

Minutes of the Thirtieth Annual General Meeting (“30th AGM” or “Meeting”) of Bonia Corporation Berhad (“Bonia” or “Company”, and references to “Bonia Group” or “Group” are to Bonia and its subsidiaries) conducted fully virtual through live streaming and online remote voting from the Broadcast Venue at The Conference Room of Bonia, L8-08, Level 8, Ikon Connaught, Lot 160, Jalan Cerdas, Taman Connaught, Cheras, 56000 Kuala Lumpur, Wilayah Persekutuan, Malaysia on Tuesday, 30 November 2021 at 9:30 am.

Directors present:	Chiang May Ling (“CML”)*	- Chairperson of the Meeting, Alternate Director
	Chiang Sang Sem (“CSS”)*	- Director
	Dato’ Sri Chiang Fong Tat (“CFT”)*	- Director
	Dato’ Sri Chiang Fong Seng (“CFS”)*	- Director
	Chong Chin Look (“CCL”)	- Director
	Datuk Chiang Heng Kieng (“CHK”)*	- Director
	Dato’ Sri Chiang Fong Yee (“CFY”)*	- Director
	Datuk Ng Peng Hong @ Ng Peng Hay (“NPH”)	- Director
	Chong Sai Sin (“SSC”)	- Director
	Azian Binti Mohd Yusof (“AMY”)	- Director
	Chiang Fong Chyen (“CFC”)*	- Alternate Director
Secretaries present:	Chong Chin Look (“CCL”)	- Group Finance Director and Company Secretary
Members present:	Comprising shareholders, proxies and/or corporate/authrosied representatives) - as per attendance list	
Others present:	Invitees - as per attendance list	
Quorum:	Satisfied (minimum of 2 members required)	
Call to order:	9.30 am with CML presiding	

*\* Also holding direct and/or indirect interests in the Company*

## **1.0 WELCOME ADDRESS**

- 1.1 The Chairperson welcomed all the participants of the 30th AGM.

## **2.0 QUORUM**

- 2.1 With the quorum being present pursuant to the Company’s Constitution, the Chairperson declared the Meeting duly constituted.

## **3.0 NOTICE OF MEETING**

- 3.1 The Notice of 30th AGM dated 29 October 2021, having been given to shareholders in accordance with the provisions of the Companies Act 2016 and the Constitution of the Company within the prescribed period, was taken as read.

#### **4.0 REMOTE E-VOTING BY POLL**

- 4.1 The Chairperson informed the Meeting that:
- pursuant to Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in the Notice of 30th AGM were to be decided by poll. In accordance thereto, the Chairperson of the Meeting had pursuant to Section 330 of the Companies Act 2016 and Clause 69.1 of the Constitution of the Company, exercised her right to demand voting by polls on the resolutions set out in the Notice of 30th AGM
  - the Company has appointed AI Smartual Learning Sdn. Bhd. (“AISL”) as the poll administrator to administrate the remote e-voting process via Remote Participation and Voting Facilities, and NeedsBridge Advisory Sdn. Bhd. as the Independent Scrutineers to verify the poll results
  - the online remote voting was accessible from 9.30 am until the announcement of completion of the voting session
  - First Questions & Answer (“Q&A”) session would be opened to focus on the discussion of the Company’s Audited Financial Statements FY2021. The other Q&A session would be opened after all resolutions set out in the Notice of 30th AGM have been put to the Meeting.
- 4.2 The Chairperson then invited the representative from AISL to brief the participants on the remote e-voting procedures. The video recording on the online remote poll voting procedures was then played for the viewing of the members.

#### **5.0 TO LAY THE AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021 TOGETHER WITH THE REPORTS OF THE DIRECTORS AND AUDITORS THEREON**

- 5.1 The Chairperson informed the Meeting that pursuant to Section 340 of the Companies Act 2016 (“CA2016”), the Audited Financial Statements FY2021 (“AFS-21”) of the Company did not require shareholders’ approval and henceforth item 1 of the Agenda was meant for discussion only and was not put forward for voting.
- 5.2 CCL assisted the Chairperson in presenting the Board’s replies to the issues and queries raised by the Minority Shareholder Watchdog Group (“MSWG”) in their letter dated 22 November 2021, via presentation slides. The Board’s replies to MSWG as annexed hereto as “Annex A” would also be posted on the website of the Company after the conclusion of the Meeting.
- 5.3 Thereafter, the Chairperson opened the Q&A session focusing on the AFS-21 to the floor.
- 5.4 With regard to the concerns/comments/suggestions duly raised by the members, the Board provided its replies as follows:

No.	Concerns/comments/suggestions from various members	Board’s reply
1	What is the amount of government subsidies and rental reliefs received in FY2021 respectively?	The Group had received subsidies from both Malaysia government and Singapore government of approximately RM10 million  The Group also received rental concessions of approximately RM4.5 million

No.	Concerns/comments/suggestions	Board's reply
2	Several shareholders' requests on e-voucher as a token of appreciation for attending the 30th AGM	No door gift and/or vouchers would be distributed for the attendees of the 30th AGM. The Company would continue to reward Bonia Shareholders by way of dividends while considering the needs to set aside and conserve fund for financial prudence and future growth
3	Among 3 selling channels, i.e., consignment counters, boutique and e-commerce, which provided better margin and why?	Sales from boutique stores and e-commerce provided better gross profit margin as compared to consignment counters where the profit margin from the product sold had to share with department stores

- 5.5 After much deliberation, the AFS-21 together with the reports of the Director and Auditors thereon, were properly laid and received by the Members present in accordance with the CA2016.

**6.0 ORDINARY RESOLUTION 1  
 TO RE-ELECT DATO' SRI CHIANG FONG TAT, THE DIRECTOR WHO RETIRES  
 PURSUANT TO CLAUSE 86 OF THE CONSTITUTION OF THE COMPANY**

- 6.1 The Chairperson put the following Ordinary Resolution 1 to the Meeting for consideration

"THAT the retiring Director, Dato' Sri Chiang Fong Tat, being eligible for re-election, be and is hereby re-elected as a Director of the Company."

**7.0 ORDINARY RESOLUTION 2  
 TO RE-ELECT DATO' SRI CHIANG FONG YEE, THE DIRECTOR WHO RETIRES  
 PURSUANT TO CLAUSE 86 OF THE CONSTITUTION OF THE COMPANY**

- 7.1 The Chairperson put the following Ordinary Resolution 2 to the Meeting for consideration:

"THAT the retiring Director, Dato' Sri Chiang Fong Yee, being eligible for re-election, be and is hereby re-elected as a Director of the Company."

**8.0 ORDINARY RESOLUTION 3  
 TO RE-ELECT CHONG SAI SIN, THE DIRECTOR WHO RETIRES PURSUANT TO  
 CLAUSE 86 OF THE CONSTITUTION OF THE COMPANY**

- 8.1 The Chairperson put the following Ordinary Resolution 3 to the Meeting for consideration.

"THAT the retiring Director, Chong Sai Sin, being eligible for re-election, be and is hereby re-elected as a Director of the Company."

**9.0 ORDINARY RESOLUTION 4  
TO RE-APPOINT MESSRS BDO PLT AS AUDITORS OF THE COMPANY FOR THE  
FINANCIAL YEAR ENDING 30 JUNE 2022 AND TO AUTHORISE THE BOARD OF  
DIRECTORS TO FIX THEIR REMUNERATION**

9.1 The Chairperson put the following Ordinary Resolution 4 to the Meeting for consideration.

“THAT Messrs BDO PLT be and are hereby re-appointed as Auditors of the Company for the financial year ending 30 June 2022 and that the Board of Directors of the Company be and is hereby authorised to fix their remuneration.”

**10.0 ORDINARY RESOLUTION 5  
TO APPROVE THE DIRECTORS’ FEES OF BONIA CORPORATION BERHAD AND ITS  
SUBSIDIARIES NOT EXCEEDING RM1,600,000 FOR THE FINANCIAL YEAR ENDING 30  
JUNE 2022 TO BE DIVIDED AMONGST THE DIRECTORS IN SUCH MANNER AS THEY  
MAY DETERMINE, WITH PAYMENT OF THE FEES TO BE MADE SEMIANNUALLY IN  
ARREARS AT THE END OF EACH HALF-YEAR**

10.1 The Chairperson put the following Ordinary Resolution 5 to the Meeting for consideration:

“THAT the payment of Directors’ fees of Bonia Corporation Berhad and its subsidiaries not exceeding RM1,600,000 for the financial year ending 30 June 2022 to be divided amongst the Directors in such manner as they may determine with payment of the fees to be made semi-annually in arrears at the end of each half-year be approved.”

**11.0 ORDINARY RESOLUTION 6  
TO APPROVE THE DIRECTORS’ BENEFITS OF BONIA CORPORATION BERHAD UP  
TO AN AMOUNT OF RM95,000 FOR THE PERIOD FROM 01 DECEMBER 2021 UNTIL  
THE NEXT ANNUAL GENERAL MEETING**

11.1 The Chairperson put the following Ordinary Resolution 6 to the Meeting for consideration:

“THAT the payment of the Directors’ benefits by Bonia Corporation Berhad up to an amount of RM95,000 for the period from 01 December 2021 until the next Annual General Meeting be approved.”

**12.0 ORDINARY RESOLUTION 7  
RETENTION OF INDEPENDENT NON-EXECUTIVE DIRECTOR**

12.1 The Chairperson put the following Ordinary Resolution 7 to the Meeting for consideration:

“THAT contingent upon the passing of Ordinary Resolution 3, Chong Sai Sin shall continue to serve as an Independent Non-Executive Director of the Company notwithstanding that his tenure as an independent director has exceeded a cumulative term of 12 years.”

**13.0 ORDINARY RESOLUTION 8  
APPROVAL FOR ALLOTMENT OF SHARES OR GRANT OF RIGHTS**

13.1 The Chairperson put the following Ordinary Resolution 8 to the Meeting for consideration:

“THAT the Directors be and are hereby empowered, pursuant to Sections 75 and 76 of the Companies Act 2016, to allot and issue not more than 20% of the total number of issued shares of the Company (excluding treasury shares, if any) at any time, upon such terms and conditions and for such purposes as the Directors in their absolute discretion deem fit or in pursuance of offers, agreements or options to be made or granted by the Directors while this approval is in force, and that the Directors be and are hereby further authorised to make or grant offers, agreements or options which would or might require shares to be allotted and issued after the expiration of the approval hereof, and that the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so allotted and issued on the Bursa Malaysia Securities Berhad.”

**14.0 ORDINARY RESOLUTION 9  
PROPOSED RENEWAL OF SHAREHOLDERS’ MANDATE TO ENABLE BONIA CORPORATION BERHAD TO PURCHASE UP TO 10% OF ITS TOTAL NUMBER OF ISSUED SHARES (“Proposed Share Buy-Back”)**

14.1 The Chairperson put the following Ordinary Resolution 9 to the Meeting for consideration:

“THAT subject to all the applicable laws and regulations, the Directors be and are hereby authorised to purchase the ordinary shares of the Company through the stock exchange of Bursa Malaysia Securities Berhad at any time upon such terms and conditions as the Directors in their absolute discretion deem fit and in the interests of the Company provided that the aggregate number of shares purchased (which are to be treated as treasury shares) does not exceed 10% of the total number of issued shares of the Company; and the funds allocated for the purchase of shares shall not exceed its retained profits for the time being.

THAT the Directors be and are hereby further authorised to deal with the treasury shares in their absolute discretion pursuant to Section 127(7) of the Companies Act 2016.

THAT such authority shall continue to be in force until the conclusion of the next annual general meeting of the Company following the general meeting at which the Proposed Share Buy-Back was passed at which time it will lapse, unless by an ordinary resolution passed at that meeting, the authority is renewed either unconditionally or subject to conditions; or the expiration of the period within which the next annual general meeting after that date is required by law to be held; or the revocation or variation by ordinary resolution passed by the shareholders of the Company in a general meeting, whichever occurs first.

AND THAT the Board of Directors be and is hereby authorised to do all such acts and things (including executing such documents as may be required) in the said connection and to delegate all or any of the powers herein vested in them to any Director(s) or any officer(s) of the Company to give effect to the aforesaid share buy-back in the best interest of the Company.”

**15.0 TO TRANSACT ANY OTHER ORDINARY BUSINESS**

15.1 The Meeting noted that no notice was received for transacting any other ordinary business.

## 16.0 SECOND Q&A SESSION

16.1 As highlighted earlier, the Chairperson opened the Second Q&A session to the floor.

16.2 With regard to the concerns/comments/suggestions relating to the resolutions and/or the Group's matters duly raised by the members, the Board provided its replies as follows:

No.	Concerns/comments/suggestions from various members	Board's reply
1	What is the Company's future outlook?	The Board undertook proactive measures to manage impact of Covid-19 pandemic by adhering to all SOPs, including managing our businesses remotely and operating to our e-commerce channel, to reduce operating cost. In addition to government subsidy programmes, the Group has actively seeking for rental reliefs from mall operators during the movement restriction period. The outlook remain challenging as recent Covid-19 development continue to post uncertainties. We hope the gradually lifting of restriction will enable the businesses to slowly recover.
2	How much the impact due to Motion Control Order (MCO)?	By reference to the Board Report & Management Discussion and Analysis in the Company's Annual Report 2021, the Group's turnover had declined by approximately 16% and this affected our gross profit margin. Nevertheless, the Board had taken all the measures, eg. cost control which resulted in our profitability increase
3	How much of cost saving of holding a virtual AGM as compared to a physical AGM?	There was no significant difference. However, the cost of holding a virtual meeting is lower than holding a physical meeting

16.3 There were no other questions from the floor, and the Chairperson declared the Q&A session closed.

## 17.0 REMOTE E-VOTING PROCESS

17.1 There being no further discussion, the Chairperson advised the members that the remote e-voting session would be closed in 5 minutes and members who have yet to cast their votes were reminded to do so. Thereafter, the poll would be closed. The votes cast would be counted by the Poll Administrator and be scrutineered by the Independent Scrutineers, and the Board would provide the poll results as soon as they were available.

17.2 The Chairperson then adjourned the Meeting for remote e-voting as well as the verification of poll results by the Independent Scrutineers.

**18.0 ANNOUNCEMENT OF POLL RESULTS**

- 18.1 With the quorum being present pursuant to the Company's Constitution, the Chairperson called the 30th AGM to resume at 11.00 am for declaration of the results of the poll.
- 18.2 The poll results as set out in "Annex B" annexed hereto were displayed on the screen for the members' information. Based on the said poll results, the Chairperson declared that all resolutions as set out in the Notice of 30th AGM and put to the Meeting for consideration, were duly carried.

**19.0 TERMINATION**

- 19.1 There being no other business, the Chairperson concluded the Meeting at 11.15 am and thanked all present for their attendance.

Signed as a correct record,

CHIANG MAY LING  
Chairperson of the 30th AGM



**BONIA CORPORATION BERHAD**  
Registration No. 199101013622 (223934-T)

30 November 2021

Minority Shareholder Watchdog Group  
Tingkat 11, Bangunan KWSP,  
No.3, Changkat Raja Chulan,  
Off Jalan Raja Chulan,  
50200 Kuala Lumpur

Attention: Mr. Devanesan Evanson

Dear Sir / Madam,

**BONIA CORPORATION BERHAD ("BONIA") THIRTIETH (30<sup>TH</sup>) ANNUAL GENERAL MEETING (AGM) TO BE HELD ON TUESDAY, 30 NOVEMBER 2021**

We refer to your letter dated 22 November 2021 in relation to the abovementioned matter. As requested, we wish to provide our replies to the issues raised by the Minority Shareholder Watchdog Group, which will also be presented to the shareholders of the Bonia at the 30<sup>th</sup> AGM.

**Operational & Financial Matters**

**Question 1:**

E-commerce contributed 7.2% (FYE 2020: 2.2%) to the Group's total retailing revenue of RM287.5 million for FYE 2021. The Company recognised the e-commerce platform as an important business segment and will continue to focus the effort on the digital marketing strategies to improve the e-commerce's revenue growth.

- a) What was the investment made to develop the e-commerce business in FYE 2021 compared to FYE 2020?
- b) What are the Company's plans to further develop its ecommerce business in FYE 2022?

**Response 1:**

- a) Over the past two years, Bonia Group has invested in the e-commerce infrastructure such as building up our own e-commerce team, creating our own e-commerce platform and setting up our own e-stores at various marketplaces. For FYE2021, the Group continues to strengthen our e-commerce team, enhance e-commerce processes and online features to improve online shopping experience for shoppers, focus on digital marketing strategies such as spending on digital advertisement and posting of brand activities in various social media, engagement of KOLs and enhancement to our CRM programme for the purposes of customer retention and refining the overall customer journey.
- b) Since the Group's inception, penetrating into international market has always been a key strategy for the Group. In FYE 2022, the Group intends to strengthen its positioning abroad by expanding our online presence in key markets such as Indonesia and Vietnam where we see the growth in. This includes setting up our own foreign e-commerce website as well as entering the various regional online marketplaces.

“Annex A”

**Question 2:**

The Company had reduced its physical stores in the region from 624 to 555 during FYE 2021. (Page 33 of AR 2021)

- a) What were the losses suffered by the Company due to the closure of some of its stores in FYE 2021?
- b) Does the Company envisage closing more stores in FYE 2022? If yes, how many stores are targeted to be closed and what are the potential losses?

**Response 2:**

- a) The Group considers multiple factors such as store performance, shopping mall footfall traffic, demographic and market condition in deciding the continuity of the retail stores. The losses suffered by the Group for closure of some of its stores during the financial year were insignificant as most of the discontinued stores were ended on a non-renewal of lease basis where no penalty was incurred and the renovation cost of the stores had been fully depreciated.
- b) Over the past few years, the Group has undergone a series of strategic review on the performance and market demographic of its stores in the region and has closed down most of the non-performing stores. The management will continue monitor the market condition and the stores performance.

**Question 3:**

Bonia has been a household brand in the region for more than a quarter century. The Company has to constantly evolve in terms of capturing the latest fashion trends for its products to stay relevant.

How does the Company ensure that its products capture the latest fashion trends?

**Response 3:**

The Group constantly hires new talents and people relevant in the industry, keeping in touch with global trends not just on products but also concepts, aesthetic, trendwaves, social trends and branding trends. All these affect the products and the brand's final image in order to stay relevant and capture the latest fashion trends.



“Annex A”

Question 4:

Other Operating Income of the Company rose sharply to RM27.2 million in FYE2021 from RM14.6 million in FYE 2020. (Page 109 of AR 2021)

What were the reasons for the increase and is this Income expected to recur in FYE 2022?

Response 4:

The increase in other operating incomes were mainly due to reversal of allowance for Expected Credit Loss (“ECL”) in trade receivables, increase in lease concession and additional subsidies and grants from Malaysia and Singapore governments to provide financial supports to the Group due to lockdown as well as trade payables written off. Therefore, the recurrence of it is depending on the nature and circumstances that give rise to the occurrence of the respective items.

Question 5:

Bad Debts for trade receivables and other receivables written off increased significantly to RM178k in FYE 2021 from RM66k in FYE 2020. (Page 112 of AR 2021)

- a) In light the sharp increase in bad debts written off, does the Company need to review its credit policies?
- b) Was there any write back in the amount after 30 June 2021?
- c) Does the Company expect bad debts written off to increase in FYE 2022 due to the lethargic business conditions?

Response 5:

- a) Bad debt written off in FYE 2021 was only 0.07% to the Group's total revenue and primarily due from one of the departmental stores which went into liquidation during the financial year. The Group constantly reviews the credit terms entered with its customers according to their credit profile to mitigate the risk of default.
- b) If there is any write back of bad debts, it will be reflected in our subsequent quarterly reports to be announced in due course.
- c) The Group closely monitors its account receivables to minimise business losses, and will make the necessary provision for impairment loss on receivable based on the ECL model as required by MFRS 9 accounting standards.

Corporate Governance

Question 1:

Practice 4.1 of the Malaysian Code of Corporate Governance 2017 (MCCG) stipulates that at least half of the Board has to be made up of Independent Directors.

We note that as of June 30, 2021, only 3 out of the 9 Company's directors are independent. This represents only 33% and this does not comply to the Practice.

Does the Company intend to comply with this Practice and if yes, by when?

Response 1:

The Board consists of 3 independent directors and 2 non-independent non-executive directors, and out of 9 members on Board, only 4 members have executive functions. As such, the Board is of the view that, although the number of independent directors is less than half of the Board, its Independent Directors are adequate at present to provide the necessary check and balance to the Board's decision-making process, and the Board composition is appropriate to fulfil its oversight responsibilities considering the scale of the Group's operations.

Nevertheless, the Board will remain mindful of Practice 4.1 of the Malaysian Code of Corporate Governance 2017 and continue to review its board composition based on the business needs.

We take that the above is sufficient for your record.

Yours faithfully,

For and on behalf of

BONIA CORPORATION BERHAD



CHONG CHIN LOOK  
Group Finance Director

“Annex B”

Bonia Corporation Berhad L8-08 Ikon Connaught, Lot 160 Jalan Cergas, Taman Connaught, Cheras, Malaysia, Kuala Lumpur, 56000												
No	Resolutions	Title	Voted For			Voted Against			Total			Result
			No of Units	%	No of records	No of Units	%	No of records	No of Units	%	No of records	
1	ORDINARY	Resolution 1 : Re-election of Dato' Sri Chiang Fong Tat as Director	146422883	99.8920	69	158324	0.1080	14	146581207	100.0000	83	FOR
2	ORDINARY	Resolution 2 : Re-election of Dato' Sri Chiang Fong Yee as Director	146422883	99.8920	69	158310	0.1080	13	146581193	100.0000	82	FOR
3	ORDINARY	Resolution 3 : Re-election of Chong Sai Sin as Director	146422872	99.9196	66	117835	0.0804	15	146540707	100.0000	81	FOR
4	ORDINARY	Re-appointment of Messrs BDO PLT as Auditors and to authorise the Directors to fix their	146540278	99.9997	71	424	0.0003	9	146540702	100.0000	80	FOR
5	ORDINARY	Resolution 5 : Approval for Directors' Fees for financial year ending 30 June 2022	146493243	99.9701	62	43814	0.0299	18	146537057	100.0000	80	FOR
6	ORDINARY	Resolution 6 : Approval for Directors' Benefits	146492990	99.9702	60	43689	0.0298	18	146536679	100.0000	78	FOR
7	TWOTIER	Resolution 7 : Retention of Chong Sai Sin as Independent Non-Executive Director	146421847	99.9195	63	117942	0.0805	15	146539789	100.0000	78	FOR
8	ORDINARY	Resolution 8 : Approval for Allotment of shares or Grant of rights	146539327	99.9721	64	40962	0.0279	16	146580289	100.0000	80	FOR
9	ORDINARY	Resolution 9 : Proposed Share Buy-Back	146495760	99.9721	66	40822	0.0279	12	146536582	100.0000	78	FOR

30.11.2021  
 NeedsBridge Advisory Sdn Bhd  
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 Taman Semabok Perdana, 75050 Melaka  
 Tel: 2889115 Fax: 06-2823628