

TOMEI CONSOLIDATED BERHAD

(692959-W)

(Incorporated in Malaysia)

THIRTEENTH ANNUAL GENERAL MEETING

DEWAN BERJAYA, BUKIT KIARA RESORT BERHAD, JALAN BUKIT KIARA, OFF JALAN
DAMANSARA, 60000 KUALA LUMPUR

THURSDAY, 17 MAY 2018 AT 10.00 A.M.

SUMMARY OF KEY MATTERS DISCUSSED

ATTENDEES:

- i. All members of the Board of Directors
- ii. Group Financial Controller
- iii. Company Secretary
- iv. Representatives of Lawco Corporate Services Sdn Bhd
- v. Representatives of Bina Management Sdn Bhd
- vi. Shareholders / Proxies / Authorised Representatives / Invitees and other as per the attendance list

CHAIRMAN

Tan Sri Datuk Dr Ng Teck Fong

NOTICE OF MEETING

The notice convening the Meeting, having been circulated within the prescribed period was taken as read.

Before proceeding with the items on the Agenda, the Chairman explained that Bursa Malaysia Listing Requirement requires all resolutions in the Notice of General Meeting be voted by poll. In view of this, all the resolutions in this meeting are to be put to vote by poll and all votes are to be validated by an appointed scrutineer. The poll administrator is Bina Management Sdn Bhd and the appointed scrutineer is Lawco Corporate Services Sdn Bhd.

AGENDA 1

To receive the Audited Financial Statements for the Financial Year Ended 31 December 2017 and the Reports of Directors' and Auditors thereon.

This agenda item was meant for discussion only as the provision of Section 340(1)(a) of the Companies Act, 2016 does not require formal approval of the shareholders and hence, this agenda item was not put forward for voting.

The Audited Financial Statement of the Company for the financial year ended 31 December 2017 and the Reports of the Directors and Auditors thereon were received and noted by the shareholders.

Key matters raised by shareholders and responses of the Board were as follows:

	Key matters raised by Shareholders	Response from the Board
1	Mr William Ng Aik Pheng, a Shareholder of the Company enquired regarding the number of shareholders and proxies who attended the AGM and the percentage of shareholdings. He also enquired regarding the re-election of Datuk M Chareon Sae Tang @ Tan Whye Aun and Mr Lau Tiang Hua as director as their names were appeared twice in the Notice of Meeting.	The Company Secretary reiterated that the number of proxies received were 77 representing 64.667% while 50 shareholders have presented at the AGM representing 3.609% of total issued shares. Datuk Ng explained that the appearance of twice in the Notice of Meeting is to re-elect Datuk M Chareon Sae Tang @ Tan Whye Aun and Mr Lau Tiang Hua as director of the Company and to re-appointment them to continue in office as Independent Non-Executive Director.
2	Mr Chan Bun Soon, a Shareholder of the Company commented on the transfer of share premium account of RM4,036,000 to the share capital account and questioned why was it not transferred into the reserves which may benefit the shareholders.	Mr Lau Tiang Hua replied that the transfer of share premium to the share capital account was made pursuant to the transitional provisions set out in Section 618(2) of the Companies Act 2016 which allows the Company a period of up to 24 months to decide whether to utilize the share premium for issuance shares via bonus issues. However, the Company did not have any plans to issue bonus issues.
3	Mr William Ng Kok Kiong, a Proxy enquired regarding the rationale of the Company to reduce the Company's stakes in the loss making China operation from 55% to 19%.	Datuk Ng replied that the China operation requires more investment than anticipated and therefore the Company has identified a China partner to take up the investment in China. It is the Company's intention to dispose the shareholdings in the China operations gradually. Please sync all the answer to the detail amended minutes of meeting
4	Mr William Ng Kok Kiong further enquired regarding the closure of jewellery outlets in Malaysia from 70 outlets to 64 and the cost incurred in opening and closing down outlets and whether there was any concrete plan. Mr William also enquired regarding the performance and business plan for the cosmetics outlet. He also asked if there is any impact with the abolition of GST.	Datuk Ng replied that the Company has been closing down non-performing outlets which were not aligned with the Company's long term objectives. However, the Company has also been opening new outlets and will continue to access the performance as the Company put emphasis on the quality and not quantity. The Company will be closing down non-profitable outlet. He added that the Company did not allocate any amount for opening new outlet but there is no intention to reduce many outlets for the time being. Renovation cost was around half a million and most of the closed outlets were fully depreciated and the reinstatement cost was around RM40,000. Datuk Ng replied that the sales for cosmetic business has improved and the main focus

		<p>of the Company is to build up the brand. He added that the brand History of Whoo did very well at the beginning of the year and hopefully the business would be able to breakeven by this year.</p> <p>Datuk Ng replied that with the abolition of GST he believes the retail sentiment in Malaysia would be able to improve the sales of gold & jewellery. As the implementation of SST has yet to be confirmed and if SST is not going to be imposed on gold & jewellery products. The business prospect should be positive.</p>
	<p>Mr William then enquired on the management of inventories as gold & jewelleries are non-perishable products while cosmetic products are with expiration date. Datuk Ng replied that the level of inventories maintained by the Company will increase during end of the year or festive seasons i.e. Chinese New Year or Hari Raya. He added that inventories were booked into account using lower of cost or net market realisable value and to write down when the gold price drop.</p> <p>Muhammad Nafaiz Bin Rosli, a Proxy enquired the sudden increase in the sales of gold bar and enquired on the purchasers and whether gold wafers refers to gold bars or ornaments.</p>	<p>Datuk Ng replied that the sales of gold bar mainly derived from the retail market and most of the buyers were end consumer therefore the sales were predictable especially during festive season however the sales of investment gold bar were unpredictable. He added that gold wafers refer to gold bars and ornaments were jewelleries.</p>
	<p>Mr William Ng Aik Pheng enquired regarding the gold & jewellery products design and whether the products were hand or machine made. He also enquired regarding those deficit amounts as stated in the 5 years financial highlights in the Annual Report.</p>	<p>Datuk Ng replied that the manufacturing process of gold & jewellery products involved both hand and machine made. He explained that there was fluctuation of gold price during 2013 and the implementation of GST in 2015 which affected the business performance. In 2016, the sales recovered and the Company was cautious and did slightly better in 2017. The Company did not have any dividend policy but would consider to have one if the business continues to be profitable.</p>
	<p>Mr Chan Bun Soon, a Shareholder of the Company commented on the high amount of borrowings amounting to RM176 million and whether there is any plan put in place to reduce the borrowings. He also enquired what was the interest paid for the bank borrowings.</p>	<p>Datuk Ng replied that the average interest rate was 6% and there is no intention to increase borrowings. In fact, the sales has increased slowly for the last 2 years and it has reduced the borrowings. The Company would wish that the borrowings can be reduced further with better profitability and hopefully can give better dividends to reward the shareholders. He added that the</p>

		business model of the Company is quite focus. The current business environment is challenging and hopefully over time the business can improve.
	Mr William Ng Aik Pheng enquired regarding fixed dividend policy.	Datuk Ng replied that sales in 2017 was very good as the dropped in gold price boost up the sales. Therefore, the Company has declared 1.0 sen dividend since the Company did better sales. The Company would look into rewarding the shareholders by paying dividends once the Company is able to sustain its profits.

AGENDA 2 (Resolution 1)

To declare a First and Final Single Tier Dividend of 1.0 sen per ordinary share for the the Financial Year Ended 31 December 2017

The declaration of First and Final Single Tier Dividend of 1.0 sen per ordinary share for the financial year ended 31 December 2017 was approved by the shareholders of the Company.

No matter was raised by shareholders of the Company on this agenda.

AGENDA 3 (Resolution 2)

To approve the payment of Directors' Fees amounting to RM292,500.00 in respect of the Financial Year Ended 31 December 2017

The payment of Directors' Fees amounting to RM292,500.00 in respect of the financial year ended 31 December 2017 was approved by the shareholders of the Company.

No matter was raised by shareholders of the Company on this agenda.

AGENDA 4 (Resolution 3)

To approve the payment of Directors' Benefits (excluding Directors' Fees) amounting to RM9,000.00 from 18 May 2018 until the next Annual General Meeting of the Company

The payment of Directors' Benefits (excluding Directors' Fees) amounting to RM9,000.00 from 18 May 2018 until the next Annual General Meeting of the Company was approved by the shareholders of the Company.

No matter was raised by shareholders of the Company on this agenda.

AGENDA 5

Re-Election of Directors who retire pursuant to Article 84 of the Company's Articles of Association

(i) Tan Sri Datuk Dr Ng Teck Fong (Resolution 4)

The re-election of Tan Sri Datuk Dr Ng Teck Fong as Director of the Company pursuant to Article 84 of the Company's Articles of Association was approved by the shareholders of the Company.

No matter was raised by shareholders of the Company on this agenda.

(ii) Yang Mulia Raja Tan Sri Dato' Seri Aman Bin Raja Haji Ahmad (Resolution 5)

The re-election of Yang Mulia Raja Tan Sri Dato' Seri Aman Bin Raja Haji Ahmad as Director of the Company pursuant to Article 84 of the Company's Articles of Association was approved by the shareholders of the Company.

No matter was raised by shareholders of the Company on this agenda.

(iii) Datuk M Chareon Sae Tang @ Tan Whye Aun (Resolution 6)

The re-election of Datuk M Chareon Sae Tang @ Tan Whye Aun as Director of the Company pursuant to Article 84 of the Company's Articles of Association was approved by the shareholders of the Company.

No matter was raised by shareholders of the Company on this agenda.

AGENDA 6 (Resolution 7)

To re-appoint BDO as Auditors of the Company for the ensuring year and to authorise the Directors to fix their remuneration

The re-appointment of BDO as Auditors of the Company for the ensuing year at a fee to be determined by the Board of Directors was approved by the shareholders.

No matter was raised by shareholders of the Company on this agenda.

AGENDA 7 (Resolution 8)

Authority to Allot and Issue Shares pursuant to Section 76 of the Companies Act, 2016

The renewal of the mandate pursuant to Section 76 of the Companies Act, 2016 and subject to the approvals of the relevant governmental and/or regulatory authorities, the Directors be and are hereby empowered to issue shares in the Company at any time and upon such terms and conditions, for such purposes as the Directors may, in their absolute discretion deem fit, provided that the aggregate number of shares issued in any one financial year of the Company does not exceed ten per centum (10%) of the total number of issued shares of the Company for the time being and that the Directors be and are hereby also empowered to obtain approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad and that such authority shall continue in force until the conclusion of the next Annual General Meeting ("AGM") of the Company, was approved by shareholders of the Company.

No matter was raised by shareholders of the Company on this agenda.

AGENDA 8 (Resolution 9)

Proposed renewal of Shareholders' Mandate for Recurrent related party transactions ("RRPT") of a revenue or trading nature with related party ("Proposed Shareholders' Mandate")

The renewal of the Shareholders' Mandate for RRPT subject to provisions of the Companies Act, 2016 ("Act"), the Constitution of the Company, Bursa Malaysia Securities Berhad Main Market Listing Requirements or other regulatory authorities, approval be and is hereby given to the Company and/or its subsidiaries to enter into category of RRPT as set out in Section 2.1 of the Circular to Shareholders dated 19 April 2018, was approved by shareholders of the Company.

No matter was raised by shareholders of the Company on this agenda.

AGENDA 9 (Resolution 10)**Proposed Renewal of Authority for Shares buy back**

The renewal of the mandate for Authority for Shares buy back pursuant to provisions of the Companies Act, 2016 (“Act”), the Constitution of the Company, Bursa Malaysia Securities Berhad Main Market Listing Requirements or other regulatory authorities, the Company be authorised, to the fullest extent permitted by law, to buy-back such amount of ordinary shares in the Company as may be determined by the Directors of the Company from time to time, through Bursa Malaysia Securities Berhad, upon such terms and conditions as the Directors may deem fit and expedient in the interests of the Company, was approved by shareholders of the Company.

	Key matters raised by Shareholders	Response from the Board
1	Mr William Ng Aik Pheng commented that the prices in shares market has been very volatile since 8 May 2018 and what was the Company’s view on that.	Datuk Ng replied that the shares price were mainly based on supply and demand and not the tsunami effect therefore the Company was unable to determine the share price.

AGENDA 10 (Resolution 11)**Continuing in Office as Independent Non-Executive Director****- Yang Mulia Raja Tan Sri Dato’ Seri Aman Bin Raja Haji Ahmad**

The re-appointment of Yang Mulia Raja Tan Sri Dato’ Seri Aman Bin Raja Haji Ahmad who has served as an Independent Non-Executive Director for a cumulative term of more than nine years was approved by the shareholders.

No matter was raised by shareholders of the Company on this agenda.

AGENDA 11 (Resolution 12)**Continuing in Office as Independent Non-Executive Director****- Datin Nonadiah Binti Abdullah**

The re-appointment of Datin Nondiah Binti Abdullah who has served as an Independent Non-Executive Director for a cumulative term of more than nine years was approved by the shareholders.

No matter was raised by shareholders of the Company on this agenda.

AGENDA 12 (Resolution 13)**Continuing in Office as Independent Non-Executive Director****- Datuk M. Chareon Sae Tang @ Tan Whye Aun**

The re-appointment of Datuk M. Chareon Sae Tang @ Tan Whye Aun who has served as an Independent Non-Executive Director for a cumulative term of more than nine years was approved by the shareholders.

No matter was raised by shareholders of the Company on this agenda.

AGENDA 13 (Resolution 14)**Continuing in Office as Independent Non-Executive Director****- Mr. Lau Tiang Hua**

The re-appointment of Mr. Lau Tiang Hua who has served as an Independent Non-Executive Director for a cumulative term of more than nine years be was approved by the shareholders.

No matter was raised by shareholders of the Company on this agenda.

POLLING PROCESS

Before commencement of poll voting, the Company Secretary was instructed to brief the shareholders on the poll procedures. The meeting then proceeded to poll voting.

The meeting was adjourned for 30 minutes for the counting of votes.

Upon completion of the counting of votes, the Chairman called the meeting to order and the Company Secretary announced the results of the poll as follows:

No.	Resolutions	For		Against		Resolution (Passed / Not Passed)
		No. of shares	%	No. of shares	%	
1.	Declaration of First and Final Single Tier Dividend	91,038,738	100	0	0	Passed
2.	Approval for the payment of Directors' Fees	91,038,738	100	0	0	Passed
3.	Approval for the payment of Directors' Benefits	91,038,738	100	0	0	Passed
4.	Re-election of Tan Sri Datuk Dr Ng Teck Fong as Director	91,033,738	99.9945	5,000	0.0055	Passed
5.	Re-election of Yang Mulia Raja Tan Sri Dato' Seri Aman Bin Raja Haji Ahmad as Director	91,033,738	99.9945	5,000	0.0055	Passed
6.	Re-election of Datuk M. Chareon Sae Tang @ Tan Whye Aun as Director	91,033,738	99.9945	5,000	0.0055	Passed
7.	Re-appointment of BDO as Auditors	91,038,738	100	0	0	Passed

Special Business

No.	Resolutions	For		Against		Resolution (Passed / Not Passed)
		No. of shares	%	No. of shares	%	
8.	Ordinary Resolution 1 Authority to Allot & Issue Shares	91,016,038	99.9751	22,700	0.0249	Passed
9.	Ordinary Resolution 2 Proposed Shareholders' Mandate for Recurrent Related Party Transactions	4,956,400	100	0	0	Passed

10.	Ordinary Resolution 3 Proposed Renewal of Authority for Shares Buy- Back	91,038,738	100	0	0	Passed
11.	Ordinary Resolution 4 Continuing in Office as Independent Non-Executive Director - Yang Mulia Raja Tan Sri Dato' Seri Aman Bin Raja Haji Ahmad	91,033,738	99.994 5	5,000	0.0055	Passed
12.	Ordinary Resolution 5 Continuing in Office as Independent Non-Executive Director - Datin Nonadiah Binti Abdullah	91,033,738	99.994 5	5,000	0.0055	Passed
13.	Ordinary Resolution 6 Continuing in Office as Independent Non-Executive Director - Datuk M.Chareon Sae Tang @ Tan Whye Aun	91,033,738	99.994 5	5,000	0.0055	Passed
14.	Ordinary Resolution 7 Continuing in Office as Independent Non-Executive Director - Mr Lau Tiang Hua	91,038,738	100	0	0	Passed

CLOSURE

There were no further business and the meeting was closed at 11.30 a.m. with vote of thanks to the Chair.