

CHEETAH HOLDINGS BERHAD

(Company No. 430404-H)

(Incorporated in Malaysia)

Minutes of the Twenty First 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, 16 November 2018 at 2.30 p.m.

Present: Mr Chia Kee Foo (Chairman)
Mr Chia Kee Yew (Executive Director)
Mr Chia Kee Kwei (Executive Director)
Mdm Hor Ah Kuan (Non-Independent Non-Executive Director)
Mr Gong Wooi Teik (Senior Independent Non-Executive Director)
Mr Chong Jock Peng (Independent Non-Executive Director)
Dato' Tea Choo Keng (Independent Non-Executive Director)

In Attendance: Ms Liew Chak Hooi (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 Twenty First Annual General Meeting (“21st AGM” or “Meeting”) for the purpose of considering the business of the Company as set out in the Notice of 21st AGM dated 18 October 2018.

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

2. **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.

3. **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 or by attorney, might 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 21st 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 Constitution in respect of all ordinary resolutions which would be put to vote at the Meeting.

The Chairman also informed that for expediency, the polling process for all the resolutions would be conducted upon the completion of deliberation of all items to be transacted at the 21st AGM. He further informed that the Company had appointed Tricor Investor & Issuing House Services Sdn Bhd as the Poll Administrator to conduct the polling process and Archer Consulting Group Sdn Bhd as the Scrutineers to verify the poll results.

4. **AUDITED FINANCIAL STATEMENTS AND REPORTS**

The Audited Financial Statements ("AFS") of the Company for the financial year ended 30 June 2018 ("FYE2018") and the Reports of the Directors and Auditors thereon which had been circulated 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 Leyu Chong Hua @ Leo Chong Hua ("Mr Leyu"), a shareholder, commented that the Group's performance was on a downward trend based on the information as shown in the 5 Years Financial Highlights of the Annual Report 2018 ("AR"). He then enquired the plan of the Group going forward and if those measures taken by Group on operating activities mentioned in the Management Discussion and Analysis of the AR would contribute positively to the performance of the Group in 2019.

Mr Chia Kee Kwei ("Mr KK Chia") responded that the stock turnover period in 2014 was high but Management had managed to reduce the stock turnover period every year, to bring it back to a healthy level. Mr KK Chia mentioned that restructuring and consolidating the non-performing counters would optimise sales per counter and reduce operational costs. In addition, Management had been putting efforts on effective costs control and purchase budget, as well as products and sales and marketing strategies, to improve the performance of the Group.

In reply to Mr Leyu on the future prospects of the Group in respect of online retail and if the Group would have concept stores like its competitors, Mr KK Chia briefed that online retail is more competitive compared to boutique stores, and that the Group would have concept stores with different range of products.

Mr Ng Kok Kiong ("Mr KK Ng"), a proxy, referred to the Statements of Cash Flows for the FYE2018 and enquired the reason of increase in property, plant and equipment ("PPE") written off, and reversal of inventories written down. Mr KK Chia explained that the PPE written off was due to closure of consignment counters whereas the reversal of inventories written down was due to sales price revision.

In reply to Mr KK Ng if there was a gain on disposal of property located at Port Dickson, Negeri Sembilan, Mr KK Chia informed that the said property was disposed at a loss.

Mr KK Ng further enquired the estimated expenses allocated for transformation of the existing stores to concept stores and whether the Group planned to have more brands in the future. Mr KK Chia replied that the first concept store is located at 1 Utama Shopping Centre and Management would have to observe the consumers responses and store performance before making decision if to change the concept of other stores.

After all queries were addressed, the AFS of the Company for the FYE2018 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 Lee Kong Yew proposed and Mr Leyu seconded the following motion:-

“THAT the payment of a first and final single tier dividend of 0.4 sen per ordinary share for the FYE2018 be and is hereby approved.”

The Chairman invited questions from the floor.

Mr KK Ng commented that the quantum of the dividend as proposed for shareholders' approval was low. Mr KK Chia explained that although the Dividend Policy of the Company had discontinued effective financial year ended 30 June 2014, the Board of Directors of the Company (“Board”) would consider/propose declaration of dividend taking into consideration the business plans, financial performance and financial position of the Company.

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

6. **ORDINARY RESOLUTION 2**
- **DIRECTORS' FEES FOR THE FYE2018**

Mr Lee Kong Yew proposed and Mr Woon Hon Woun seconded the following motion:-

“THAT the payment of Directors' Fees for the FYE2018 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**
- DIRECTORS' FEES FROM 1 JULY 2018 UNTIL THE CONCLUSION OF THE NEXT ANNUAL GENERAL MEETING OF THE COMPANY

Mr Lee Kong Yew proposed and Mr Chia Ping Hoong seconded the following motion:-

“THAT the payment of Directors’ Fees from 1 July 2018 until the conclusion of the next Annual General Meeting of the Company 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.

8. **ORDINARY RESOLUTION 4**
- DIRECTORS' BENEFITS

Mr Lee Kong Yew proposed and Mr Chia Ping Hoong seconded the following motion:-

“THAT the payment of Directors’ benefits up to RM10,000.00 from 17 November 2018 until the conclusion of the next Annual General Meeting of the Company 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.

9. **ORDINARY RESOLUTION 5**
- RE-ELECTION OF DIRECTOR – MR CHIA KEE YEW

The next item on the agenda on re-election of Mr Chia Kee Yew was proposed by Mr Lee Kong Yew and seconded by Mr Woon Hon Woun:-

“THAT Mr Chia Kee Yew, the Director who was retiring pursuant to the Company’s Constitution, 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.

10. **ORDINARY RESOLUTION 6**

- **RE-ELECTION OF DIRECTOR – MR CHONG JOCK PENG**

The motion on re-election of Mr Chong Jock Peng was proposed by the Chairman and seconded by Mr Lee Kong Yew:-

“THAT Mr Chong Jock Peng, the Director who was retiring pursuant to the Company’s Constitution, 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.

11. **ORDINARY RESOLUTION 7**

- **APPOINTMENT OF AUDITORS**

The next item on the Agenda was to seek shareholders’ approval to appoint Messrs BDO as Auditors of the Company in place of the retiring Auditors, Deloitte PLT and to authorise the Directors to fix their remuneration.

On behalf of the Board, the Chairman recorded his thanks and appreciation to Deloitte PLT for their past services rendered to the Company.

As proposed by the Chairman and duly seconded by Mr Lee Kong Yew, the following motion was moved:-

“THAT Messrs BDO having consented to act, be and are hereby appointed as Auditors of the Company in place of the retiring Auditors, Deloitte PLT, to hold office until the conclusion of the next Annual General Meeting AND THAT authority be and is hereby given to the Directors to determine their remuneration.”

The Chairman invited questions from the floor.

In respond to Mr KK Ng on the reason of changing the Auditors, Mr KK Chia stated that Deloitte PLT had decided to retire as Auditors and rotation was to be taken place.

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

12. **SPECIAL BUSINESS**
ORDINARY RESOLUTION 8

- **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 (“Code”), 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 both appointed as Independent Non-Executive Directors (“INED”) of the Company on 1 November 2004 and both have already exceeded the nine (9) years term limit prescribed by the Code.

It was further informed that the Board 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 Notice of 21st AGM. The Board recommended that they be retained as INED of the Company and to hold office until the conclusion of the next Annual General Meeting.

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

“THAT 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 then invited questions from the floor.

In reply to Mr KK Ng’s enquiry on term limit for Independent Directors, Mr KK Chia stressed that apart from the justifications as contained in the Notice of 21st AGM, the Board does not have term limit for the Independent Directors and viewed that the independence of Independent Directors should not be determined by their tenure of service.

The Chairman informed that the poll would be conducted upon completion of the remaining business of the Meeting as there were no other questions from the floor.

13. **SPECIAL BUSINESS**
ORDINARY RESOLUTION 9

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

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

“THAT 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.

14. **SPECIAL BUSINESS**
ORDINARY RESOLUTION 10
- **AUTHORITY FOR DIRECTORS TO ISSUE SHARES**

The Chairman informed that the last item on the agenda was to seek shareholders' approval for Directors to issue shares pursuant to Sections 75 and 76 of the Companies Act, 2016. The Chairman then proposed and Mr Lee Kong Yew seconded the following motion:-

“THAT pursuant to Sections 75 and 76 of the Companies Act, 2016, 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 and allot 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 total number of issued shares 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 and quotation of 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, the Chairman informed that voting be conducted on all the resolutions by poll.

15. **POLLING**

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

The computation of votes took place immediately after all the shareholders had cast their votes and the Meeting was adjourned at 3.20 p.m. for 30 minutes for this purpose.

16. **RESULTS OF THE POLL**

At 3.50 p.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 announce the poll results on his behalf.

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

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Minutes of the Twenty First Annual General Meeting held on 16 November 2018

Resolution	Vote For		Vote Against		Total Votes	
	No. of Shares	%	No. of Shares	%	No. of Shares	%
Ordinary Resolution 1 To approve the payment of a first and final single tier dividend of 0.4 sen per ordinary share for the financial year ended 30 June 2018	86,866,252	100.0000	0	0.0000	86,866,252	100.0000
Ordinary Resolution 2 To approve the payment of Directors' Fees for the financial year ended 30 June 2018	86,862,252	99.9954	4,000	0.0046	86,866,252	100.0000
Ordinary Resolution 3 To approve the payment of Directors' Fees from 1 July 2018 until the conclusion of the next Annual General Meeting of the Company	86,862,252	99.9954	4,000	0.0046	86,866,252	100.0000
Ordinary Resolution 4 To approve the payment of Directors' benefits up to RM10,000.00 from 17 November 2018 until the conclusion of the next Annual General Meeting of the Company	86,862,252	99.9954	4,000	0.0046	86,866,252	100.0000
Ordinary Resolution 5 To re-elect Mr Chia Kee Yew as Director	86,866,152	99.9999	100	0.0001	86,866,252	100.0000
Ordinary Resolution 6 To re-elect Mr Chong Jock Peng as Director	86,866,152	99.9999	100	0.0001	86,866,252	100.0000
Ordinary Resolution 7 Appointment of Messrs BDO as Auditors in place of the retiring Auditors, Deloitte PLT and to authorise the Directors to fix their remuneration	86,866,152	99.9999	100	0.0001	86,866,252	100.0000
Ordinary Resolution 8 Retention of Mr Gong Wooi Teik as Independent Director	86,866,143	99.9999	100	0.0001	86,866,243	100.0000
Ordinary Resolution 9 Retention of Mr Chong Jock Peng as Independent Director	86,866,143	99.9999	100	0.0001	86,866,243	100.0000
Ordinary Resolution 10 Authority for Directors to issue shares	86,866,043	99.9998	200	0.0002	86,866,243	100.0000

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

17. **CLOSURE**

There being no further business to be transacted, the Meeting was closed at 4.00 p.m. with a vote of thanks to the Chairman.

READ AND CONFIRMED BY

(signed)

CHAIRMAN

Date: 10 January 2019