

C.I. HOLDINGS BERHAD

[Company No. 197801000889 (37918-A)]

(Incorporated in Malaysia)

Summary of Key Matters Discussed at the Forty-Second Annual General Meeting of the Company Held Fully Virtual at Broadcast Venue at Boardroom, Suite A-11-1, Level 11, Hampshire Place Office, 157 Hampshire, No. 1, Jalan Mayang Sari, 50450 Kuala Lumpur on Wednesday, 28 October 2020 at 9:30 A.M.

PRESENT :

Directors

YBhg. Datuk Seri Johari bin Abdul Ghani	- Chairman, Non-Independent Non-Executive
Encik Megat Joha bin Megat Abdul Rahman	- Group Managing Director
YBhg. Dato' Sukumaran s/o Ramasamy	- Non-Independent Non-Executive

Directors via Remote Participation

YBhg. Datin Mariam Prudence binti Yusof	- Non-Independent Non-Executive
Encik Nor Hishammuddin bin Dato' Mohd Nordin	- Senior Independent Non-Executive
Ms. Teh Bee Tein	- Independent Non-Executive
Mr. Kasinathan a/I Tulasi @ Sunther	- Independent Non-Executive
Datuk Haji Ariffin bin Imat	- Independent Non-Executive
Ms. Lee Cheang Mei	- Non-Independent Non-Execut
Mr. Fung Heen Choon (Alternate Director to Ms. Lee Cheang Mei)	- Non-Independent Non-Executive

Shareholders/Proxies

As per Attendance List

IN ATTENDANCE :

Ms. On Pooi Fong	- Joint Secretary
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BY INVITATION:

As per Attendance List

AUDITED FINANCIAL STATEMENTS TOGETHER WITH THE DIRECTORS' AND AUDITORS' REPORTS

The Audited Financial Statements of the Company for the financial year ended 30 June 2020 together with the Reports of the Directors and Auditors thereon, were tabled for discussion.

Among the key matters raised by the shareholders on the performance of the Company and its subsidiaries ("the Group") as well as the responses from the Board of Directors and Management were as follows:-

No.	Key Matters raised by shareholders	Responses from the Board of Directors and Management Team
1.	The current status of the proposed disposal of tap & sanitary ware division.	The Company received an offer to acquire the tap & sanitary ware division. However, it was below the Company's Net Tangible Asset. The proposed disposal was then put on hold considering the current economic climate.

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- Summary of Key Matters Discussed at the Forty-Second Annual General Meeting of the Company [cont'd]

No.	Key Matters raised by shareholders	Responses from the Board of Directors and Management Team
2.	The trade receivables ratio improved compared to last financial year.	The trade receivables ratio improved from the previous financial year, and on average at least 95% of the receivables had been received to date.
3.	Substantial increase in bad debts in the last financial year and the political situation in Nigeria and other African countries.	Our businesses were not directly affected by the situation in Nigeria. Whereas in Africa, the Company was doing well. There was no substantial increase in bad debts, and the Company expects to get further bad debt recoveries during this year's collection.
4.	The reasons of higher profit contributed by Palmtop Vegeoil Products Sdn Bhd ([199301012218 (266956-P)] ("Palmtop"), a 60%-owned subsidiary of the Company compared to Continental Resources Sdn. Bhd. [198801006186 (173543-U)] ("CRSB") despite larger production capacity in CRSB.	The huge difference was due to the different business model. Palmtop had its own direct customers for which the products were exported to over 110 countries. Whereas CRSB sold on OEM to various distributors who owned the brands.
5.	Directors' remuneration which was almost doubled from 2019 to 2020 measured against the profit before tax of respective financial year.	The performance in the financial year 2019 was lower than the year 2020. For the corresponding year, the Company implemented incentives schemes for the marketing team and directors involved to target. On the year-to-year comparison, remuneration in 2019 as compared to profit before tax was 15.9%, whereas 19.8% for 2020. This was as a result from the higher target achievements by all those concerned. Moreover, the incentives paid out are reasonable, justifiable and in line with market remuneration and reward schemes

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- Summary of Key Matters Discussed at the Forty-Second Annual General Meeting of the Company [cont'd]

No.	Key Matters raised by shareholders	Responses from the Board of Directors and Management Team
6.	The Company to elaborate further on the future prospects section of the Annual Report, particularly on the expansion into producing and trading of evaporated milk, condensed milk, and milk powder.	The Company would not consider any manufacturing plans for the milk segments for the time being in view of the current economic climate. The Company would continue to focus on the trading of milk products which we believe there is still vast potential.
7.	The cost of conducting virtual Annual General Meeting.	The costs for the virtual AGM was almost RM90,000 as compared to the physical meeting held last year, which costed RM181,000.00.
8.	Post-Covid 19 business environment expects.	The Company is in the fast-moving consumer goods sectors of an essential food and believe that the market as well as the business will continue to be resilient and positive albeit with slight delays in shipments and payment receipts arising out of destination market lockdowns and new norms due to the coronavirus pandemic.
9.	Whether the Company had any plan in acquiring the remaining 40% equity interest in Palmtop to become a wholly-owned subsidiary.	The Company did propose to acquire Palmtop's remaining 40% equity interest. Given that the entire business was valued at approximately RM800 million, the acquisition of the remaining 40% equity interest would costs around RM320 million, which was not feasible to the Company for now. Nonetheless, the Company would continue to expand and grow Palmtop together to enhance and increase shareholders' value.

ORDINARY RESOLUTION NO. 1

- **FINAL SINGLE-TIER DIVIDEND FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020**

The declaration of a final single-tier dividend for the financial year ended 30 June 2020 was approved by the shareholders at the Meeting.

There was no matter raised by the shareholders of the Company on this Agenda.

ORDINARY RESOLUTION NO. 2

• **PAYMENT OF DIRECTORS' FEE AND BENEFITS**

The payment of Directors' Fees and benefits of RM225,000.00 for the financial year ended 30 June 2020 was approved by the shareholders at the Meeting.

There was no matter raised by the shareholders of the Company on this Agenda.

ORDINARY RESOLUTION NO. 3

• **DIRECTORS' BENEFITS FOR THE PERIOD FROM 1 NOVEMBER 2020 UNTIL THE NEXT ANNUAL GENERAL MEETING TO BE HELD IN 2021**

The Directors' benefits of up to an amount of RM163,000.00 for the period from 1 November 2020 until the next Annual General Meeting of the Company to be held in 2021 was approved by the shareholders at the Meeting.

There was no matter raised by the shareholders of the Company on this Agenda.

ORDINARY RESOLUTION NO. 4

• **RE-ELECTION OF DATIN MARIAM PRUDENCE BINTI YUSOF AS DIRECTOR RETIRING BY ROTATION PURSUANT TO CLAUSE 96 OF THE COMPANY'S CONSTITUTION**

The re-election of Datin Mariam Prudence binti Yusof as Director of the Company was approved by the shareholders at the Meeting.

There was no matter raised by the shareholders of the Company on this Agenda.

ORDINARY RESOLUTION NO. 5

• **RE-ELECTION OF DATUK HAJI ARIFFIN BIN IMAT AS DIRECTOR RETIRING BY ROTATION PURSUANT TO CLAUSE 96 OF THE COMPANY'S CONSTITUTION**

The re-election of Datuk Haji Ariffin bin Imat as Director of the Company was approved by the shareholders at the Meeting.

There was no matter raised by the shareholders of the Company on this Agenda.

ORDINARY RESOLUTION NO. 6

• **RE-ELECTION OF MS. TEH BEE TEIN AS DIRECTOR RETIRING BY ROTATION PURSUANT TO CLAUSE 96 OF THE COMPANY'S CONSTITUTION**

The re-election of Ms. Teh Bee Tein as Director of the Company was approved by the shareholders at the meeting.

There was no matter raised by the shareholders of the Company on this Agenda.

ORDINARY RESOLUTION NO. 7

• **RE-APPOINTMENT OF MESSRS BDO PLT AS AUDITORS OF THE COMPANY**

The re-appointment of Messrs BDO PLT as Auditors of the Company for the ensuing year and to hold office until the conclusion of the next Annual General Meeting at a remuneration to be determined by the Board of Directors was approved by the shareholders at the Meeting.

There was no matter raised by the shareholders of the Company on this Agenda.

ORDINARY RESOLUTION NO. 8

• **AUTHORITY FOR DIRECTORS TO ISSUE AND ALLOT SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT, 2016**

The resolution on authority for Directors to issue and allot shares pursuant to Sections 75 and 76 of the Companies Act, 2016 was approved by the shareholders at the Meeting.

There was no matter raised by the shareholders of the Company on this Agenda.

ORDINARY RESOLUTION NO. 9

• **RETENTION OF ENCIK NOR HISHAMMUDDIN BIN DATO' MOHD NORIDN AS AN INDEPENDENT NON-EXECUTIVE DIRECTOR OF THE COMPANY**

The retention of Encik Nor Hishammuddin bin Dato' Mohd Nordin who has served as an Independent Non-Executive Director of the Company for a cumulative term of nineteen (19) years and five (5) months, to continue to act as an Independent Non-Executive Director of the Company was approved by the shareholders at the Meeting.

There was no matter raised by the shareholders of the Company on this Agenda.

ORDINARY RESOLUTION NO. 10

• **RETENTION OF MS. TEH BEE TEIN AS AN INDEPENDENT NON-EXECUTIVE DIRECTOR OF THE COMPANY**

The retention of Ms. Teh Bee Tein who has served as an Independent Non-Executive Director of the Company for a cumulative term of eleven (11) years and six (6) months, to continue to act as an Independent Non-Executive Director of the Company was approved by the shareholders at the Meeting.

There was no matter raised by the shareholders of the Company on this Agenda.

ORDINARY RESOLUTION NO. 11

• **RETENTION OF MR. KASINATHAN A/L TULASI AS AN INDEPENDENT NON-EXECUTIVE DIRECTOR OF THE COMPANY**

The retention of Mr. Kasinathan a/l Tulasi who has served as an Independent Non-Executive Director of the Company for a cumulative term of nine (9) years and eight (8) months, to continue to act as an Independent Non-Executive Director of the Company was approved by the shareholders at the Meeting.

There was no matter raised by the shareholders of the Company on this Agenda.