

CHIN WELL HOLDINGS BERHAD

(Company No. 371551-T)

(Incorporated in Malaysia)

MINUTES OF GENERAL MEETING

MINUTES OF THE TWENTY-SECOND ANNUAL GENERAL MEETING OF THE COMPANY HELD AT THE CONFERENCE ROOM OF CHIN WELL HOLDINGS BERHAD AT NO. 1586, MK. 11, LORONG PERUSAHAAN UTAMA 1, BUKIT TENGAH INDUSTRIAL PARK, 14000 BUKIT MERTAJAM, PENANG ON TUESDAY, 27 NOVEMBER 2018 AT 11.00 A.M.

- Present : Mr. Lim Chien Ch'eng (In the Chair)
Mr. Tsai Yung Chuan
Madam Tsai Chang Hsiu-Hsiang
Mr. Ang Seng Oo
Cik Sharmin Fazlina Binti Mohd Shukor
and 17 other shareholders and proxies as per attendance list
- Absent with apologies : Mr. Low Yeaw Seng
- By Invitation : 4 invited guests as per Attendance List
- In Attendance : Mr. Lee Peng Loon (Company Secretary)

1. COMMENCEMENT

On behalf of the Board of Directors of Chin Well Holdings Berhad ("Chin Well" or "the Company"), the Company's Chairman, Mr. Lim Chien Ch'eng welcomed all members and invited guests present to the Company's 22nd Annual General Meeting ("AGM").

Before the Chairman proceeded with the meeting's agenda, he informed members present that the AGM acts as a forum for interactions with members and members present should participate actively.

Without further delay, he called upon the Company Secretary to confirm the number of proxy forms received and the presence of a quorum for the Company's 22nd AGM.

The Company Secretary, Mr. Lee Peng Loon, confirmed that 23 proxies forms were received within the prescribed period and the said proxy forms were available for members' inspection at the registration desk.

The Company Secretary also informed the Chairman that in accordance with Article 76 of the Company's Articles of Association (Constitution), 2 members present in person or by proxy would constitute a quorum at a general meeting and was pleased to confirm the presence of the requisite quorum as at the commencement of the meeting.

The requisite quorum being present, the Chairman called the 22nd AGM to order at 11.00 a.m.

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2. CHAIRMAN'S ADDRESS

The Company Secretary invited the Chairman to address the meeting.

The Chairman again welcomed all members, proxies and invited guests and thanked them for their kind presence at the Company's 22nd AGM.

The Chairman reported to members that for the financial year 2018 (FY2018), the Group achieved a total revenue of RM591.29 million, representing an increase of 13.43% when compared with the revenue of RM521.29 million achieved in FY2017. The Fasteners division had contributed about 76% to the Group's revenue whilst the remaining revenue was from the Wire division.

The higher revenue recorded in FY2018 was principally attributable from:

- Higher sales of steel bars in the local market;
- Rising demand for the downstream wire rod products; and
- Increase in the average selling price for both fasteners and wire products.

In line with the higher revenue, the Group's gross profit increased by 7.69% to RM98.80 million.

The strengthening of Ringgit against USD during the first three quarters of FY2018 had resulted in lower translation gain and higher foreign exchange loss. This had been reflected in the lower other income and higher administration expenses recorded in the current financial year.

Interest expense rose by RM0.30 million to RM1.38million in FY2018 mainly due to loan drawdown for purchases of raw materials and the increase in the interest rates of bank borrowings.

Coupled by the factors above, the Group posted a higher profit before tax of RM66.74 million in FY2018 versus RM62.18 million in FY2017.

Dividends

The positive results had enabled the Group to pay total dividends amounting to 8.00 sen per share through two interim single-tier dividends of 3.90 sen and 4.10 sen respectively. The total dividend payout of RM23.54million represented 42.12% of the Group's net profits.

The Year Ahead 2019

Moving forward the Group will continue to boost the revenue from its DIY fasteners segment through the increase of distribution network in Europe and US markets. The Company believe opportunity often comes with the challenges. The move by the USA to impose tariff on Chinese's goods like steel products will offer the Company opportunity to further strengthen the Company's position in the western region. In addition, The Company will explore further to penetrate into developing emerging markets with The Company's fasteners products.

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For the Company's Wire division, the upgrading of galvanized wire line is in the progress and is expected to be completed in the financial year 2019. The upgrading aims to enhance the production efficiency and reduced the product cost. The Company believes that the upgrading will make the Wire division grow stronger and contribute positively to the Group's performance in long term.

Apart from that, the Group had commenced the building of an automated warehouse in the Company's Shah Alam land and the construction is expected to be completed in the financial year 2019. The Group intends to set up a new business segment by providing a one stop warehousing service in the near future, subject to the approval from the relevant authorities. Nevertheless, the warehousing service is not expected to bring significant impact to the financial performance of the Group in the next financial year.

Despite the risks and challenges, the Company is cautiously optimistic for the future and expect the Group to perform satisfactorily in the next financial year despite the challenging business environment.

Acknowledgements

In closing, the Chairman extended his appreciation to the Board of Directors for their invaluable contribution towards the Group, developing and steering it through the challenges over the years.

On behalf of the Board he thanked the management staff and employees of the Group for their hard work that has kept the Group going and achieving great results. Finally he extended his gratitude to all business partners and shareholders for their support. He thanked them for the belief that they had placed in the Company and the Company will continue to work towards delivering greater shareholder value in the years ahead.

Last but not least, the Chairman Mr. Lim Chien Ch'eng placed on record the Board and Company's appreciation to Mr. Ong Eng Choon and Ms. Tsai Chia Ling who had resigned as directors of the Company on 05 October 2018 for their invaluable services and advice rendered.

3. NOTICE OF MEETING

The notice convening the 22nd AGM had been sent to all members, Bursa Malaysia Securities Berhad, the Stock Exchange and Messrs. Grant Thornton, the auditors of the Company in accordance with the Company's Constitution.

As there were no objections from the floor, the notice convening the AGM was taken as read.

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4. POLL VOTING AND SCRUTINEERS

The Chairman then informed members and proxies present that a total of 10 resolutions would be tabled for approval by members at this AGM and accordingly, all the 10 resolutions would be voted upon by poll.

He also informed that a poll would be carried out after the last agenda for today's AGM had been completed.

Members and proxies present also been notified that the Company had appointed Niche Unity Consultants Sdn. Bhd. as the Independent Scrutineers for the polling and votes counting verification.

5. AUDITED FINANCIAL STATEMENTS

The first agenda on the morning's meeting was to receive the Audited Financial Statements for the financial year ended 30 June 2018 together with the Reports of Directors and Auditors thereon.

The Chairman then asked members and proxies present whether they had any questions on the said financial statements.

A shareholder, Mr. Ong Jia Jet noted that from the Statement of Comprehensive Income that taxation of RM10.85 million paid on a profit before tax of RM66.74 million was quite low and requested for the reason for the low tax paid.

The Chairman, Mr. Lim Chien Ch'eng informed Mr. Ang Jia Jet and shareholders present that the Group's effective tax rate for the financial year 2018 is lower than the Malaysian statutory tax rate of 24%. This was due to the lower tax rate enjoyed by the subsidiary in Vietnam.

As there were no more questions from the floor, the Chairman declared that the Audited Financial Statements for the financial year ended 30 June 2018 together with the Reports of Directors and Auditors thereon, were thus tabled and received.

6. RESOLUTION NO. 1 - RE-ELECTION OF MR. TSAI YUNG CHUAN

The Chairman proceeded to the first resolution and that was to re-elect of Mr. Tsai Yung Chuan who was retiring by rotation as a Director of the Company in accordance with Article 102(1) of the Company's Constitution and being eligible, had offered himself for re-election.

The Chairman then welcomed questions from the floor.

As there were no questions raised, the Chairman informed members and proxies present that a poll on this resolution would be carried out upon completion of the remaining business of the meeting.

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7. RESOLUTION NO. 2 - RE-ELECTION OF MADAM TSAI CHANG HSIU-HSIANG

The next resolution was on the re-election of Madam Tsai Chang Hsiu-Hsiang who was also retiring by rotation as a Director of the Company in accordance with Article 102(1) of the Company's Constitution and being eligible, had offered herself for re-election.

The Chairman then welcomed questions from the floor.

As there were no questions raised, the Chairman informed members and proxies present that a poll on this resolution would be carried out upon completion of the remaining business of the meeting.

8. RESOLUTION NO. 3 - RE-ELECTION OF MR. ANG SENG OO

The next resolution was on the re-election of Mr. Ang Seng Oo who was also retiring by rotation as a Director of the Company in accordance with Article 109 of the Company's Constitution and being eligible, had offered himself for re-election.

The Chairman then welcomed questions from the floor.

As there were no questions raised, the Chairman informed members and proxies present that a poll on this resolution would be carried out upon completion of the remaining business of the meeting.

9. RESOLUTION NO. 4 - RE-ELECTION OF MR. LOW YEAW SENG

The next resolution was on the re-election of Mr. Low Yeaw Seng who was also retiring by rotation as a Director of the Company in accordance with Article 109 of the Company's Constitution and being eligible, had offered himself for re-election.

The Chairman then welcomed questions from the floor.

As there were no questions raised, the Chairman informed members and proxies present that a poll on this resolution would be carried out upon completion of the remaining business of the meeting.

10. RESOLUTION NO. 5 - PAYMENT OF DIRECTORS' FEES

The Chairman moved on to the next item on the agenda and that was to approve the payment of Directors' Fees amounting to RM315,000 for the financial year ended 30 June 2018.

The Chairman then welcomed questions from the floor.

As there were no questions raised, the Chairman informed members and proxies present that a poll on this resolution would be carried out upon completion of the remaining business of the meeting.

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11. RESOLUTION NO. 6 - PAYMENT OF DIRECTORS' BENEFITS

The Chairman informed members and proxies present that the next resolution was to approve the payment of Directors' Benefits up to an amount not exceeding RM70,000 from 28 November 2018 until the conclusion of the next AGM of the Company.

The Chairman then welcomed questions from the floor.

As there were no questions raised, the Chairman informed members and proxies present that a poll on this resolution would be carried out upon completion of the remaining business of the meeting.

12. RESOLUTION NO. 7 – RE-APPOINTMENT OF AUDITORS

The next agenda was to re-appoint Messrs. Grant Thornton as auditors of the Company to hold office until the conclusion of the next AGM of the Company and to authorise the Directors to fix their remuneration.

Members and proxies present were informed by the Chairman that the current auditors, Messrs. Grant Thornton, was retiring as auditors of the Company at this AGM and they had indicated their willingness to accept re-appointment to hold office until the conclusion of the next AGM of the Company.

The Chairman then welcomed questions from the floor.

As there were no questions raised, the Chairman informed members and proxies present that a poll on this resolution would be carried out upon completion of the remaining business of the meeting.

13. RESOLUTION NO. 8 – PROPOSED RENEWAL OF GENERAL MANDATE FOR DIRECTORS TO ALLOT AND ISSUE SHARES (SPECIAL BUSINESS)

The Chairman moved on to the next resolution under special business and that was to consider and if thought fit, to pass with or without modifications, the Resolution No. 8 on the proposed renewal of general mandate for the Directors to allot and issue shares.

He then informed members and proxies present that the Resolution No. 8, if passed, would allow the Directors to allot and issue new shares in the Company up to an amount not exceeding 10% of the total number of issued capital of the Company for the time being for such purposes as the Directors considered would be in the best interest of the Company. This mandate, unless revoked or varied by the shareholders of the Company in general meeting would expire at the conclusion of the next AGM.

The rationale for obtaining this mandate at this AGM was to provide flexibility to the Company for any possible fund raising activities, including but not limited to further placing of shares for the purpose of funding future investment, working capital and/or acquisition.

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As at the date of this AGM, the Company had not issued any new shares pursuant to the general mandate granted at the last AGM of the Company.

The Chairman then welcomed questions from the floor.

As there were no questions raised, the Chairman informed members and proxies present that a poll on this resolution would be carried out upon completion of the remaining business of the meeting.

14. RESOLUTION NO. 9 – PROPOSED SHARE BUY-BACK RENEWAL (SPECIAL BUSINESS)

The next resolution under special business was to consider and if thought fit, to pass with or without modifications, the Resolution No. 9 on the proposed renewal of share buy-back authority of up to 10% of the total number of issued share of the Company.

The Chairman informed members and proxies present that the proposed resolution, if passed, would enable the Directors of the Company to purchase its own shares up to 10% of the total number of issued share of the Company by utilising the funds allocated which should not exceed the retained profits of the Company. This authority, unless revoked or varied by the shareholders of the Company in general meeting would expire at the conclusion of the next AGM.

The Chairman then welcomed questions from the floor.

As there were no questions raised, the Chairman informed members and proxies present that a poll on this resolution would be carried out upon completion of the remaining business of the meeting.

15. SPECIAL RESOLUTION NO. 1 – PROPOSED ALTERATION OR AMENDMENT OF THE CONSTITUTION (SPECIAL BUSINESS)

The final resolution on this morning's agenda under special business was to consider and if thought fit, to pass with or without modifications, the Special Resolution for the directors to alter or amend the whole of the existing Constitution of the Company by the replacement thereof with a new Constitution of the Company to be in line with the Companies Act, 2016 and the recent amendments to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The Chairman then welcomed questions from the floor.

As there were no questions raised, the Chairman informed members and proxies present that a poll on this resolution would be carried out upon completion of the remaining business of the meeting.

16. ANY OTHER BUSINESS

The Chairman confirmed that the Company did not receive any notice for any other business at this 22nd AGM.

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17. POLL VOTING

The Chairman then briefed members and proxies present on the polling process.

Members and proxies present proceeded to complete the poll voting slips for the 10 resolutions and were guided to drop their poll voting slips into the ballot box located at the hall.

After the completed poll voting slips were dropped into the ballot box by the members and proxies present, the Chairman adjourned the meeting for half an hour to enable the Independent Scrutineers to tabulate the votes.

18. RESULTS OF THE VOTES

The Company's 22nd AGM resumed at 11.50 a.m. and the results of votes as confirmed and certified by the Independent Scrutineers, Niche Unity Consultants Sdn. Bhd. were as follows:-

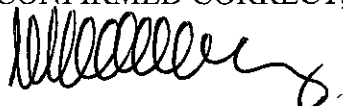
Resolution	No. of shares and % voted	
	For	Against
Resolution 1 – Re-election of Tsai Yung Chuan as a Director	184,017,846 (99.9921%)	14,500 (0.0079%)
Resolution 2 – Re-election of Tsai Chang Hsiu-Hsiang as a Director	184,017,846 (99.9921%)	14,500 (0.0079%)
Resolution 3 – Re-election of Ang Seng Oo as a Director	184,032,346 (100%)	0
Resolution 4- Re-election of Low Yeaw Seng as a Director	184,032,346 (100%)	0
Resolution 5 – Payment of Directors' Fee	184,032,346 (100%)	0
Resolution 6- Payment of Directors' Benefits	184,032,346 (100%)	0
Resolution 7- Re-appointment of auditors	184,032,346 (100%)	0
Resolution 8 – Proposed Renewal of General Mandate for Directors to Allot and Issue New Shares	174,473,746 (94.8060%)	9,558,600 (5.1940%)
Resolution 9 – Proposed Share Buy-Back Renewal	184,028,346 (99.9978%)	4,000 (0.0022%)
Special Resolution 1 – Proposed Share Buy-Back Renewal	184,030,846 (99.9992%)	1,500 (0.0008%)

The Chairman declared all the resolutions put to the 22nd AGM were carried.

18. TERMINATION

The meeting was declared closed at 12.00 p.m. with a vote of thanks to the Chair.

CONFIRMED CORRECT,



LIM CHIEN CH'ENG

Chairman