

CHAIRMAN'S STATEMENT



On behalf of the Board of Directors, I have great pleasure in presenting the Annual Report and Audited Accounts of the Company for the financial year ended 31st December 1999.

REVIEW OF PERFORMANCE

The Company's turnover for the year under review of RM139.6 million was 3.2 percent higher than the result achieved in 1998. The improved result was achieved on the back of continued growth arising from sustained demand both from the domestic as well as export markets.

Profit before tax for the year recorded an increase of 7.2 percent to RM8.24 million as compared to the same period in the previous year.

These encouraging figures are the result of the valued support of our loyal customers and the hard work put in by the management, administration, distribution and production staff in the Company. Let me take this opportunity to thank each and everyone of you.

The Company's main product, AJI-NO-MOTO monosodium-glutamate, was again at the forefront registering a 4 percent increase in sales volume over the previous year.

The performances of other product lines such as TENCHO (a naturally derived food seasoning), AJI-PLUS (an MSG based seasoning for food industry) and AJI-SHIO (Flavoured Salt, Pepper and Chilli) were also very encouraging.

To further improve the wide range of our products and in line with our diversification efforts, we introduced in mid-1999 two varieties of SERI-AJI seasoning for deep fried and steamed chicken dishes. We are continuing with our plans for diversification in the year 2000 to expand our product base.

Our Company received approval for the continuance of the ISO 9002 Quality System Certification during the year to manufacture products of the highest quality - "quality you can trust".

The successful implementation of the new Enterprise Resource Planning (ERP) System in the fourth quarter of 1999 has resolved our Y2K compliancy problems and will provide the company with a more efficient daily operational management tool for future decision-making in the information technology environment.

PROSPECTS

The signs are already indicative that the year 2000 will see the nation well on track towards full economic recovery and the country's Gross Domestic Product (GDP) is poised to record a 5.8 percent economic growth. This augurs well for the Company but we will nevertheless continue to strive for further product excellence with our continuous aggressive efforts on productivity enhancements and quality improvements.

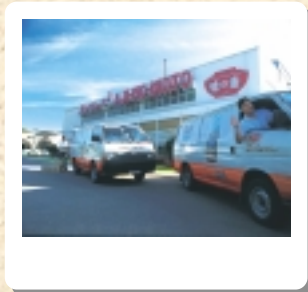
Barring any unforeseen circumstances, the Company will sustain its momentum of growth in the year ahead.

DIVIDEND

The Board of Directors recommends a final cash dividend payment of 11% less 28% tax for the year ended 31st December 1999.

APPRECIATION

On behalf of the Board of Directors, I wish to express our sincere appreciation and gratitude to our agents, distributors, suppliers, business



associates and our many shareholders for their firm support and patronage. We also want to say thank you to the management and staff and all employees of the Company for their dedication, loyalty and commitment.

GEN (R) TAN SRI HASHIM BIN MOHD ALI
Chairman

