	RC	Rice Cooker	HS	Home Shower	CF	Ceiling Fan
KA	Kitchen Appliances	EI	Electric Iron	EF	Electric Fan	VF	Ventilating Fan

## STATEMENT OF PROFIT AND LOSS (COMBINED)

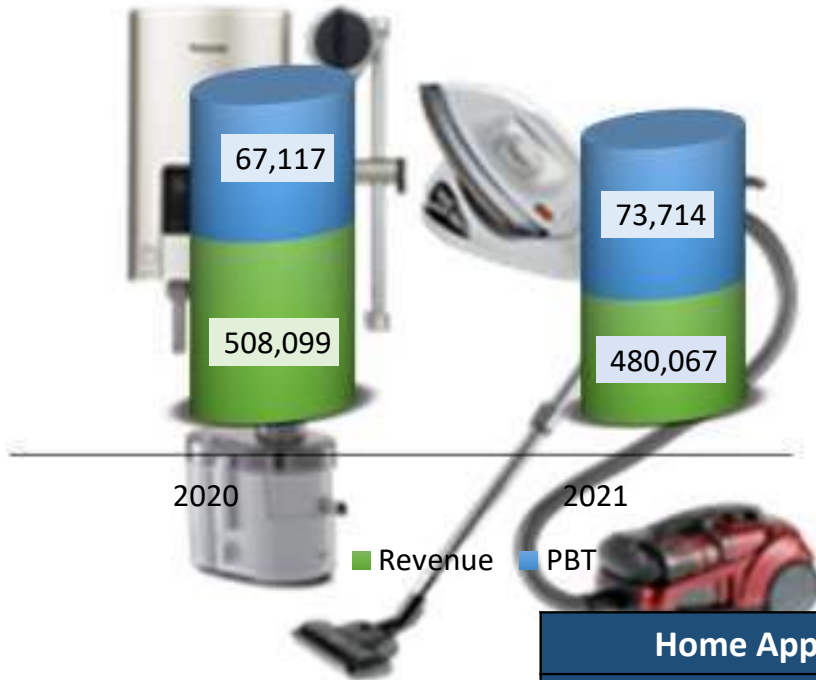
	2021 (RM'000)	2020 (RM'000)	Diff Amount fav/(unfav)	%
Revenue	<b>974,558</b>	1,051,980	(77,422)	(7.4%)
Operating expenses	<b>(876,379)</b>	(942,837)	+66,458	(7.0%)
Other operating income	<b>6,203</b>	14,116	(7,913)	(56.0%)
Fair value gain/(losses) on derivative financial instruments	<b>207</b>	(1,849)	+2,056	+110.5%
Results from operating activities	<b>104,589</b>	121,410	(16,821)	(13.8%)
Finance cost	<b>(9)</b>	(9)	-	-
Finance income	<b>10,287</b>	20,119	(9,832)	(49.3%)
Share of results of associated company (net of tax)	<b>20,284</b>	(293)	+20,577	6866.7%
Profit before taxation	<b>135,151</b>	141,227	(6,076)	(4.3%)

### Remarks

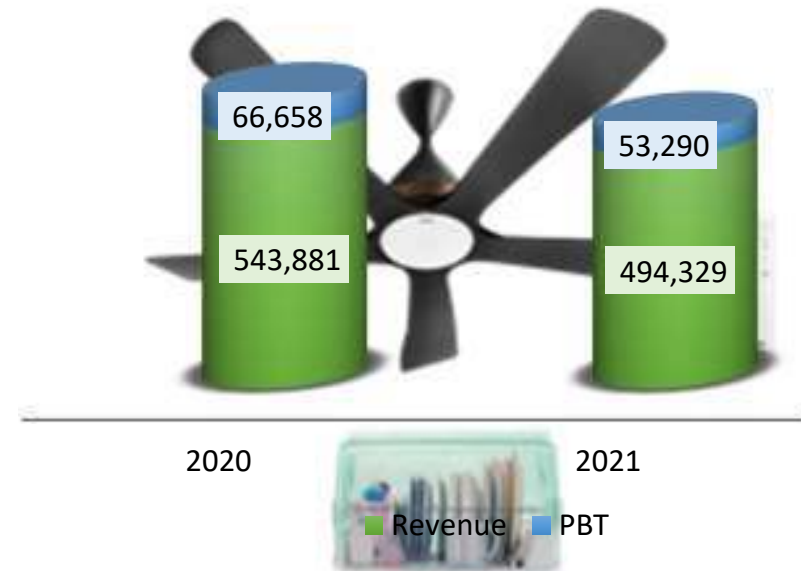
1. Lower Operating Income which consist of foreign exchange loss of RM4.3M compared to a foreign exchange gain of RM7.7M in previous FY
2. Lower Finance income due to lower deposits placed and interest rates fell
3. Better Profit Contribution from associated company due to lower sales promotional and other operating expenses resulted from travel restrictions and prolonged MCO.

# REVENUE AND PROFIT BY SEGMENT

## HOME APPLIANCES PRODUCTS



## FAN PRODUCTS



	Home Appliances Products		Fan Products	
	2021	2020	2021	2020
Revenue	<b>480,067</b>	508,099	<b>494,329</b>	543,881
Profit before tax	<b>73,714</b>	67,117	<b>53,290</b>	66,658
Profit/Sales (%)	<b>15%</b>	13%	<b>11%</b>	12%



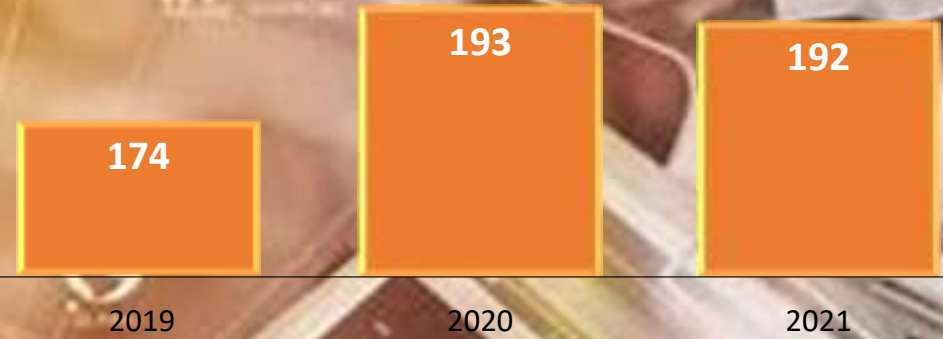
# KEY FINANCIAL DATA

## Financial Position

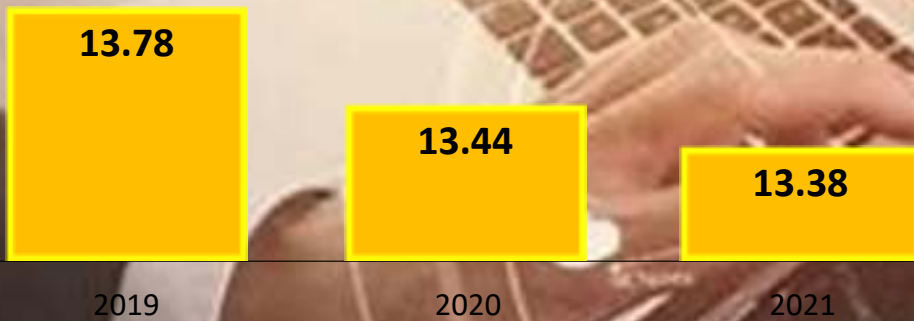
Shareholder's Equity (RM'000)



Earnings Per Share (SEN)



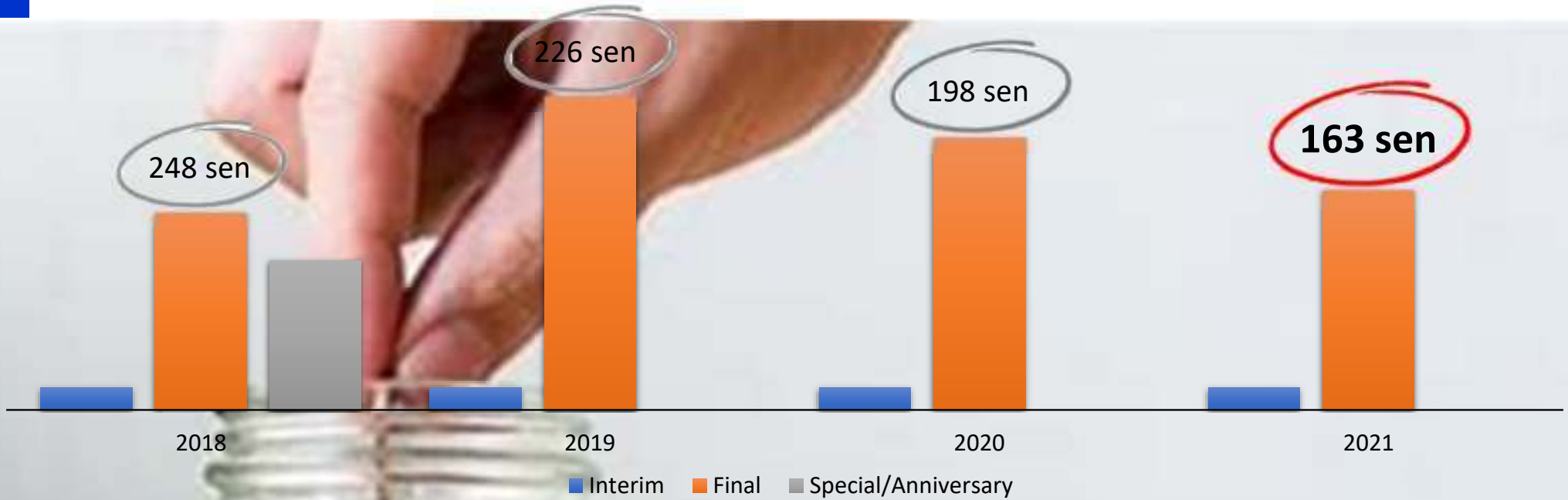
Net Assets Per Share (RM)



Free Cash Flow (RM'000)



## DIVIDENDS



	2018	2019	2020	2021
Special / Anniversary	100	-	-	-
Final	133	211	183	148
Interim	15	15	15	15
<b>Total Dividends</b>	<b>248</b>	<b>226</b>	<b>198</b>	<b>163</b>
Total payout ratio (*)	100%	100%	100%	100%
Payout ratio without Special / Anniversary	60%	100%	100%	100%



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**MANAGING COVID-19**

# PRODUCTS LAUNCHED DURING THE YEAR

## FAN PRODUCTS

### WIFI CEILING FAN



F-M15GC

F-M15EC

F-M12GC

F-M12EC

#### Unique Selling Point:

1. **Safety Features** → Safety Wire, Safety Switch, Safety plate and enhance with IMDS (Intelligent Motor Drive System)
2. **Energy Saving** → MEPS Rating 5 Star
3. **Basic human centric features** → Timer, Sleep Mode
4. **Wifi Features** → Scheduling Function, Grouping Function, Lighting Scene Setting

**Target Market:** Malaysia

**Strategy:** Mobile Application Control, leading innovation in comfort

Dec'20

# PRODUCTS LAUNCHED DURING THE YEAR

## APPLIANCE PRODUCTS

### MULTI POINT WATER HEATER



DH-6SM1

Jun'20

Target : Thailand, Philippines

#### Compact Design

- Smallest compact design that can be placed under sink

#### Hot water at low water flow

- Easy temperature adjustment even at low water flow rate

#### Operable at High pressure

- Maximum usable pressure up to 1.0 MPa

### STORAGE WATER HEATER



DH-15HCM  
DH-30HCM  
DH-30HCD

Oct'20

Target : Indonesia

#### Compact Size

- Compact suitable for local bathroom environment

#### Japan Stainless Steel and maintenance free

- Periodic replacement of the "anode-bar" is unnecessary

#### Low Power Consumption

- Specially developed 350W and 500W fit for Indonesia houses where electricity output is very low

#### Safety features

- Built-in ELB Electric shock prevention structure
- Waterproof design IPX4
- Incombustibility

# OPERATION REVIEW

## NEW BUILDING WITH GREEN TECHNOLOGY

- The new 3-Storey Factory Building was completed in April 2021.
- Build with energy saving facilities which contributes 389,000 kWh/year or 43% energy saving.
- It will be utilized to increase the in-house production.
- Equipped with new robotics auto spray.



## SOLAR PANELS

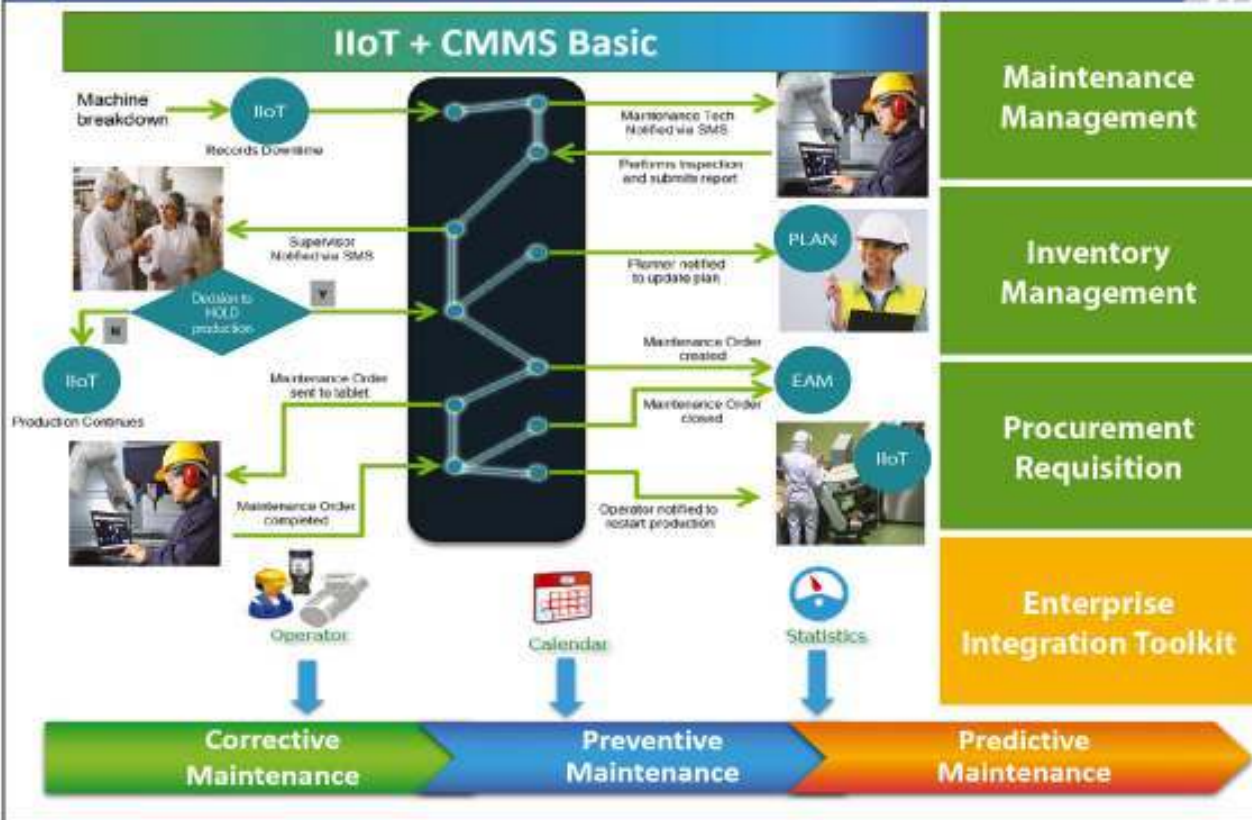
- Installation was completed in July 2020.
- Able to generate approximately 1,807.5 MWh solar energy which contributed to 12.4% of energy saving.
- Reducing the emission of CO2 by approximately 1,247.2 ton.



# OPERATION REVIEW

## EMBRACING INDUSTRY 4.0

### ENTERPRISE ASSET MANAGEMENT / CMMS



## OUTLOOK AND PROSPECTS FOR 2021

### CHALLENGES FACED

- Malaysia's economy contracted by 0.5% in the first quarter of 2021.
- Encountered FMCO (June 2021); EMCO (July 2021) => operations restricted, supply chain disrupted.
- Rising cost of raw materials – resin, steel, aluminium, copper.

### MITIGATION AND COMMITMENT

#### Short Term Target

- To achieve full operational level in near term
- Accelerate Cost Reduction Measures

#### Long Term Target

- Focusing on digital transformation under industry 4.0.
- To further strengthen its business strategy and remain vigilant in monitoring the economic recovery.





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INDUSTRIAL OUTLOOK**

**3**

**MANAGING COVID-19**

# MANAGING COVID-19



OPPO F11

## APPRECIATION MESSAGE



**Panasonic**

*On behalf of the Management and Board of Directors, we wish to place on record our special thanks and appreciation to the outgoing Chairman YBhg. Tan Sri Asmat Bin Kamaludin, who is retiring after a period of twenty years on the Board.*

## DISCLAIMER

*The information contained in the presentation intended solely for informational purposes. All information in the presentation may contain forward-looking statements that involve risks and uncertainties. Actual performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. We cautioned readers of this presentation not to place any undue reliance on these forward looking statements.*

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Thank you!

**RESPONSES TO QUESTIONS FROM MINORITY SHAREHOLDERS WATCH GROUP**

<b>No.</b>	<b>Questions</b>	<b>Response</b>
1.	<p>For FYE March 31, 2021, the Company’s revenue from domestic sales declined by 19% from RM426.6 million in FYE2020 to RM344 million. The decline was mainly due to Covid-19 pandemic (page 9 of Annual Report 2021).</p> <p>a) What are the Company’s strategies in arresting the decline in domestic revenue for FYE2022?</p> <p>b) Is the Company looking out for new export markets to increase sales and if yes, what are these markets?</p>	<p>a) The Company faced unprecedented challenges with the COVID-19 pandemic impacting almost all countries worldwide and overwhelming their respective economies.</p> <p>The Company responded quickly with extra focus on initiatives to ensure the safety and health of its employees and thus preserve operational continuity.</p> <p>Domestic sales contracted by 19% as compared to the previous year due to the implementation of various movement restrictions by the Malaysian government throughout the financial year; which in turn affected the sales of installation products such as Ceiling Fans and Home Showers.</p> <p>The company’s strategies in arresting the decline in domestic revenue is:-</p> <ol style="list-style-type: none"> <li>1. To maximize in the export sales to the oversea market</li> <li>2. To minimize the operation cost by promoting “job diet”</li> <li>3. To promote automation in manufacturing processes with amidst the rising costs of labour.</li> </ol> <p>b) Yes, the company is continuously looking for new export market, for instance, Storage water heater first enter to Indonesia, Electric Fan started penetrating into Thailand market. Moving forward, market expansion of High end Ceiling Fan targeted in Philippine and Vietnam with direct trade business.</p> <p>Beside new export market, the company also looking for new product line up to generate more sales.</p>

No.	Questions	Response
2.	<p>The Company launched The Wifan series in the Malaysia market in December 2020 last year and offered 4 variant models with the state-of-art new blade design for users' comfort (page 11 of Annual Report 2021).</p> <p>How have the sales for the Wifan fan series been since its launch?</p>	<p>Based on a recent dealers and users market survey, these models are well acceptable especially by the millennials who are savvy in embracing digital lifestyle.</p> <p>The new Wifan sales has generated approximately RM3.9 million.</p>
3.	<p>The Company has introduced a new Water Heater which was launched in 2020 named Multi Point Water Heater with the intention to penetrate the Thailand and Philippines markets. Apart from that, the Company also took the initiative to expand the Storage Water Heater new models to the Indonesia market? (page 14 of Annual Report 2021).</p> <p>What has been the sales of this water heater since its launch?</p>	<p>Despite the global pandemic circumstance causing the economy challenges and uncertain market situations, the Company continues to develop and deliver best quality products that meet the needs of our customers. In the financial year 2020, the Company had launched a Storage heater, Multipoint heater.</p> <p>Sales generated from new water heater approximately RM8 million.</p>
4.	<p>The Company's new factory building at its SA2 Plant has been completed in April 2021 (page 13 of Annual Report 2021).</p> <p>a) When is the factory expected to be operational?</p> <p>b) What is the production capacity of this factory?</p>	<p>The construction of the new factory building at SA2 Plant was completed in April 2021 and expected will only be operational from August 2021 due to delays encountered in obtaining clearance from the relevant government authorities, with the current movement restrictions in place.</p> <p>The new factory will be mainly used to increase the in-house production of injected parts which are currently mainly outsourced. The ratio of injected parts in-house is now 9%; with then new injection machines we target to increase to 39%. With this, we can reduce material costs by RM9.0 million per year.</p>
5.	<p>Other Operating Expenses increase significantly in FYE2021 from RM3.6 million previously to RM9.5 million? (page 81 of Annual Report 2021).</p>	<p>The higher other Operating Expenses was mainly due to foreign exchange loss (RM2.3 million) compared to the foreign exchange gain in previous year as a result of a strengthening in Ringgit Malaysia against</p>

<b>No.</b>	<b>Questions</b>	<b>Response</b>
	What were the reasons for the significant increase?	US Dollars, higher of Mutual Separation Scheme and Employee Welfare Scheme exercise during the year to streamline operational costs (RM2.9 million) and others (RM0.7 million).
6.	<p>Practice 4.1 of the Malaysian Code of Corporate Governance stipulates that at least half of the board comprises Independent Directors. As of March 31, only 44% of the Board was made up of Independent Directors.</p> <p>Does the Company intend to apply Practice 4.1, and if yes, by when?</p>	<p>The Board had earlier improved the ratio of independent directors to Non-Independent Directors from 4:7 to 4:5 and views that it sufficiently allows independent directors to have effective oversight of management. Currently, five (5) of the Directors on the Company's Board are representatives of Panasonic Corporation, to enable the latter to implement its policy and strategy for the Panasonic Corporation Group ("PC Group") as a whole. The Company would not be applying Practice 4.1 at this moment but will review it annually to ensure that the current Board composition of 44% independent directors satisfies the intended outcome of objective board decision.</p>

**RESPONSES TO PRE-SUBMITTED QUESTIONS FROM SHAREHOLDERS**

<b>No.</b>	<b>Questions</b>	<b>Response</b>
1.	Is there any plan to split the share to allow more investor to join the game? As for now 60 million of share is very conservative and low liquidity.	At this point of time, there is no plan for share split. However, investors who are interested to buy our shares can purchase it on smaller lots such as 100 units which is available on the Stock Exchange.
2.	With reference to the 2020 AGM question raised by MSWG. In Q2a, the Company expects to spend RM28.8 million in automation from 2018-2023 that will reduce 294 headcounts and results in RM9.6 million cost reduction. What is the assumed duration for the RM9.6 million of cost reduction - annually or over how many years?	The assumed duration for the RM 9.6 million cost reduction is over a period of 5 years which means on an annual basis there would be a reduction of RM1.8 million to RM2.0 million with an annual investment of RM6.0 million and manpower head count reduction of 55 per year.
3.	How is the Company affected by the freight availability problem? How much has freight cost increased as compared to pre-pandemic period? What is the latest situation?	<p>During the financial year, the Company faced global supply disruptions due to material shortages (especially electronic components), vessel congestions at preceding ports and so on which resulted in higher freight costs. Freight costs for FY2021 increased by approximately 146% (FY2021: RM1.85 million; FY2020: RM0.75 million).</p> <p>For FY2022, the situation still persists in the first quarter but was expected to stabilise during the second quarter.</p>
4.	Hope the board will give us faithful and sincere shareholders Panasonic vouchers for our continuous support in these unprecedented times. I have not used the e-vouchers for the last 2 AGMs because for RM50. I couldn't find anything to buy. could the Board consider increasing the value of the e-voucher or physical vouchers where we can survey the goods like before and buy?	We will take your suggestion into consideration. However, due to the challenges faces this year, we will not be able to offer more.
5.	I suggest the Board to continue offering the option of virtual AGM even after the pandemic. It's convenient and time saving for shareholders like me. Not to	We appreciate the suggestion and will take it into consideration when preparing next year's AGM.



<b>No.</b>	<b>Questions</b>	<b>Response</b>
	mention online meetings have become the new normal today.	
6.	The Company's Malaysian revenue has declined about 20% in 2021 (Note 20). However, some Malaysian home appliance companies focusing on lower end markets have delivered good sales growth during the pandemic. Their online sales are doing well. Why the discrepancy in performance? Has Malaysian market shifted to the lower end? What measures are needed to reverse the trend?	<p>The decline in revenue was due to lack of supply as factories in Malaysia stopped operations due to lockdown (65% of Panasonic Malaysia comes from domestic factories ie PMMA, PAPAMY etc).</p> <p>Those home appliances companies focusing on low end markets did well mainly because their supply was not interrupted as they mainly sourced from China, which is the first country to recover from the pandemic.</p> <p>Lockdown affected the income of many people, so to a certain extent demand has shifted to lower end but overall the demand for mid high end is still intact as stay at home demand has increased.</p> <p>Measures taken include intensifying promotion of our products via e-commerce as well as embarking on insight marketing to enhance shifting of entry level demand to premium categories.</p>

**RESPONSES TO LIVE QUESTIONS FROM SHAREHOLDERS**

<b>No.</b>	<b>Questions</b>	<b>Response</b>
1.	<p>Poor quality control and Customer Service.</p> <p>Brought an inverter washing machine a few years back. Have difficulties closing the door. Customer service informed me that I need to give it a push to close it. So I need to make an effort to close it every time I use the machine. Now the machine cannot work because the door was unable to close properly. A technician came and changed the door from an old machine. This door can close easily and the machine is working fine.</p> <p>Panasonic has to compensate me for the inconveniences caused and the cost of my repairs due to their negligence.</p>	<p>Apologies for the inconvenience caused. The Management will take note on your report. Our Customer Service will contact you for further clarification and further action</p>
2.	<p>What is the Company's future outlook?</p>	<p>With increasing pressure from cost competitive manufacturers and an unpredictable economy due to the Covid-19 outbreak, we are aware that it is becoming increasingly difficult to sustain growth and profitability with just our current business and operations.</p> <p>To enhance the cost competitiveness, the Company has embarked in a digital transformation. The newly formed Manufacturing Capability Department would identify and accelerate digital transformation opportunities with Internet of Things technology and Robotic Process Automation to promote seamless and efficient operations.</p> <p>To promote Factory Innovation the Company has increase production capacity and efficiency with robotic automation in production process. And on Quality Innovation, the Company has</p>

No.	Questions	Response
		<p>Improve quality of products to deliver the best to our customers</p> <p>On enhancing sales growth, the Company has in place a Sales Route Expansion to optimize both Appliances and Life Solution product sales routes and exploring into new channels for further penetration in current markets. The Company is also looking at new product and new business where it aims to develop local fit products.</p>
3.	How is the impact of MCO to the Company?	<p>PMMA is operating at a 60% capacity but the main challenges come from parts supply chain as there were no approval to run production, material shortage and sudden operation stopped due to Covid-19.</p> <p>Management expects operations to resume back to normal by September 2021.</p>
4.	How much is the cost saving for this virtual AGM as compared to the physical one?	The total cost is approximately RM85,000. This cost is approximately a third of the cost of AGM held in 2019 which costs approximately RM300,000.
5.	How does the Company intend to grow further (product, country, etc.)?	<p>The Company's strategy to expand sales is still the same as before.</p> <p>Our strategy for the 3 strategic regions (Malaysia, Asia, Middle East) and 3 main products (Ceiling Fan, Home Shower, Vacuum Cleaner) is that the Company will develop new "local fit" products to create customer value. The Company is currently experiencing growth in Asian-Vietnam market. Sales to the Middle East region is expected to be encouraging.</p>
6.	Please issue bonus shares so that it becomes more affordable to shareholders to purchase more shares.	The Board has not plan for a bonus issue at this moment.
7.	What is the status of the expansion of SA2 plant? How much have you invested and how much is the increase in production capacity? How long do	The construction of the new factory building at SA2 Plant was completed in April 2021 and to be operational from August 2021 due to delays encountered

No.	Questions	Response
	you think it will take to fill up the additional capacity?	<p>in obtaining clearance from the relevant government authorities, with the current movement restrictions in place.</p> <p>The new factory will be mainly used to increase the in-house production of injected parts which are currently mainly outsourced. The ratio of injected parts in-house is now 9%, and is target to increase to 39%. With this, the Company can reduce material costs by RM9.0 million per year.</p>
8.	Please explain what is " job diet"?	Job Diet is promoted to streamline the operational cost and to promote job efficiency in the organisation.
9.	Kindly send me a copy of the annual report. I am also much appreciated if the Company will rewards today's participants with e vouchers.	<p>Please share your address, the Management will arrange accordingly.</p> <p>The Board took note of the requests made during the AGM. Due to the challenges faces this year, we will not be able to offer any vouchers.</p>
10.	Referring to KDK ceiling fan. How long has Panasonic being an OEM to KDK.	The Company has been an OEM for KDK for many years.
11.	How was the sales from e-commerce segment in FY2021, if any? Which e-commerce platform can we purchase Panasonic products? Any plans to boost sales via e-commerce channels?	<p>The E-commerce (EC) sales from Panasonic Malaysia Sdn Bhd in FY2020 was realized through our own platform including Club Panasonic, Lazada &amp; Shopee.</p> <p>The E-commerce sales for FY2020 was approximately RM6.2 million and demand has been increasing. The Company is expecting the sales to double up this financial year.</p>
12.	What is the budgeted capex for FY2022 and FY2023? How much is the annual maintenance capex? Any growth capex in the next 3 years?	<p>The estimated capex for FY2022 would be around RM60 million, including the SA2 new building (completed in August 2021), coupled with investment in plastic injection machineries upon the completion of the SA2 new building.</p> <p>Moving forward, we would continuously invest in the development of new models development, expansion of production</p>

No.	Questions	Response
		<p>capacity and improvement of production facilities. We would also invest also in facilities to enhance manufacturing process and research and development activities.</p> <p>The Company continues to make inroads in its 5-year robotics and automation plan. The targeted investment from FY2022 to FY2026 will be approximately RM42 million.</p>
13.	About two weeks I bought 1 unit Panasonic Automatic Rice Cooker/Steamer Model SR- Y22FGJ. But it is too big for a family of three.	Please provide us your details and our Customer Service will contact you directly.
14.	From the quarterly report, the Company have around RM517 million of cash and cash equivalent available. Does the Company have plans to distribute more special dividends or expansion plans that can make good use of the money?	<p>The Board does not have such plan at this moment to distribute any special dividend. During this global pandemic, cash is very important to ensure the sustainability of an organisation. Therefore, the Board opines that during these critical times, there would be a need to maintain cash for working capital and to weather through any unforeseen circumstances.</p> <p>The Company is also careful in deciding capital expansion. Preference is given to investments on automation with low return of investment period. The Company will invest also in facilities to enhance manufacturing process and research and development activities.</p>
15.	Will Panasonic Malaysia manufacture batteries for EV in the future?	Panasonic Malaysia is a sales company selling Panasonic products for domestic market and not a manufacturing company.
16.	Are there any plans in the future to add any electric battery manufacturing capabilities used in the Electric Vehicle (EV) space in Malaysia seeing as Malaysia is well positioned in the EV supply chain.	The allocation of products is decided by the Panasonic Headquarters based on various factors such as suitability of manufacturing location, infrastructure, closeness to market, cost viability and etc.

<b>No.</b>	<b>Questions</b>	<b>Response</b>
17.	You can quantify the backlog amount. So what is the amount?	The Management has not quantified its backlog amount at this moment.
18.	Do the Company regularly recruiting local employee for production and can you share if Company will reduce the foreign labour reliance in the post-pandemic world?	As of now, the Company have in total 583 foreign workers but to ensure that the Company have adequate manpower, a combination of workforce comprises of permanent, temporary, foreign and outsource workers has been practiced as Government has freeze the recruitment of foreign workers. The Company will increase its efforts to recruit more temporary workers and revived the rate for the outsource workers to be more competitive.
19.	Would the Board consider to use some of the cash and cash equivalent in investing to other Panasonic company group of subsidiary to increase the return to PMMA?	The Board has no plan at this moment. The Company will maintain the cash for working capital and to weather through any unforeseen circumstances during the pandemic. Cash are retained for future capital expansion and automation plan for manufacturing improvement.
20.	Suggestion to Board or Management: Please implement AGM meeting rating for shareholder to rate meeting quality. Today meeting quality is bad. Intermittent voice, cannot follow.	The Management took note and would improve in future.
21.	What is the status of foreign workers vaccination at your plants? Can you operate at full capacity?	<p>The Company encourages all employees to register for the PICK (Program Imunisasi Covid-19 Kebangsaan) Programme through MySejahtera. In addition, the Company has also registered for several vaccination programme, i.e, through My Selangkah, PIKAS and private program by Kualitas. The Company managed to get approval for the PIKAS vaccination program and started the programme in 3 batches in 3, 4 and 5 July 2021 for the 1st dose and the 2nd dose was done on 24, 25 and 26 July 2021.</p> <p>As of 23 August 2021, a total of 1,783 employees has completed 2 doses of vaccination while another 92 employees have completed their 1st dose. The Company is monitoring the vaccination</p>

**PANASONIC MANUFACTURING MALAYSIA BERHAD**

REGISTRATION NO. : 196501000304 (6100-K)

<b>No.</b>	<b>Questions</b>	<b>Response</b>
		<p>status progressively for the remaining employees to ensure 100% of employees are vaccinated.</p> <p>With this achievement of 90.55% of employees who have completed their 2nd dose, the Company believes that it will be able to go back to full operations to meet the sales orders.</p>