

# **TOMEI CONSOLIDATED BERHAD**

**(692959-W)**

(Incorporated in Malaysia)

## **TWELFTH ANNUAL GENERAL MEETING**

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

TUESDAY, 23 MAY 2017 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 Niche & Milestones International 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 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 Niche & Milestones International Sdn Bhd.

#### **AGENDA 1**

**To receive the Audited Financial Statements for the Financial Year Ended 31 December 2016 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 2016 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:

	<b>Key matters raised by Shareholders</b>	<b>Response from the Board</b>
1	Based on the Statement of Profit or Loss and other Comprehensive Income as found in the page 78 and 95 of the annual report, a Shareholder noticed that the Company is having high level of inventories, borrowings and also the tax expenses of RM3.787 million incurred for the year ended 31 December 2016 compared to the Company's turnover, and the Company should consider reducing the expenses in order to declare dividend to its shareholders.	<p>The Group has applied for Group tax relief from the Inland Revenue Board and it would only be applicable starting for 2017.</p> <p>The Board took note of the dividend issue.</p> <p>Due to the challenging current economic situation, the Group has preserved its cash for its business operation in order to ensure that the Group is able to continue to grow its business.</p> <p>The Company would look into rewarding the shareholders by paying dividends once the Company is able to sustain its profits.</p> <p>The Company is trying to reduce its inventories level but due to higher gold prices the replacement cost for gold would relatively be higher. Nonetheless, the Company would look into reducing its inventory level.</p>
2	What is the total cost incurred for the motor vehicles used by the Board of Directors as the capital allowance granted is only limited to RM50,000 per car.	<p>The cost incurred for the motor vehicles used by the Executive Directors is estimated at about RM3million.</p> <p>It is necessary to maintain the Company's image in view of the business that the Company is doing.</p>
3	Due to the high level of inventories and borrowings despite the revenue for 2016 was at the lowest among the 5 years, is there any way to reduce the total borrowings in the next 2 to 5 years and also if any 3 <sup>rd</sup> party or valuer could verify the amount of inventories which was recorded at RM300million.	<p>The Board of Directors has been looking into paring down the gearing level which is expected to reduce slowly as it will take time and the paring down process has already started in the year under review.</p> <p>The Company is also concerned on the level of inventories. The Group Managing Director mentioned that all outlets carry out stock take on a daily basis. The inventories have been verified by the Internal and External Auditors and the Board further mentioned that inventories were booked into account using lower of cost and net market realisable value.</p>
4	A shareholder had expressed concern of not been receiving any returns from their investments for 2 consecutive years.	The Board informed that the Company has just managed to turn around and the Company hopes to declare dividend when the profits are sustainable.

**AGENDA 2 (Resolution 1)**

**To approve the payment of Directors' Fees amounting to RM263,250.00 in respect of the Financial Year Ended 31 December 2016**

The payment of Directors' Fees amounting to RM263,250.00 in respect of the financial year ended 31 December 2016 was approved by the shareholders of the Company.

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

**AGENDA 3**

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

**(i) Datuk Ng Yih Pyng (Resolution 2)**

The re-election of Datuk Ng Yih Pyng 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) Datin Choong Chow Mooi (Resolution 3)**

The re-election of Datin Choong Chow Mooi 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) Ms. Ng Sheau Yuen (Resolution 4)**

The re-election of Ms. Ng Sheau Yuen 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 4 (Resolution 5)**

**To re-appoint BDO as Auditors of the Company for the ensuing 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 5 (Resolution 6)****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 issued share capital 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 6 (Resolution 7)****Proposed renewal of and new Shareholders’ Mandate for Recurrent related party transactions (“RRPT”) of 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 Memorandum and Articles of Association 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 28 April 2017, was approved by shareholders of the Company.

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

	<b>Key matters raised by Shareholders</b>	<b>Response from the Board</b>
1	A Shareholder has brought up that the market rate of the rental for Sungai Wang Plaza should be much lower and what was the sales turnover for the outlet in Sungai Wang Plaza	The rental vary from location to location within the same mall. Tomei’s outlet is located at the Centre of the mall and the Company has reviewed and managed to reduce the rental twice. The Company will continue to evaluate the rate of rental for this outlet. The Director further commented that the outlet is generating about RM500,000 – RM600,000 sales per month which is quite stable.
2	Is there any impact to the outlet since Parkson being one of the anchor tenant has moved out from Sungai Wang Plaza.	The Mall Management Committee has plan to revamp the mall and bringing in more new tenants. Furthermore, the MRT has targeted to operate probably end of this year and hopefully this would help to maintain or bring in more crowd to the mall
3	What is the cost and rental incurred for opening the new outlet i.e. Tomei outlet in MyTown Cheras	The rental incurred for the outlet of approximately 1,200 sq ft is around RM20,000 per month and the fit up cost was around RM500,000 to RM600,000 while the stock holding cost around RM3 million – 4 million

## **AGENDA 7 (Resolution 8)**

### **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 Memorandum and Articles of Association 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 of 50 sen each 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.

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

## **AGENDA 8 (Resolution 9)**

### **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 be and is hereby re-appointed to continue to act as an Independent Non-Executive Director of the Company was approved by the shareholders.

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

## **AGENDA 9 (Resolution 10)**

### **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 be and is hereby re-appointed to continue to act as an Independent Non-Executive Director of the Company was approved by the shareholders.

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

## **AGENDA 10 (Resolution 11)**

### **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 be and is hereby re-appointed to continue to act as an Independent Non-Executive Director of the Company 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**

#### **- 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 and is hereby re-appointed to continue to act as an Independent Non-Executive Director of the Company was approved by the shareholders.

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

**AGENDA 12 (Special Resolution 1)  
Amendments to the Articles of Association**

The proposed amendment to the Articles of Association of the Company as contained in the Appendix A attached to the Annual Report 2016 was approved by shareholders of the Company.

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.	Approval for the payment of Directors' Fees	89,728,147	100	0	0	Passed
2.	Re-election of Datuk Ng Yih Pyng as Director	89,716,147	100	0	0	Passed
3.	Re-election of Datin Choong Chow Mooi as Director	89,728,147	100	0	0	Passed
4.	Re-election of Ms Ng Sheau Yuen as Director	89,716,147	100	0	0	Passed
5.	Re-appointment of BDO as Auditors	89,636,147	99.8975	92,000	0.1025	Passed
6.	Ordinary Resolution 1 Authority to Allot & Issue Shares	89,728,147	100	0	0	Passed
7.	Ordinary Resolution 2 Proposed Shareholders' Mandate for Recurrent Related Party Transactions	3,715,809	100	0	0	Passed
8.	Ordinary Resolution 3 Proposed Renewal of Authority for Shares Buy-Back	89,723,147	100	0	0	Passed
9.	Ordinary Resolution 4 Continuing in Office as Independent Non-Executive Director - Yang Mulia Raja Tan Sri Dato' Seri Aman Bin Raja Haji Ahmad	89,721,038	99.9978	2,000	0.0022	Passed

No.	Resolutions	For		Against		Resolution (Passed / Not Passed)
		No. of shares	%	No. of shares	%	
10.	Ordinary Resolution 5 Continuing in Office as Independent Non-Executive Director - Datin Nonadiah Binti Abdullah	89,726,038	99.9978	2,000	0.0022	Passed
11.	Ordinary Resolution 6 Continuing in Office as Independent Non-Executive Director - Datuk M.Chareon Sae Tang @ Tan Whye Aun	89,728,038	100	0	0	Passed
12.	Ordinary Resolution 7 Continuing in Office as Independent Non-Executive Director - Mr Lau Tiang Hua	89,728,038	100	0	0	Passed
13.	Special Resolution 1 Amendments to the Articles of Association	89,728,147	100	0	0	Passed

## CLOSURE

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