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PANASONIC MANUFACTURING MALAYSIA BERHAD

REGISTRATION NO. : 196501000304 (6100-K)

MINUTES OF THE FIFTY-SIXTH ANNUAL GENERAL MEETING (57th 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, 29 AUGUST 2022 AT 2.30PM.

Present:

Directors

YBhg Dato' Azman Bin Mahmud (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
Ms Siew Pui Ling
Ms Kwan Wai Yue
Mr Michikazu Matsushita
Mr Keisuke Nishida

Shareholders

As per participant list

In Attendance:

Ms Leong Oi Wah (Company Secretary)

By Invitation:

Mr Mok Wan Kong – KPMG PLT

AGM57/1 PRELIMINARY

YBhg Dato' Azman Bin Mahmud, the Chairman of the Company, welcomed everyone present at the Meeting.

AGM57/2 QUORUM

The requisite quorum being present pursuant to Article 65 of the Company's Constitution, the Chairman declared the Meeting duly convened at 2.30 p.m.

AGM57/3 NOTICE

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

AGM57/4 POLL ADMINISTRATOR AND SCRUTINEER

The Chairman informed the shareholders participating online that Boardroom Share Registrars Sdn Bhd was appointed as the Poll Administrator and Sky 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 12 was open and would be accessible until announced otherwise.

AGM57/5 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 2022. 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 (Annexure 1 as attached).

The Chairman then invited Ms Siew Pui Ling and Ms Kwan Wai Yue to present the Company's replies to the questions raised by the Minority Shareholder Watch Group which are listed out in the Annexure 2 attached to this minutes.

AGM57/6 RECEIPT OF STATUTORY FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022 TOGETHER WITH THE DIRECTORS' AND AUDITORS' REPORTS THEREON

The Statutory Financial Statements for the financial year ended 31 March 2022 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 2022 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").

AGM57/7 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 68 sen per ordinary share for the financial year ended 31 March 2022.

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 2022 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.

AGM57/8 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 Tan Sri Hasmah Binti Abdullah and Ms Siew Pui Ling and being eligible, they have offered themselves for re-election.

The Meeting was informed that Tan Sri Hasmah Binti Abdullah had served as Independent Non-Executive Director of the Company since 2013 and the Board recommended her re-election. The Chairman then proposed the motion for Resolution 2 to re-elect Tan Sri Hasmah Binti Abdullah 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 Siew Pui Ling who was appointed to the Board since 2014. He proposed the motion to re-elect Ms Siew Pui Ling 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.

AGM57/9 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 Michikazu Matsushita and Mr Keisuke Nishida as they were appointed to the Board on 1 October 2021 and 1 April 2022, respectively after the 2021 Annual General Meeting and being eligible, they had offered themselves for re-election.

The Chairman proposed the motion to re-elect Mr Michikazu Matsushita who was 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 Mr Keisuke Nishida who was 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.

AGM57/10 DIRECTORS' FEES AND MEETING ATTENDANCE ALLOWANCE FOR THE FINANCIAL YEAR ENDING 31 MARCH 2023

The Chairman then tabled the motion to approve the payment of Directors' fees not exceeding RM800,000 in respect of the financial year ending 31 March 2023. 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 RM800,000 in respect of the financial year ending 31 March 2023 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.

AGM57/11 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 authorised 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.

AGM57/12 SPECIAL BUSINESS

CONTINUATION IN OFFICE AS INDEPENDENT NON-EXECUTIVE DIRECTOR – TAN SRI HASMAH BINTI ABDULLAH

The Chairman informed the Meeting that Tan Sri Hasmah binti Abdullah has served as an Independent Non-Executive Director of the Company since 2 October 2013. The Board takes cognizance that the Best Practice of the Malaysian Code on Corporate Governance is to limit the tenure of Independent Directors to no more than 9 years. As set out in the Company's Corporate Governance Statement, the Board has agreed to set a limit for the tenure of independent directors to 12 years and this is also in line with the provisions of the Listing Requirements to be implemented on 1 June 2023.

The Chairman informed that the Board has assessed the independence of Tan Sri Hasmah and notes that she meets the independence criteria as set out in the Listing Requirements of Bursa Malaysia Securities Berhad. She continues to be independent in her thinking and in her effectiveness as a constructive challenger of the Management. The Board therefore seek the approval of shareholders to allow her to continue to act as an Independent Non-Executive Director of the Company for another term till the next Annual General Meeting in 2023.

The Chairman then proposed the motion for the retention of Tan Sri Hasmah as Independent Director for approval of the shareholders.

With the motion duly seconded, the Chairman put the motion for Resolution 8 to be voted on by poll.

**ORDINARY RESOLUTION
PROPOSED RENEWAL OF 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 of 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 29 July 2022. The interested major Shareholders and persons connected with them were reminded to abstain from voting on the relevant resolutions that they are interested in.

(i) 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 9 was to approve the RRPT on the sales and purchase of products, raw material and component parts, tools, equipment or machinery with Panasonic Holdings Corporation Group of Companies (“Panasonic Group”).

The Chairman then proposed the motion for Resolution 9 to approve the RRPT on the sales and purchase of products, raw material and component parts, tools, equipment or machinery with Panasonic Group as specified in Section 2 of the Circular to Shareholders dated 29 July 2022 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 Holdings Corporation Group of Companies

The Chairman informed the Shareholders that Resolution 10 was to approve the RRPT on payment of fees to and receipt of fees from Panasonic Group.

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 Group as specified in Section 2 of the Circular to Shareholders dated 29 July 2022 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 RM1.3 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 29 July 2022 to be voted on. He informed that the motion had been seconded and 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 12 to approve the RRPT on the other financial transaction services with PFI as specified in Section 2 of the Circular to Shareholders dated 29 July 2022 was proposed by the Chairman and he then put the motion to vote by poll.

AGM57/13 QUESTION & ANSWER (Q&A) SESSION

The Chairman informed that the Board would try and answer all the questions 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 B attached to these minutes.

AGM57/14 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 and with the consent of shareholders the meeting was adjourned at 3.18 p.m. for the counting and verification of votes.

AGM57/15 POLL RESULTS

The meeting resumed at 3.38 p.m.

The Chairman informed the participants that he has been advised by the Independent Scrutineers that the results of the poll for the 12 ordinary resolutions were as follows:

Resolution No.	FOR		AGAINST	
	No. of Shares	%	No. of Shares	%
1	41,802,923	99.9930	2,945	0.0070
2	32,769,008	97.1646	956,234	2.8354
3	41,788,524	99.9594	16,963	0.0406
4	38,337,828	91.7044	3,468,039	8.2956
5	41,793,628	99.9707	12,239	0.0293
6	41,777,617	99.9324	28,271	0.0676
7	41,787,317	99.9556	18,570	0.0444
8	32,765,085	97.1567	958,857	2.8433
9	12,976,440	99.9572	5,557	0.0428
10	12,968,891	99.8998	13,006	0.1002
11	12,970,399	99.9107	11,598	0.0893
12	12,970,485	99.9113	11,512	0.0887

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

- Resolution 1 “THAT the declaration of a final single tier dividend of 68 sen per ordinary share for the financial year ended 31 March 2023, payable to Shareholders on 23 September 2022 be hereby approved.”
- Resolution 2 “THAT the retiring Director, Tan Sri Hasmah bin Abdullah, retiring pursuant to Article 100 of the Company’s Constitution be re-elected to the Board.”
- Resolution 3 “THAT the retiring Director, Ms Siew Pui Ling, retiring pursuant to Article 100 of the Company’s Constitution, be re-elected to the Board.”
- Resolution 4 “THAT the retiring Director, Mr Michikazu Matsushita, retiring pursuant to Article 105 of the Company’s Constitution be re-elected to the Board.”
- Resolution 5 “THAT the retiring Director, Mr Keisuke Nishida, retiring pursuant to Article 105 of the Company’s Constitution be re-elected to the Board.”
- Resolution 6 “THAT the payment of Directors’ Fees and meeting attendance allowance not exceeding RM800,000 in respect of the financial year ending 31 March 2023 be and is hereby approved.”
- Resolution 7 “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.”
- Resolution 8 “THAT approval be and is hereby given to Tan Sri Hasmah Binti Abdullah, who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine years, to continue to act as an Independent Non-Executive Director of the Company.”
- Resolution 9-12 “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 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) Sales and purchase of products, raw material and component parts, tool, equipment or machinery with Panasonic Holdings Corporation Group of Companies as specified in Section 2 of the Circular to Shareholders dated 29 July 2022.
 - (ii) Payment of fees to and receipt of fees from Panasonic Holdings Corporation Group of Companies as specified in Section 2 of the Circular to Shareholders dated 29 July 2022.
 - (iii) Placement of cash deposits with Panasonic Financial Centre (Malaysia) Sdn Bhd as specified in Section 2 of the Circular to Shareholders dated 29 July 2022.

- (iv) Other financial transaction services with Panasonic Financial Centre (Malaysia) Sdn Bhd as specified in Section 2 of the Circular to Shareholders dated 29 July 2022.

THAT the Proposed Shareholders' Mandate is subject to the following:

- (a) 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;
- (b) 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
- (c) 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.

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.”

AGM57/16 CONCLUSION

The Chairman thanked all shareholders for their participation and cooperation. There being no other matters to be transacted, the Meeting concluded at 3.40 p.m. with a vote of thanks to the Chair.

57th

ANNUAL GENERAL MEETING

via Virtual Telecast

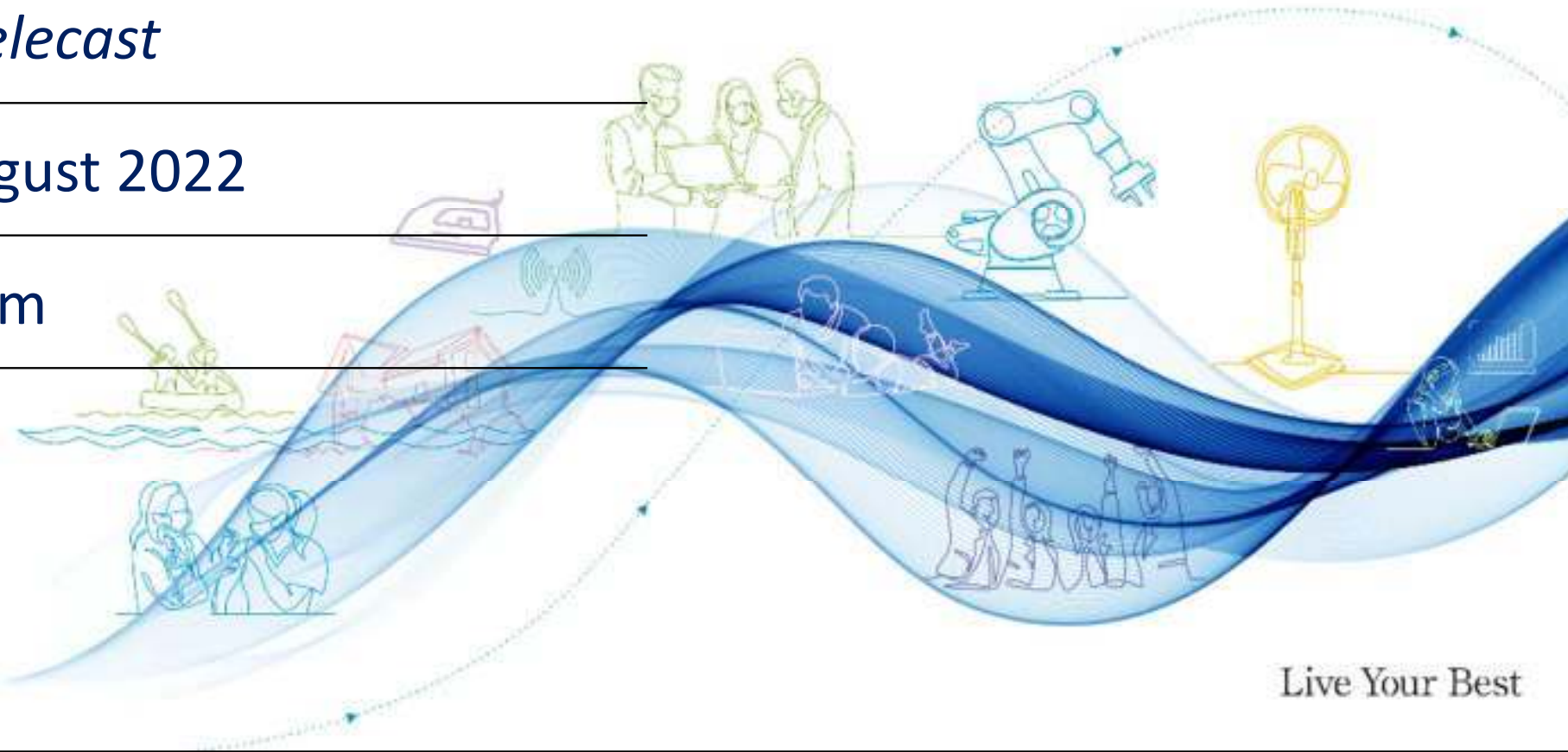
Date : 29 August 2022

Time : 2:30pm

Panasonic

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

TURNING THE TIDE



Live Your Best

AGENDA

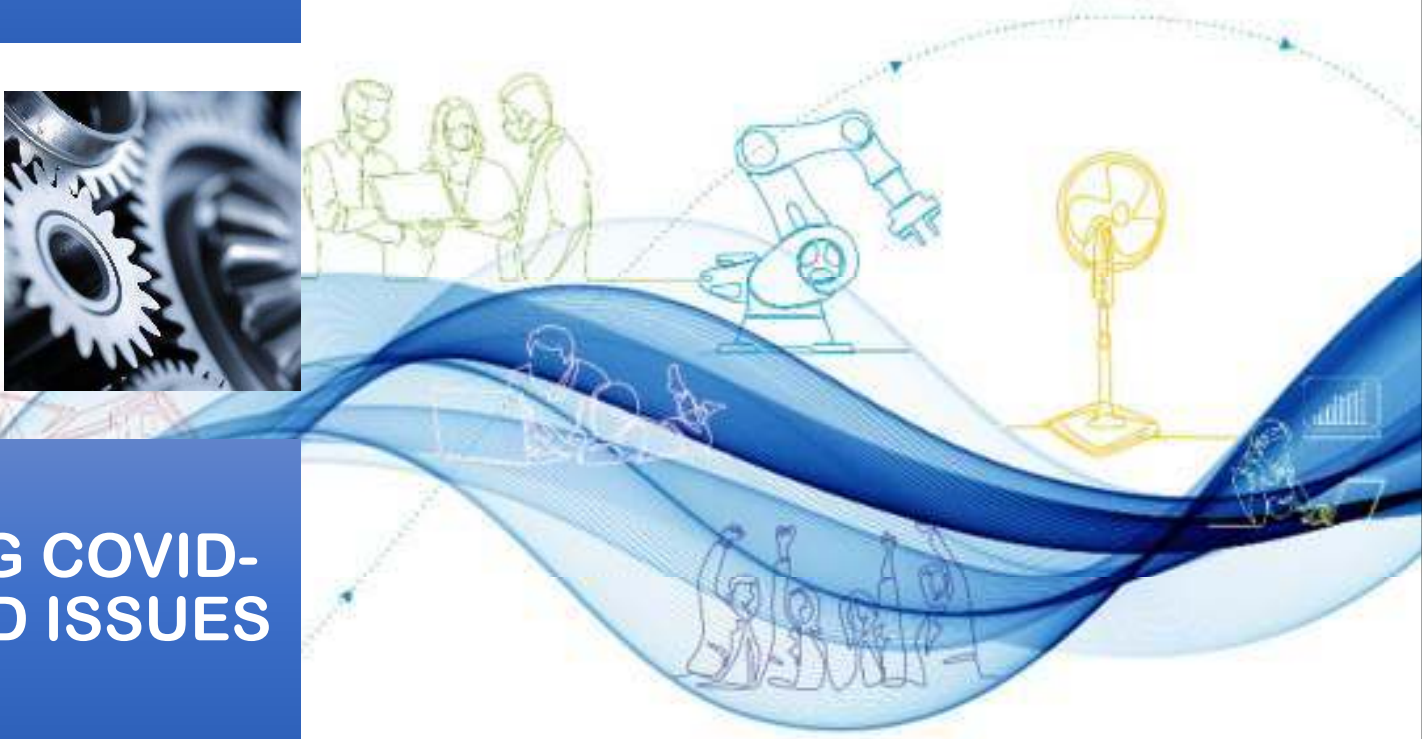


**FINANCIAL
RESULTS**

**OPERATION REVIEW
& BUSINESS
OUTLOOK**

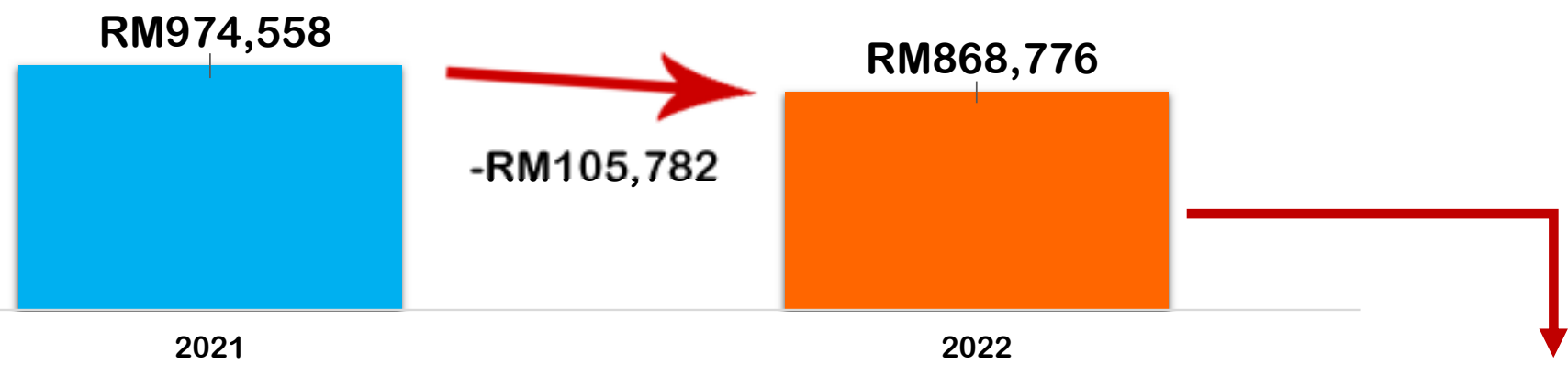


**MANAGING COVID-
19 & FLOOD ISSUES**



Live Your Best

Sales decreased by 10.9%



Factors for sales decrease



Prolonged effect of various lockdown measures



Flood incident in December 2021

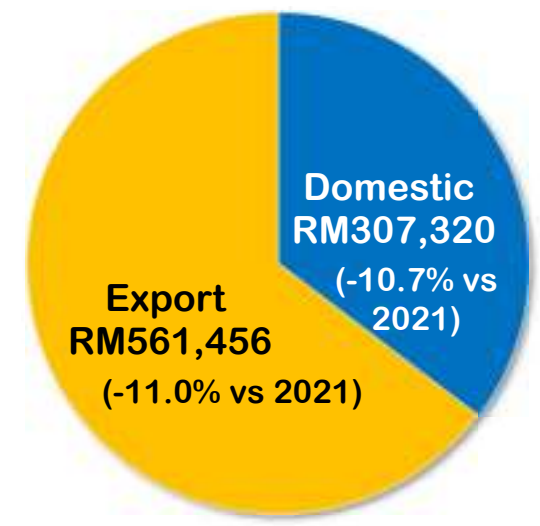


Shipment delay due to global tight supply of vessels and port congestions

+

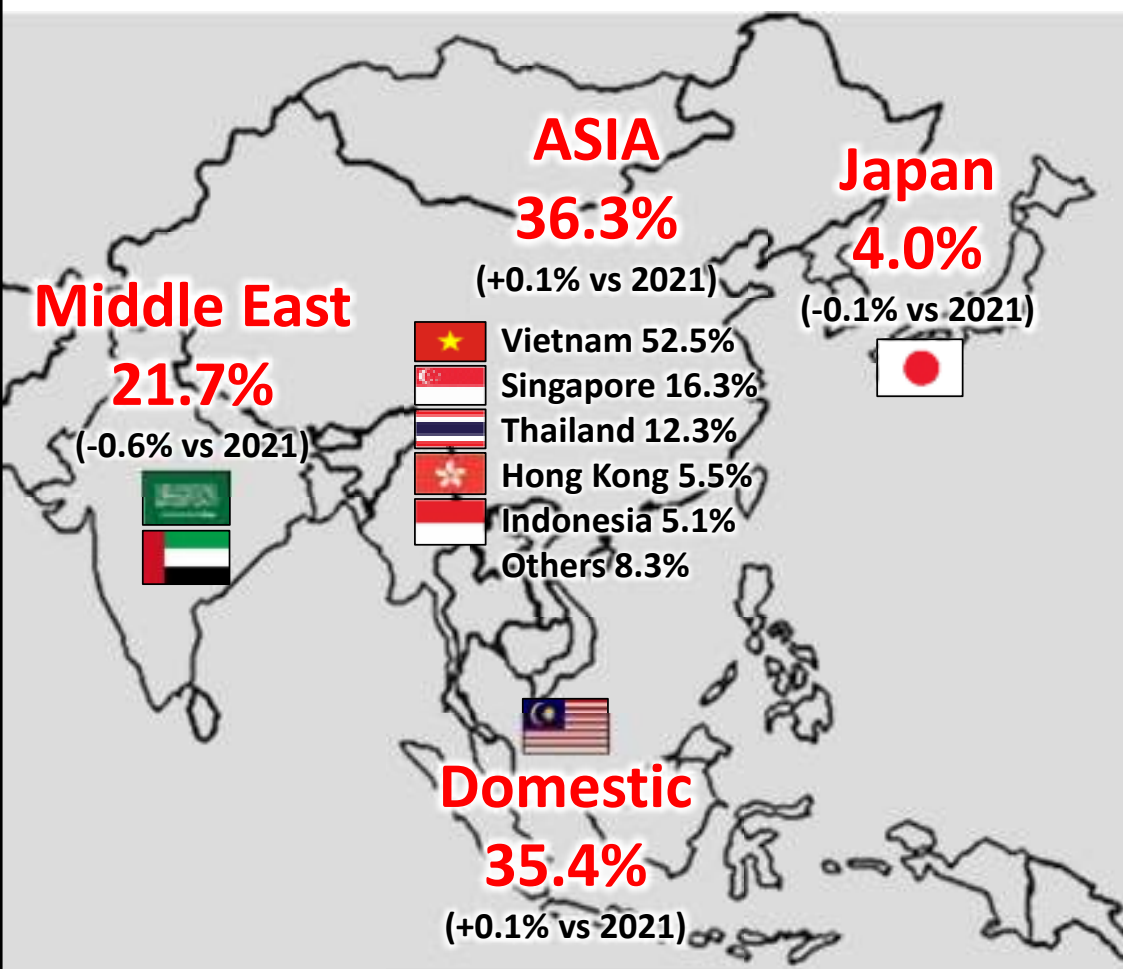
Lower domestic and export sales especially to the Middle East market and Asia market (Vietnam, Hong Kong and Singapore).

Geographical distribution

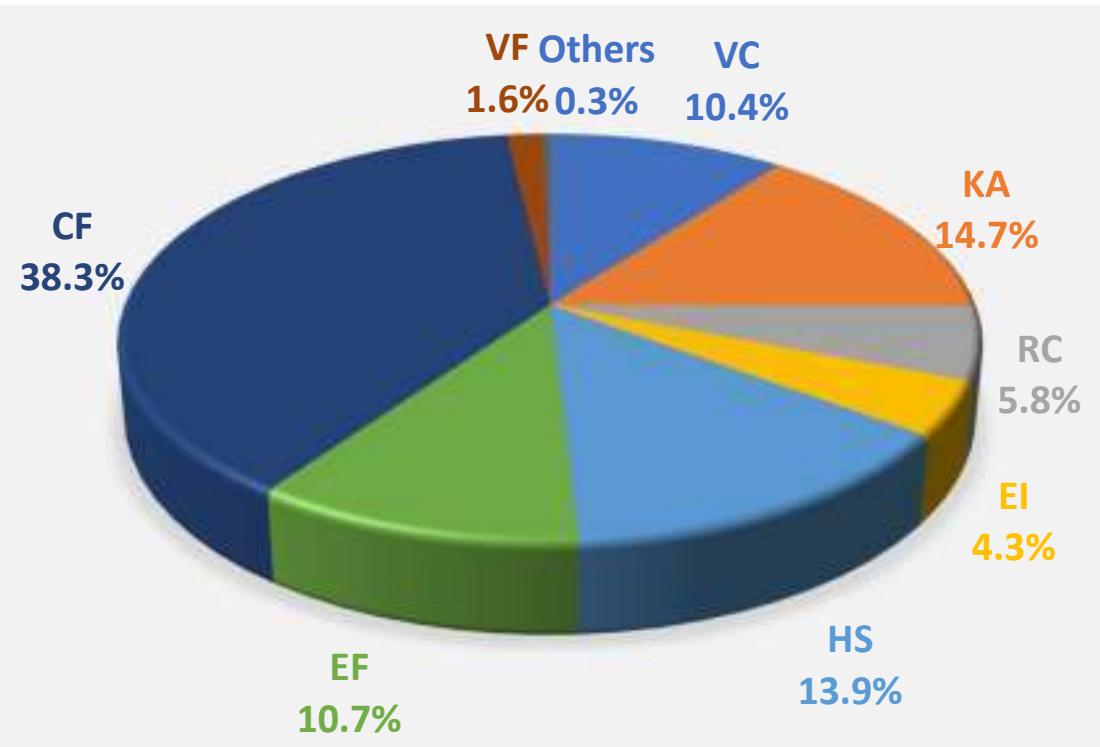


REVENUE DISTRIBUTION BY PRODUCT TYPE AND REGION

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)

	2022 (RM'000)		2021 (RM'000)
Revenue	868,776	(105,782) (11%)	974,558
Operating expenses	(857,042)	+19,337 +2%	(876,379)
Other operating income	18,530	+12,327 +199%	6,203
Fair value gain/(losses) on derivative financial instruments	993	+786 +380%	207
Results from operating activities	31,257	(73,332) (70%)	104,589
Finance cost	(5)	+4 +44%	(9)
Finance income	7,957	(2,330) (23%)	10,287
Share of results of associated company (net of tax)	13,828	(6,456) (32%)	20,284
Profit before taxation	53,037	(82,114) (61%)	135,151

Lower Profit Before Tax Due to

- Sales reduction from Covid-19 impact.
- Operational losses from flood incident.

SALES



- Rising raw material costs.
- Restructuring cost due to termination of certain products.

COST



- Lower share of results from associated company.

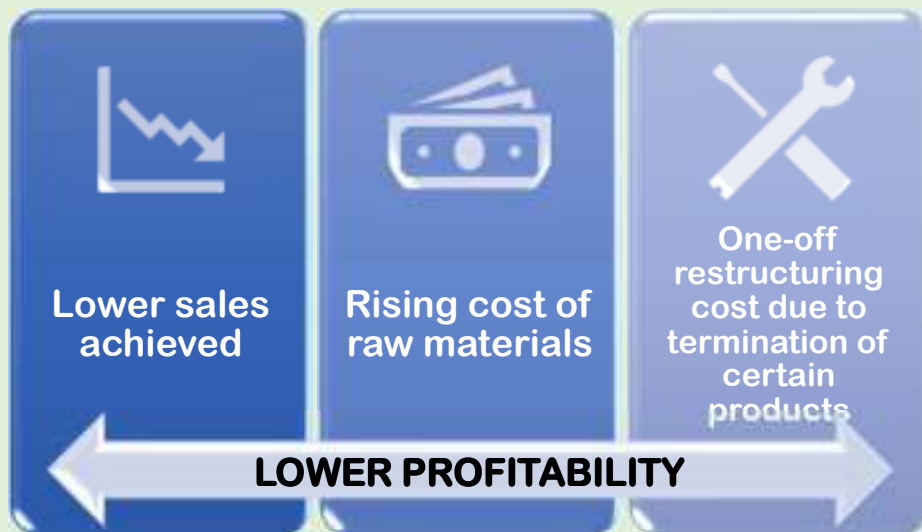
ASSOCIATE



REVENUE AND PROFIT BY SEGMENT

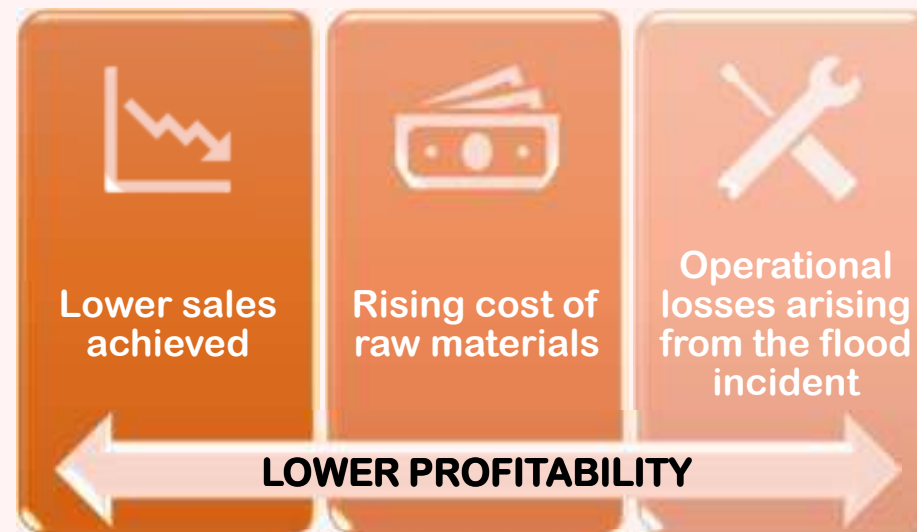
Living Appliances and Solutions

	2021		2022
Revenue	RM368,915	-RM62,456	RM306,459
PBT	RM50,111	-RM46,725	RM3,386
Profit/Sales (%)	14%	-13%	1%



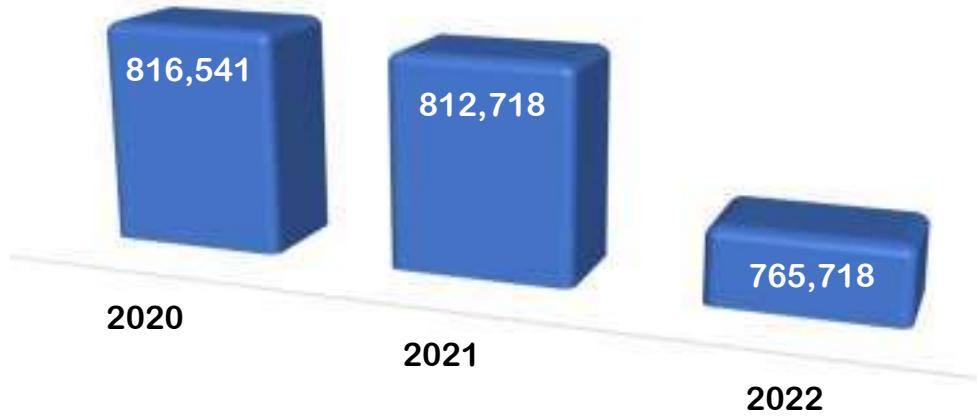
Heating and Ventilation A/C

	2021		2022
Revenue	RM605,481	-RM44,622	RM560,859
PBT	RM76,893	-RM43,897	RM32,996
Profit/Sales (%)	13%	-7%	6%

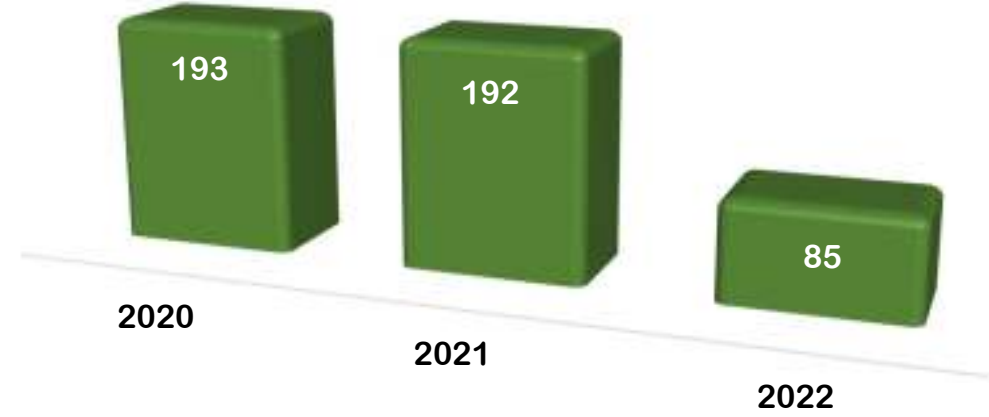


KEY FINANCIAL DATA

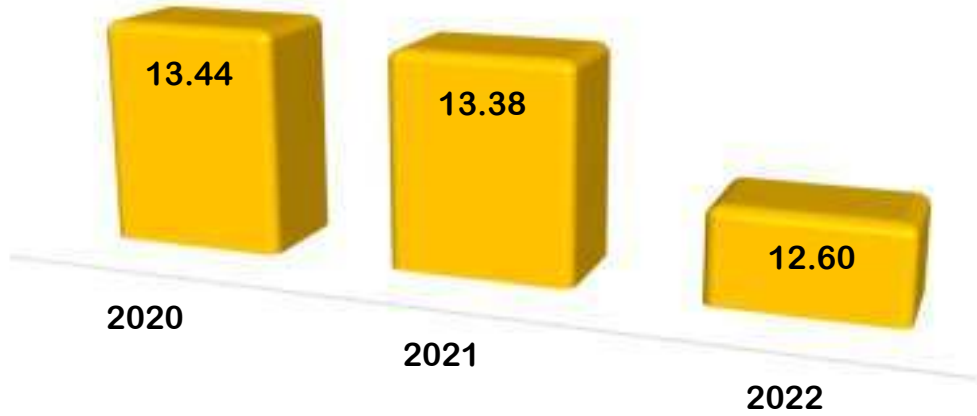
Shareholder's Equity (RM'000)



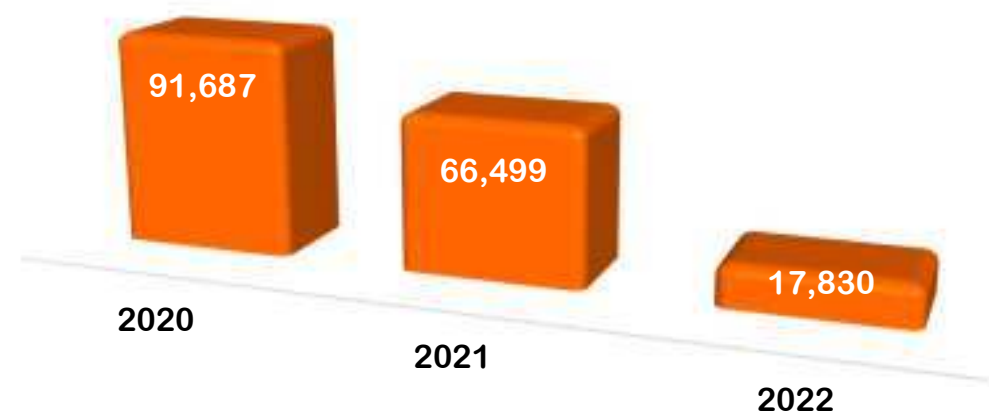
Earnings Per Share (SEN)



Net Assets Per Share (RM)

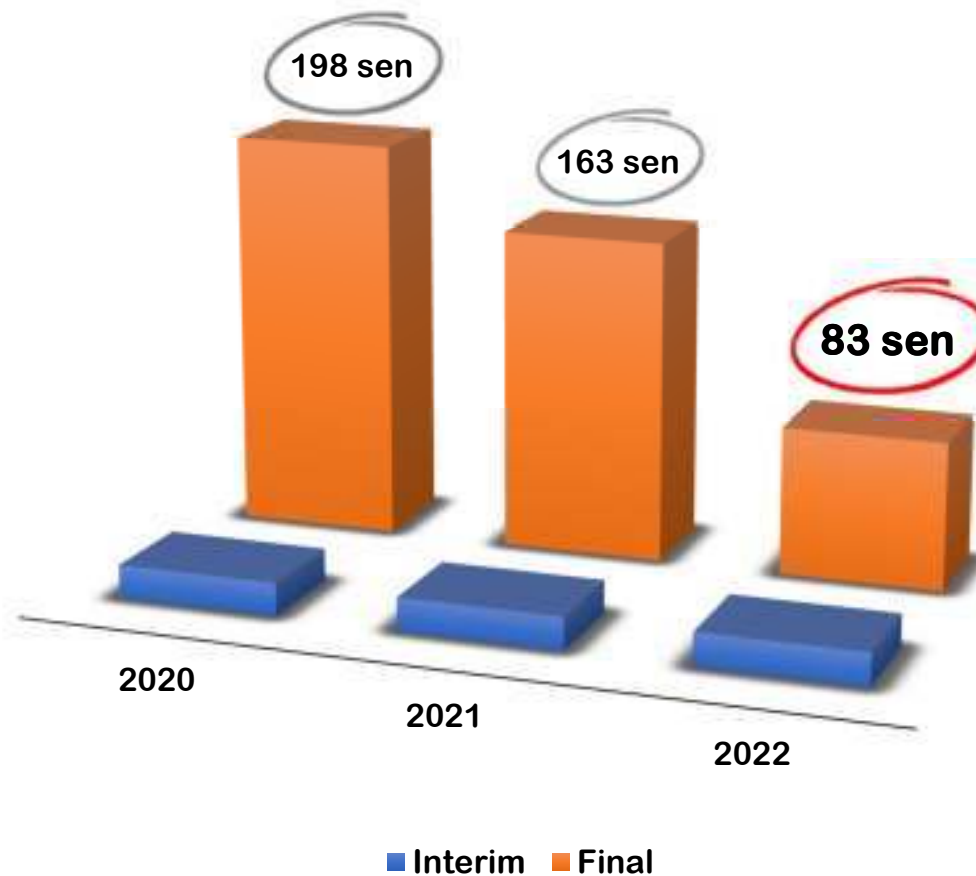


Free Cash Flow (RM'000)



Lower dividends this year due to lower profitability

	2020	2021	2022
Final	183	148	68
Interim	15	15	15
Total Dividends	198	163	83
Total payout ratio (*)	100%	100%	100%
Payout ratio	100%	100%	100%



AGENDA

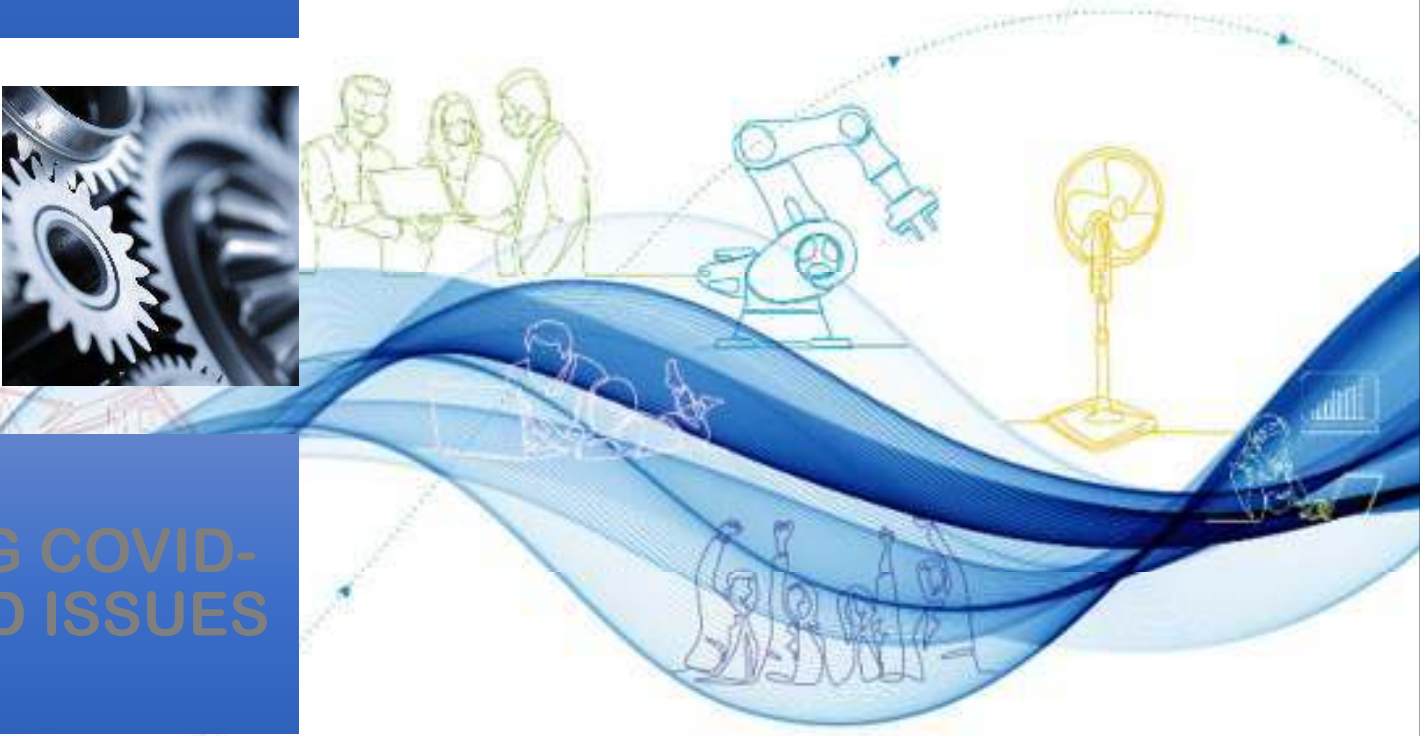


FINANCIAL
RESULTS

OPERATION REVIEW
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OUTLOOK



MANAGING COVID-
19 & FLOOD ISSUES



Live Your Best

PRODUCTS LAUNCHED DURING THE YEAR

FAN

- Expanding Ceiling fan market to Philippines with a total of 4 models, 3 models with 60" of 5-blades namely F-60TDN, F-60XDN and F-60UFN (LED light) and one model F-48DFL (LED light) with 48" of 3 blades.
- Equipped with DC motor, 9 speed control and 1f/Yuragi function.
- Expansion of 3 variant models of WIFAN series (wifi ceiling fan) into the Vietnam market. Retained same features with WIFAN series sold in Malaysian market.



48" of 3 blades



60" of 5 blades

HOME SHOWER AND VACUUM CLEANER

Panasonic Rain Shower Water Heater

- Stylish and Easy-to-see LCD screen
- e-CYCLE mode
- 2 shower heads; 20cm wide Rain shower head & Handheld shower head
- Antibacterial - Ag+ (silver) prevents bacteria growth in the shower head
- 9 Safety Points
- Built-In Leakage Breaker (ELB)
- One Push ON/OFF switch



Bagless Vacuum Cleaner – MC CL431

- 1.2L dust compartment
- MC-CL431 with 350W suction power
- Twin Cyclone System
- HEPA filter
- 2-step adjustable Floor Nozzle



BUSINESS OUTLOOK

Challenges

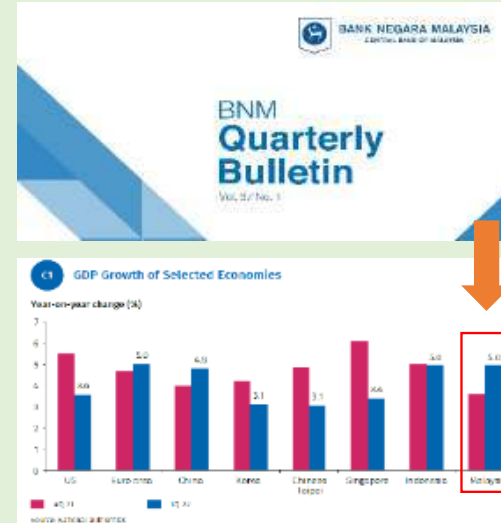


China's zero Covid-19 policy; causing disruptions in supply chain

On-going military conflict in Ukraine-Russia; leading to spike in major raw material prices

Inflationary pressures leading to lower consumer spending

Opportunities



The Malaysian economy registered a strong growth of 8.9% in the second quarter of 2022 as reported in the Bank Negara Malaysia Quarterly Report.

Explore new **BUSINESS Opportunities**

- To expand the implementation of IoT to other remaining products.
- Strengthen the manufacturing capabilities.
- Implementation of strict cost control to mitigate the impact of rising cost.



AGENDA



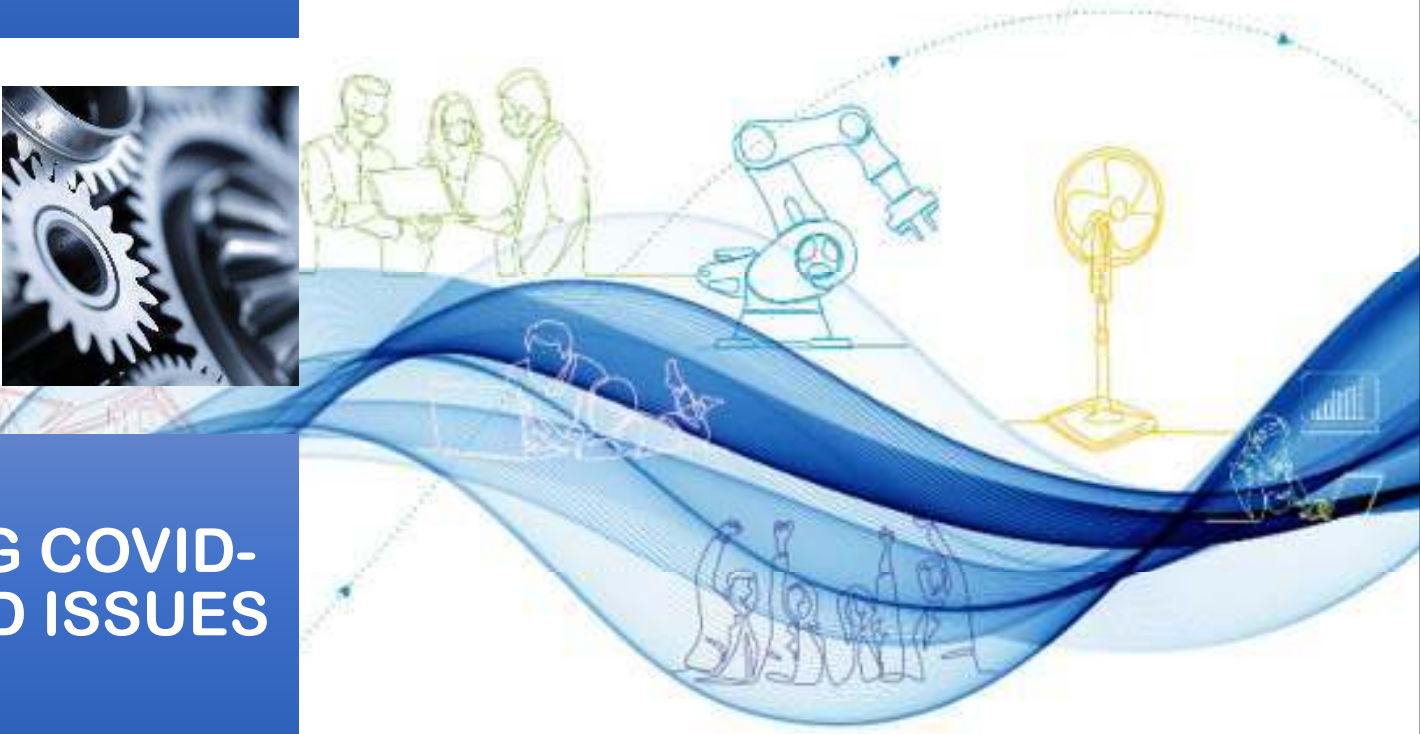
FINANCIAL
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Live Your Best



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Thank You!

RESPONSES TO QUESTIONS FROM MINORITY SHAREHOLDERS WATCH GROUP

No.	Questions	Response
1.	<p>The Company discontinued its production of Rice Cookers in early 2022 citing that rising cost of production had eroded profit margins. With effect from September 30th, 2022, the Company will also cease the production of kitchen appliances such as blenders, food processors and slow cookers.</p> <p>a) What is the loss of revenue from the cessation of these lines of products?</p> <p>b) What are the products that the Company will introduce to the market to make up for the loss in revenue from the cessation in FYE 2023?</p>	<p>a) Rice cooker business contribute approximately 6% of FYE 2022 revenue, whereas the affected small kitchen appliances range contribute approximately 7% of FYE 2022 revenue.</p> <p>b) Due to confidentiality issue, we could not disclose the products that will be introduced in the near future. However, the Company will be focusing on the following:</p> <ul style="list-style-type: none"> i. To expand product line ups for existing core businesses (Home Shower, Vacuum Cleaner and Fan) ii. To expand destination markets and develop new sales channels iii. Concurrently in discussion with Japan-HQ on new product development (water-based business)
2.	<p>In a move to expand the Company's Home Shower products line-up, the Company had launched 2 Rain Shower Water Heaters in the year 2021. Two models had been introduced namely, DH-3NDP1MSR which comes with LCD panel and DH-3NP2MSR which comes with LCD panel as well. Both models have been created with a built-in DC pump and a wattage of 3.6 kW. (Page 13 of AR 2022)</p> <p>What have been the sales of these products to date?</p> <p>What are the margins for these products?</p>	<p>Sales contributed recorded at RM1.9mil per annual from Malaysia market.</p> <p>The margins for these products are between 15% to 20%</p>
3.	<p>The Company's operations were severely disrupted when floods occurred at the Company's SA2 Plant which is located at Section 23, Shah Alam. The factory was inundated by floods in mid-December 2021 due to the continuous heavy downpour in</p>	<p>a) The Company had incurred substantial losses in the form of damaged inventories and facilities, and the loss of production and sales during the affected period. Total losses arising from the flood incident amounted to approximately RM 24.7 million.</p> <p>b) The insurance claimed and claimable amounting to RM12.1 million was recognized as at FYE 2022; comprising full claims for inventories and partially for</p>

No.	Questions	Response																								
	<p>Klang Valley. The production of the Fan and Vacuum Cleaner products at the SA2 Plant was disrupted for quite some time for the Company to assess the condition of machineries and equipment which had been affected by the floods. Situation returned to normalcy in March 2022. (Page 6 of AR2022)</p> <p>a) What were the losses suffered by the Company due to the flood?</p> <p>b) What was the amount paid as compensation by the Company's insurers due to the floods and how much of the compensation is still outstanding?</p>	<p>repairs of facilities and business interruption. Remaining facilities repair claim of RM 1.5 million was received in 1Q'22. Remaining claims are for business interruption which are still currently under negotiation and target to be finalized by end September 2022.</p>																								
<p>4.</p>	<p>The Company had allocated RM34.6 million as Capital Expenditure (CAPEX) for FYE 2022. (Page 38 of AR 2022)</p> <p>a) What is the Company's allocated CAPEX for FYE 2023?</p> <p>b) What will the CAPEX allocated for FYE 2023 be spent on?</p>	<p>The Capital Expenditure (CAPEX) for FYE 2023 is approximately RM 29 million. The details breakdown are as follows:-</p> <table border="1" data-bbox="667 1077 1445 1626"> <thead> <tr> <th data-bbox="667 1077 746 1182">No.</th> <th data-bbox="754 1077 1031 1182">Category</th> <th data-bbox="1038 1077 1174 1182">Amount (RM million)</th> <th data-bbox="1182 1077 1445 1182">Purposes</th> </tr> </thead> <tbody> <tr> <td data-bbox="667 1193 746 1328">1.</td> <td data-bbox="754 1193 1031 1328">Machinery and equipment</td> <td data-bbox="1038 1193 1174 1328">11.4</td> <td data-bbox="1182 1193 1445 1328">Mainly for automation and improvement of facilities</td> </tr> <tr> <td data-bbox="667 1339 746 1435">2.</td> <td data-bbox="754 1339 1031 1435">Die and Moulds</td> <td data-bbox="1038 1339 1174 1435">15.8</td> <td data-bbox="1182 1339 1445 1435">Mainly for new development</td> </tr> <tr> <td data-bbox="667 1447 746 1514">3.</td> <td data-bbox="754 1447 1031 1514">Tools, Furniture and Fittings</td> <td data-bbox="1038 1447 1174 1514">1.5</td> <td data-bbox="1182 1447 1445 1514"></td> </tr> <tr> <td data-bbox="667 1525 746 1581">4.</td> <td data-bbox="754 1525 1031 1581">Others</td> <td data-bbox="1038 1525 1174 1581">0.3</td> <td data-bbox="1182 1525 1445 1581"></td> </tr> <tr> <td colspan="2" data-bbox="667 1592 1031 1626">Total CAPEX</td> <td data-bbox="1038 1592 1174 1626">29.0</td> <td data-bbox="1182 1592 1445 1626"></td> </tr> </tbody> </table>	No.	Category	Amount (RM million)	Purposes	1.	Machinery and equipment	11.4	Mainly for automation and improvement of facilities	2.	Die and Moulds	15.8	Mainly for new development	3.	Tools, Furniture and Fittings	1.5		4.	Others	0.3		Total CAPEX		29.0	
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<p>5.</p>	<p>Other Operating Income of the Company rose significantly to RM19.5 million in FYE 2022 compared to RM6.4 million in FYE 2021. (Page 77 or AR 2022)</p> <p>What were the reasons for the sharp increase and is this income expected to be recurring?</p>	<p>The insurance claimed and claimable amounting to RM12.1 million was recognized as at FYE 2022; comprising full claims for inventories and partially for repairs of facilities and business interruption. This income is one-off in nature and not recurring.</p>																								
<p>6.</p>	<p>Practice 5.2 of the Malaysian Code of Corporate Governance (MCCG)</p>	<p>The current ratio of Independent directors to Non-Independent Directors is 4:5 where the Chairman is an Independent Director</p>																								

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No.	Questions	Response
	<p>2021 stipulates that at least half of the Board should be made up of Independent Directors.</p> <p>Practice 5.2 – At least half of the Board should comprise Independent Directors.</p> <p>PMMB’s – response: Departure (page 20 of Corporate Governance Report FYE 2022)</p> <p>MSWG’s comment: Non-Large Companies are required to have a 50% composition of independent directors under the MCCG. The Company’s board composition of Independent Directors as at the end of FYE 2022 is only 44% (4 out of 9 Directors were Independent Directors) and this is not in line with the MCCG.</p> <p>Are there any plans to adopt Practice 5.2? and if so, by when?</p>	<p>and there are only 3 Executive Directors. The Board views that the current composition 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.</p> <p>The Company has not applied Practice 5.2 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 LIVE QUESTIONS FROM SHAREHOLDERS

No.	Questions	Response
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1.	With the losses of the kitchen appliance what is the company planning to cover up the losses from this segment. Is Panasonic going to do EV plant in Malaysia. Noted the group intend to do EV battery.	There is no plan for EV in Malaysia. However, we are considering other type of businesses in future.
2.	May I know, what is the company's future Outlook?	1) To widen the presence in the domestic and export markets especially for key products 2) To provide value to customers by developing local fit products especially for key products 3) Fans and other home appliances such as Home Showers remain a preferred brand and to occupy the top three market positions in Malaysia. 4) Continue to drive automation in manufacturing processes
3.	An amount of RM34.443 million were spent in the purchase of property plant and equipment in FY2022 (page 79 of AR) (a) Please provide the breakdown of the RM34.443 spent in FY2022 (b) What is the budgeted capex for FY2023 and which area will it be spent on?	(a) FYE2022 RM 34 million for the purchase of property, plant and equipment is mainly: <ul style="list-style-type: none"> i. SA2new building & facilities - 12 million ii. FAN injection machine 15 million iii. Robotic - 4.9 million iv. new model and others 2 million (b) FYE2023 RM 29 million mainly: <ul style="list-style-type: none"> i. automation and improvement of facilities - 11 million ii. die & mold, mainly new development - 16 million iii. others - 3 million
4.	The associated company, Panasonic Malaysia Sdn Bhd which has a issued and paid up share capital of RM5 million has consistently retained more than RM300 million+ cash and cash equivalent in its balance sheet (page 98 of AR) (a) Why does Panasonic Malaysia retained so much cash in its books as it has been consistently generating profits of RM50 million in the past 2 years. (b) What is the dividend policy of Panasonic Malaysia?	(a) During this global pandemic crisis, cash is very important to ensure the sustainability of an entity. Therefore, the Board opines that during these critical times, we need to maintain cash for working capital and to weather through any unforeseen circumstances. (b) There is no clear policy for PM, but has been practicing 10% interim + 15% final based on capital invested. In certain years, there were higher dividend payout (20th, 30th, 33rd, 35th, 40th, 45th Anniversary; Japan/Malaysia 60th anniversary of diplomatic relations, Panasonic 100th Anniversary, etc).
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No.	Questions	Response
5.	Will the Company consider giving the shareholders a dividend reinvestment plan	The Company has been giving out cash bonus amount of close to 100% of the net profit for the year and at the moment has not considered the dividend reinvestment plans.
6.	How much of the taxes are impacted by the prosperity tax for FYE 2022	We are not impacted by prosperity tax for FYE2022 due to low profitability achieved.
7.	When is the company going to give bonus issues?	We will consider in the future but currently all profits earned during the year are distributed fully as cash dividends.
10.	Any plan to diversify the consumer product ?	
11.	Can I know who is your competitor that you are recognize, what is your strategy to do better than them?	We face strong competition from Chinese and Korean makers but we believe that our products which have high quality and safety features will have an edge over other competitors.
12.	Company's revenue and profits came down so substantially from last year, will the BOD consider reducing fees and benefits in line with the Company's financial performance?	Despite increased pressure on its profitability, the Company remain focused on showing sustainable growth for the remaining financial year. We will continue to be vigilant to monitor the volatile situation and tighten internal efficiencies with cost optimization. The fees and benefits paid to the Board are comparative with other companies of similar business volume.
13.	How much does the company spend on this virtual AGM?	The total cost of conducting the virtual AGM in 2021 is approximately RM122,000. This cost is roughly 60% lower than the physical AGM conducted in 2019. This includes the cost of the remote participation and voting ("RPV") facilities, the door gift, the audio/video (AV), the scrutineers, etc.
14.	The total number of employees of the Group has steadily declined from 2,618 personnel in FY2018 to 1,991 personnel in FY2022. (1) Can the Board/Management confirm that the decline in the manpower has a lot to do with automation in the manufacturing operations? (2) What will be the average staff count in FY2023?	1) The declined in total number of employees was mainly due to: a) Manufacturing operation restructuring for termination of certain Kitchen Appliance and Rice Cooker products. b) Automation replacement for production labour shortage 2) FY 2023 headcount averages at 2,016
15.	It was mentioned that the Company is exploring going into provision of services - could you give an analogy / example of such a service?	The provision of services are rendered by the associated company, Panasonic Malaysia Sdn bhd. Their principal activities, besides the sales of consumer electronic products, system solution

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No.	Questions	Response
		products, life solutions products and energy products under the brand name Panasonic, are also to provide liaison office services and coordination of Panasonic group shared services; and provision of management support services on Panasonic brand products within or outside Malaysia.
16.	In view of the recent implementation of minimum wages, what is expected impact (in term of Profit) in the current year.	The recent implementation of minimum wages is estimated to have an impact of approximately 4% on the profitability.