

CHEETAH HOLDINGS BERHAD

(Company No. 430404-H)

(Incorporated in Malaysia)

Minutes of the Nineteenth Annual General Meeting of the Company held at GREENS II, Tropicana Golf & Country Resort, Jalan Kelab Tropicana, 47410 Petaling Jaya, Selangor Darul Ehsan on Friday, 18 November 2016 at 10.02 a.m.

Present: Mr Chia Kee Foo (Chairman)
Others as per attendance list attached

In Attendance: Ms Tan Fong Shian (Company Secretary)

1. **INTRODUCTION AND QUORUM**

Mr Chia Kee Foo, the Chairman of the Board of Directors (“the Chairman”) extended a warm welcome to all members present at the Company’s Nineteenth Annual General Meeting (“AGM” or “Meeting”) for the purpose of considering the business of the Company as set out in the Notice of AGM dated 27 October 2016.

Upon confirming the presence of a quorum with the Secretary, the Chairman duly called the Meeting to order.

2. **SHAREHOLDERS’ RIGHTS AS TO VOTING**

The Secretary was called upon by the Chairman to explain how the shareholders present in person or by proxy or by authorised representative, may exercise their voting rights at the Meeting. In line with the requirements of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the voting at the AGM would be conducted on a poll.

The Chairman informed that he would exercise his right as the Chairman of the Meeting to demand for a poll in accordance with Article 69(a) of the Company’s Articles of Association in respect of all Ordinary Resolutions which would be put to vote at the Meeting.

The Chairman also informed that the polling process for all the resolutions would be conducted upon the completion of the deliberation of all items to be transacted at the AGM. He further informed that the Company had appointed Messrs Tricor Investor & Issuing House Services Sdn Bhd as the Poll Administrator to conduct the polling process and Messrs Archer Consulting Group Sdn Bhd as the Scrutineers to verify the poll results.

3. **NOTICE**

There being no objection, the Notice convening the Meeting, having been circulated earlier to all the shareholders of the Company within the prescribed notice period, was taken as read.

4. **AUDITED FINANCIAL STATEMENTS AND REPORTS**

The Audited Financial Statements (“AFS”) of the Company for the financial year ended 30 June 2016 (“FYE2016”) and the Reports of the Directors and Auditors thereon which had been circulated earlier to all shareholders of the Company within the statutory period were tabled and laid before the Meeting.

The Chairman then invited questions from the floor.

Mr Ng Soo Har @ Ng Seet Kow, a shareholder, enquired on the Company’s plans and strategies to improve the performance of the Company. Mr Chia Kee Kwei (“Mr KK Chia”), the Executive Director, replied that the Company will continue to monetize stocks, reduce stock levels as well as stock turn in order to increase liquidity of the Company. This however may result in sacrificing of margins of the products sold.

Mr KK Chia added that the Management will also continue its efforts to control and/or reduce operational costs where possible. With the recent fluctuation in the foreign exchange, the purchasing costs have increased and Management will strategise its products pricing as well as marketing activities in order to remain profitable.

Mr Ng Kok Kiong, a proxyholder, raised some queries relating to the financial performance and operations of the Company. The following replies/salient points provided by Mr KK Chia were noted:

- i) Trade receivables have increased in FYE2016 due to a portion of the Hari Raya festive sales being captured in the last quarter of FYE2016 and there were no major issues with the collection of the trade receivables from the consignees.
- ii) On Inventories, the trading merchandises are still saleable and appropriate provisions and/or write downs are made to reflect the value of inventories.
- iii) The interest earned on fixed deposits was at the rates ranging from 1.5% to 2.9% which was lower than the current fixed deposit interest rate as the Company placed its funds in the money market which carries less risk.
- iv) The Company has no intention of discontinuing any of its current brands of apparel. However, the Company will re-look into the profitability of its consignment counters and take the appropriate actions to reinforce its consignment sales.
- v) The lower dividend rate was due to the lower profit recorded by the Group. The Company has managed to maintain a high dividend payout ratio for the past two (2) years despite recording a much lower profit as compared to the previous years.

- vi) Presently, the Company does not plan to distribute the treasury shares as dividends to the shareholders.
- vii) The Company has planned to expand its business in the next few years with caution due to the current and foreseeable unfavourable market conditions. Meanwhile, the Company will increase the brand awareness of its products.
- viii) The increase in the Executive Directors' salaries was due to a restructuring of the remuneration package of the Executive Directors whereby certain fixed claimable expenses previously has been incorporated into the Executive Directors' salaries.

Save for the above, there was no increment in the Executive Directors' salaries for FYE2016.

In response to a question by Mr Chia Yong Howe on diversification into online sales platform, Mr KK Chia informed that the Company is looking into the possibility of establishing an e-commerce platform with a suitable partner.

After all queries were addressed, the AFS of the Company for FYE2016 and the Reports of the Directors and Auditors thereon as laid before the Meeting were declared by the Chairman to be duly received.

5. **ORDINARY RESOLUTION 1**
- **FIRST AND FINAL SINGLE TIER DIVIDEND**

Mr Woon Peng Wah proposed and Mr Lee Kong Yew seconded the following motion:-

“THAT the payment of a first and final single tier dividend of 0.75 sen per ordinary share of RM0.50 each for the FYE2016 be and is hereby approved.”

The Chairman informed that the poll would be conducted upon completion of the remaining business of the Meeting as there was no question raised from the floor.

6. **ORDINARY RESOLUTION 2**
- **DIRECTORS' FEES**

Mr Woon Peng Wah proposed and Mr Ng Soo Har @ Ng Seet Kow seconded the following motion:-

“THAT the payment of Directors' Fees for the FYE2016 amounting to RM139,000.00 be and is hereby approved.”

There being no questions raised from the floor, the Chairman informed that the poll would be conducted upon completion of the remaining business of the Meeting.

7. **ORDINARY RESOLUTION 3**

- **RE-ELECTION OF DIRECTOR – MR GONG WOUI TEIK**

The Chairman proposed and Mr Lee Kong Yew seconded the following motion:-

“THAT Mr Gong Wooi Teik, the Director who was retiring pursuant to Article 84 of the Company’s Articles of Association, and being eligible, be and is hereby re-elected to the Board.”

The Chairman informed that the poll would be conducted upon completion of the remaining business of the Meeting as there was no question raised from the floor.

8. **ORDINARY RESOLUTION 4**

- **RE-ELECTION OF DIRECTOR – MR YEOH CHONG KEAT**

The next item on the agenda is on re-election of Mr Yeoh Chong Keat was proposed by the Chairman and seconded by Mr Choo Chee Woon:-

“THAT Mr Yeoh Chong Keat, the Director who was retiring pursuant to Article 84 of the Company’s Articles of Association, and being eligible, be and is hereby re-elected to the Board.”

There being no questions raised from the floor, the Chairman informed that the poll would be conducted upon completion of the remaining business of the Meeting.

9. **ORDINARY RESOLUTION 5**

- **RE-APPOINTMENT OF AUDITORS**

Upon the proposal by the Chairman and duly seconded by Mr Woon Peng Wah, the following motion was moved:-

“THAT Messrs Deloitte be and are hereby re-appointed as the Company’s Auditors and to hold office until the conclusion of the next Annual General Meeting AND THAT the Directors be and are hereby authorised to determine their remuneration.”

The Chairman informed that the poll would be conducted upon completion of the remaining business of the Meeting as there was no question raised from the floor.

10. **SPECIAL BUSINESS**

ORDINARY RESOLUTION 6

- **RE-APPOINTMENT OF DIRECTOR OVER SEVENTY (70) YEARS OF AGE**

Mr Woon Peng Wah proposed and Mr Choo Chee Woon seconded the following motion:-

“THAT pursuant to Section 129 of the Companies Act, 1965, Madam Hor Ah Kuan who is over seventy (70) years of age be and is hereby re-appointed as Director of the Company and to hold office until the conclusion of the next Annual General Meeting.”

There being no questions raised from the floor, the Chairman informed that the poll would be conducted upon completion of the remaining business of the Meeting.

11. **SPECIAL BUSINESS**

ORDINARY RESOLUTION 7

- **RETENTION OF MR GONG WOUI TEIK AS INDEPENDENT DIRECTOR**

The Meeting was informed that based on the recommendation under the Malaysian Code on Corporate Governance 2012 (“MCCG 2012”), the tenure of an Independent Director is capped at a cumulative period of nine (9) years. Mr Gong Wooi Teik and Mr Chong Jock Peng were appointed as Independent Non-Executive Directors (“INED”) of the Company on 1 November 2004 respectively and both have already exceeded the nine (9) years term limit prescribed by the Code.

It was further informed that the Board of Directors of the Company had assessed the independence of Mr Gong Wooi Teik and Mr Chong Jock Peng and considered them to be independent based on the justifications as contained in the notes to the proposed resolution in the Notice of AGM. The Board had recommended that they be retained as INED of the Company and to hold office until the conclusion of the next AGM.

Mr Ng Kok Kiong enquired whether the Company has any intentions to substitute the existing INED as recommended by the Minority Shareholder Watchdog Group or to redesignate as Non-Independent Non-Executive Director.

The Board of Directors took note of the comments and informed that at the moment, the Company has no plans to substitute the INED as the INED provide invaluable contributions to the Board while maintaining their independence.

There being no further queries raised from the floor, the following motion being proposed by the Chairman and seconded by Mr Lee Kong Yew:-

“THAT in accordance with the MCCG 2012, Mr Gong Wooi Teik be and is hereby retained as Independent Non-Executive Director of the Company and be designated as such until the conclusion of the next Annual General Meeting, subject to the provisions of the relevant regulatory authorities.”

The Chairman informed that the poll would be conducted upon completion of the remaining business of the Meeting as there was no further questions/comments from the floor.

12. **SPECIAL BUSINESS**

ORDINARY RESOLUTION 8

- **RETENTION OF MR CHONG JOCK PENG AS INDEPENDENT DIRECTOR**

The Chairman proposed and Mr Choo Chee Woon seconded the following motion:-

“THAT in accordance with the MCGG 2012, Mr Chong Jock Peng be and is hereby retained as Independent Non-Executive Director of the Company and be designated as such until the conclusion of the next Annual General Meeting, subject to the provisions of the relevant regulatory authorities.”

There being no questions raised from the floor, the Chairman informed that the poll would be conducted upon completion of the remaining business of the Meeting.

13. **SPECIAL BUSINESS**

ORDINARY RESOLUTION 9

- **AUTHORITY FOR DIRECTORS TO ISSUE SHARES**

The Chairman informed that the next item on the agenda was to seek shareholders' approval for the authority to allot and issue share pursuant to Section 132D of the Companies Act, 1965. The Chairman then proposed and Mr Lee Kong Yew seconded the following motion:-

“THAT pursuant to Section 132D of the Companies Act, 1965, and subject to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) and the approvals of the relevant governmental and/or regulatory authorities (if any), the Directors be and are hereby empowered to issue new shares in the Company at any time, to such person or persons, upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit, provided that the aggregate number of shares issued pursuant to this resolution does not exceed ten per cent (10%) of the nominal value of the total issued and paid-up share capital of the Company at the time of issue AND THAT the Directors be and are also empowered to obtain the approval from Bursa Securities for the listing of and quotation for the additional shares so issued AND THAT such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company.”

There being no questions raised from the floor, the Chairman informed that the poll would be conducted upon completion of the remaining business of the Meeting.

[The rest of the page is intentionally left blank]

14. **SPECIAL BUSINESS**

ORDINARY RESOLUTION 10

- PROPOSED RENEWAL OF AUTHORITY FOR THE COMPANY TO PURCHASE ITS OWN SHARES OF UP TO 10% OF ITS ISSUED AND PAID-UP ORDINARY SHARE CAPITAL

The Chairman informed that the last item on the agenda was to seek shareholders' approval for the Proposed Renewal of Share Buy-Back Authority. The relevant information on the Proposed Renewal of Share Buy-Back Authority was set out in the Statement to Shareholders dated 27 October 2016.

The following motion was proposed by the Chairman and duly seconded by Ms Leong Hoi Lin:-

“THAT subject always to the Companies Act, 1965 (“Act”), provisions of the Company’s Memorandum and Articles of Association, the requirements of Bursa Securities and any other relevant authorities, the Company be and is hereby authorised to purchase such number of ordinary shares of RM0.50 each in the share capital of the Company as may be determined by the Directors from time to time through Bursa Securities, subject to the following:

- a) The aggregate number of shares which may be purchased and/or held by the Company as treasury shares shall not exceed ten per cent (10%) of the total issued and paid-up share capital of the Company;
- b) The maximum funds to be allocated by the Company for the purpose of purchasing its own shares shall not exceed the retained profits of the Company. The unaudited retained profits of the Company as at 30 September 2016 stood at approximately RM6.2 million. The Company does not have any share premium reserves.
- c) The authority conferred by this resolution will be effective upon the passing of this resolution and will continue to be in force until:
 - i) the conclusion of the next Annual General Meeting (“AGM”) of the Company following the general meeting at which such resolution was passed, at which time the said authority will lapse, unless by an ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions; or
 - ii) the expiration of the period within which the next AGM of the Company is required to be held pursuant to Section 143(1) of the Act (but shall not extend to such extension as may be allowed pursuant to Section 143(2) of the Act); or
 - iii) revoked or varied by a resolution passed by the shareholders of the Company in general meeting;

whichever is earlier.

- d) Upon completion of the purchase by the Company of its own shares, the Directors of the Company be and are hereby authorised to deal with the shares so purchased in their absolute discretion in the following manner:-
- i) cancel the shares so purchased;
 - ii) retain the shares so purchased as treasury shares;
 - iii) distribute the treasury shares as share dividends to shareholders;
 - iv) resell the treasury shares on Bursa Securities in accordance with the relevant rules of Bursa Securities;
- any combination of the above (i), (ii), (iii) and (iv).

AND THAT authority be and is hereby unconditionally and generally given to the Directors of the Company, to take all such steps as are necessary or expedient to implement, finalise and give full effect to the purchase of the Company's own shares, with full power to assent to any conditions, modifications, variations and/or amendments as may be imposed by the relevant authorities and with full power to do all such acts and things thereafter in accordance with the Act, the provisions of the Memorandum and Articles of Association of the Company and the guidelines issued by Bursa Securities and any other relevant authorities."

15. **POLLING**

At the Chairman's request, the Secretary explained the procedures for polling to the Meeting.

The Secretary also informed that Messrs Archer Consulting Group Sdn Bhd, had been appointed as the Scrutineers for the purpose of the poll.

The computation of votes then took place immediately after all the shareholders had cast their votes and the Meeting was adjourned at 11.25 a.m. for 30 minutes for this purpose.

16. **RESULTS OF THE POLL**

At 11.55 a.m., the Chairman called the Meeting back to order for the declaration of results. He informed that he had received the poll results and invited the Secretary to read out the poll results.

The Secretary announced the poll results in respect of all the Ordinary Resolutions which were carried as follows:

[The rest of the page is intentionally left blank]

CHEETAH HOLDINGS BERHAD (430404-H)Minutes of the Nineteenth Annual General Meeting held on 18 November 2016 - *Cont'd*

Resolution	Vote For		Vote Against		Total Votes	
	No. of Shares	%	No. of Shares	%	No. of Shares	%
Ordinary Resolution 1 Approval of the payment of a first and final single tier dividend of 0.75 sen per ordinary share of RM0.50 each for the financial year ended 30 June 2016	85,010,172	99.985	12,350	0.015	85,022,522	100.000
Ordinary Resolution 2 Approval of the payment of Directors' Fees for the financial year ended 30 June 2016	85,018,672	99.995	3,850	0.005	85,022,522	100.000
Ordinary Resolution 3 Re-election of Mr Gong Wooi Teik as Director	85,027,172	99.995	3,850	0.005	85,031,022	100.000
Ordinary Resolution 4 Re-election of Mr Yeoh Chong Keat as Director	85,028,672	99.995	3,850	0.005	85,032,522	100.000
Ordinary Resolution 5 Re-appointment of Messrs Deloitte as Auditors and to authorise the Directors to fix their remuneration	85,028,672	99.995	3,850	0.005	85,032,522	100.000
Ordinary Resolution 6 Re-appointment of Director over seventy (70) years of age	75,676,372	99.995	4,050	0.005	75,680,422	100.000
Ordinary Resolution 7 Retention of Mr Gong Wooi Teik as Independent Director	75,688,063	89.011	9,344,458	10.989	85,032,521	100.000
Ordinary Resolution 8 Retention of Mr Chong Jock Peng as Independent Director	75,686,563	89.011	9,344,458	10.989	85,031,021	100.000
Ordinary Resolution 9 Authority for Directors to issue shares	75,688,072	99.995	3,850	0.005	75,691,922	100.000
Ordinary Resolution 10 Proposed Renewal of Share Buy-Back Authority	85,028,672	99.995	3,850	0.005	85,032,522	100.000

CHEETAH HOLDINGS BERHAD (430404-H)

Minutes of the Nineteenth Annual General Meeting held on 18 November 2016 - *Cont'd*

The Chairman declared that Ordinary Resolutions 1, 2, 3, 4, 5, 6, 7, 8, 9 and 10 were all duly carried.

17. **CLOSURE**

There being no further business to be transacted, the Meeting was closed at 12.00 noon with a vote of thanks to the Chairman.

READ AND CONFIRMED BY

CHAIRMAN

Date : 25 November 2016