

## INNATURE BERHAD

Registration No. 19940134915 (320598-X)  
(Incorporated in Malaysia)

Minutes of the Twenty-Fifth Annual General Meeting of the Company, conducted virtually from the broadcast venue at 12th Floor Menara Symphony, Jalan Prof. Khoo Kay Kim, 46200 Petaling Jaya on Wednesday, 19 August 2020 at 10.00 a.m.

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**Present** : Dato' Simon Foong Choong Heng (*Non-Independent Non-Executive Chairman*)  
Datin Mina Cheah Kim Choo (*Executive Director/Managing Director*)  
Ms Molly Foong Hui Sain (*Executive Director/Chief Executive Officer*)  
Dato' Maznah binti Abdul Jalil (*Senior Independent Non-Executive Director*)  
Tengku Datin Paduka Setia Zatahah binti Sultan Sharafuddin Idris Shah (*Independent Non-Executive Director*)  
Mr. Chia Cang Yang (*Chief Financial Officer*)  
and Shareholders and Proxies logged-in to participate in the online AGM at <https://web.lumiagm.com> as per attendance list

**In Attendance** : Ms Seow Fei San (*Company Secretary*)

### NOTICE

Notice convening the meeting having been circulated earlier to all shareholders of the Company within the prescribed period was taken as read.

### QUORUM

Upon confirming the presence of the requisite quorum, the Chairman called the meeting to order at 10.00 a.m.

### INTRODUCTION AND PRESENTATION ON THE COMPANY'S OVERALL PERFORMANCE

The Chairman welcomed the Members and proxies to the virtual meeting and introduced the Board Members, both present at the live streaming venue as well as present from remote.

The Meeting was informed that Boardroom Share Registrars Sdn. Bhd. ("Boardroom") had been appointed the poll administrators and Quantegic Services Sdn. Bhd. as independent scrutineer to verify the poll result. The Meeting was then briefed by the representative of Boardroom the voting procedure and how to raise questions at the meeting through the online meeting platform.

The Chairman then shared with the Members some of the latest development of the Company since December 2019, given the current situation that the Company were in as a result of Covid-19 pandemic.

The Chief Financial Officer was also invited to share with the Meeting the financial performance of the Company for the last financial year ended 31 December 2019 and for the 6-month period ended 30 June 2020.

After the presentation, the Chairman began the proceeding of the business of the meeting.

**1. AUDITED FINANCIAL STATEMENTS TOGETHER WITH THE REPORTS OF THE DIRECTORS AND AUDITORS**

The Chairman informed that in line with the provision of the Companies Act 2016 which does not require the Audited Financial Statements and Reports to be approved by the Members, the Audited Financial Statements for the financial year ended 31 December 2019 together with the Reports of the Directors and Auditors thereon, which was announced on 29 May 2020, were tabled for the Members' information and would not be put to vote.

The Chairman further informed that should any of the Members have any question on the agenda item, Members could use the query box provided on the online platform to transmit their questions. Response would be provided to questions submitted during the Q&A session after tabling all the resolutions.

The Chairman then declared that the Audited Financial Statements for the financial year ended 31 December 2019 together with the Reports of the Directors and Auditors thereon were received and noted.

**2. AGENDA ITEM NO. 2  
ORDINARY RESOLUTION 1 - TO APPROVE PAYMENT OF DIRECTORS' FEES**

The Meeting proceeded to consider the proposed payment of Directors' fees. It was proposed that the Directors' fees amounting to RM150,000 be paid to the Non-Executive Directors for their services as Directors of the Company for the period from 20 August 2020 until the next annual general meeting ("AGM"). The Meeting was also informed that the Directors' fees was calculated based on the assumption that there was no adjustment to the Directors' fees and there was no change in the Board size from 20 August 2020 until the next AGM.

The Chairman then put the following motion to the Meeting, to be voted upon by the Members after the Q&A session:-

"THAT approval be and is hereby given for the payment of Directors' fee to Non-Executive Directors of up to an amount of RM150,000 with effect from 20 August 2020 until the next annual general meeting."

As guided by the Malaysian Code on Corporate Governance, the Chairman informed that Directors who had interest in this resolution and were shareholders of the Company would abstain from voting on this resolution.

**3. AGENDA ITEM NO. 3  
ORDINARY RESOLUTION 2 - TO APPROVE PAYMENT OF DIRECTORS' BENEFITS**

The Meeting proceeded with agenda item no. 3 on payment of Directors' benefits. The Chairman informed that the Board had proposed the payment of up to an amount of RM80,000 to the Non-Executive Directors as meeting allowances for the period from 20 August 2020 until the next AGM of the Company.

The Meeting was also informed that the Directors' benefits were essentially meeting allowance to Non-Executive Directors for attendance of meetings of the Board, Board

Committees and general meetings, allowances to Senior Independent Director and Independent Director for participation in Board Committees for the period from 20 August 2020 until the next AGM.

The following motion was then put to the Members, to be voted upon by the Members after the Q&A session:-

“THAT approval be and is hereby given for the payment of Directors’ benefits to Non-Executive Directors up to an amount of RM80,000 with effect from 20 August 2020 until the next annual general meeting.”

The Chairman informed that Directors who had interest in this resolution and were shareholders of the Company would abstain from voting on this resolution.

**4. AGENDA ITEM NO. 4  
ORDINARY RESOLUTIONS 3 AND 4 - RE-ELECTION OF DIRECTORS**

In view that Ordinary Resolutions No. 3 and 4 were to consider the re-election of the Chairman and Datin Mina Cheah as Directors of the Company, the Chairman passed the chairmanship of the meeting to Dato’ Maznah binti Abdul Jalil (“**Dato’ Maznah**”), being the Senior Independent Director, to chair the meeting for this agenda item.

Dato’ Maznah took the chair and informed that in accordance with the Company’s Constitution, the following Directors were subject to retirement at this meeting and being eligible, had given their respective consents and offered themselves for re-election:-

- (i) Dato’ Simon Foong Choong Heng; and
- (ii) Datin Mina Cheah Kim Choo.

The following motions were then put to the Meeting, to be voted upon by the Members after the Q&A session:-

**4.1 ORDINARY RESOLUTION 3 - RE-ELECTION OF DATO’ SIMON FOONG CHOONG HENG**

“THAT Dato’ Simon Foong Choong Heng retiring pursuant to Article 106 (1) (b) of the Company’s Constitution, be and is hereby re-elected as a Director of the Company.”

**4.2 ORDINARY RESOLUTION 4 - RE-ELECTION OF DATIN MINA CHEAH KIM CHOO**

“THAT Datin Mina Cheah Kim Choo retiring pursuant to Article 106 (1) (b) of the Company’s Constitution, be and is hereby re-elected as a Director of the Company.”

After dealing with agenda item no. 4, Dato’ Maznah passed the chair to the Chairman to continue with the proceedings.

**5. AGENDA ITEM NO. 5  
ORDINARY RESOLUTION 5 - APPOINTMENT OF AUDITORS**

The Meeting then proceeded to consider the appointment of KPMG PLT as Auditors of the Company.

The following motions were then put to the Meeting, to be voted upon by the Members after the Q&A session:-

“THAT KPMG PLT be and is hereby appointed Auditors of the Company to hold office until the conclusion of the next annual general meeting AND THAT the Directors be and are hereby authorised to determine their remuneration.”

**6. AGENDA ITEM NO. 6  
ORDINARY RESOLUTION 6 - AUTHORITY TO ALLOT SHARES**

The Meeting then proceeded to consider on giving authority to the Directors to allot shares up to 20% of the total number of issued shares of the Company as set out in the Notice of the Meeting dated 29 May 2020.

After briefing the Meeting on the purpose of the proposed resolution and with the permission of the Meeting, the Chairman declared that the Ordinary Resolution 6 as set out in the Notice of this meeting be taken as read. The said motion, detailed hereunder was then put to the meeting for consideration and to be voted upon after the Q&A session:-

“THAT subject always to the Companies Act 2016 (“Act”) and the approvals of the relevant authorities, the Directors be and are hereby authorised pursuant to Section 75 of the Act, to allot shares in the Company at any time until the conclusion of the next Annual General Meeting upon such terms and conditions and for such purposes as the Directors may in their absolute discretion deem fit provided that the aggregate number of shares to be issued pursuant to this Resolution does not exceed 20% of the total number of issued shares of the Company for the time being.”

**7. AGENDA ITEM NO. 7**

The last item on the agenda for the meeting was to transact any other business of which due notices shall have been received in accordance with the Companies Act 2016. The Meeting was informed that no notice of any other business for transacting at the meeting was received.

**8. QUESTION AND ANSWER SESSION**

The Chairman invited the Managing Director to respond to the questions raised by shareholders. Salient points of the Q&A were appended to this Minutes.

Upon the conclusion of the Q&A session, the Meeting proceeded to take the poll on all the resolutions tabled.

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**9. TAKING OF POLL AND ANNOUNCEMENT OF RESULT**

The Meeting was then briefed on the procedure of poll voting and requested the Members and proxies to vote.

The meeting was adjourned for poll voting and counting of votes.

The meeting resumed at 11.25 a.m. and the poll results was informed to the Meeting:

Resolution No.	FOR		AGAINST	
	No. of Shares	%	No. of Shares	%
1	52,048,326	99.9769	12,000	0.0231
2	52,047,226	99.9748	13,100	0.0252
3	581,160,914	100.0000	0	0.0000
4	581,167,814	100.0000	0	0.0000
5	581,160,914	99.9988	7,000	0.0012
6	530,957,714	91.3605	50,210,100	8.6395

The Chairman then declared that all the resolutions tabled at this meeting were carried.

**CLOSURE**

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

**CONFIRMED**

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**CHAIRMAN**

**APPENDIX: SALIENT POINTS OF Q&A**

<b>No.</b>	<b>Nature of Query</b>	<b>Salient Points</b>
1	Covid-19 Related	<ul style="list-style-type: none"><li>• Notwithstanding the decline in revenue due to store closure during the Movement Control Order, the Group remained profitable with a reported profit after tax of RM3.1 million for 2Q of FY2020. This was as a result of the Group's relentless effort in managing costs as well as boosting distance selling revenue e.g. e-commerce and social selling.</li><li>• There were savings in rental expenses arising from rental rebates received from landlords.</li><li>• The Group is cautious with its capex spending especially for new stores. Nevertheless, the pandemic spotlighted the importance of digitalization and distance selling. The Group will continue to invest in enhancing and accelerating its omnichannel capabilities as well as in developing its social selling channel to future-proof its business.</li></ul>
2	Business Outlook of Vietnam and Cambodia	<ul style="list-style-type: none"><li>• The Group is positive on the outlook of both its Vietnam and Cambodia markets.</li><li>• Vietnam continues to record topline growth despite the Covid-19 pandemic situation in FY2020, while the Group's pioneer store in Cambodia store has already achieved breakeven in 1Q of FY2020.</li><li>• The Group will continue to expand in both markets cautiously, depending on the pandemic situation.</li></ul>
3	Business Outlook of Natura	<ul style="list-style-type: none"><li>• Natura's social selling distribution channel had been gaining traction amid the Covid-19 situation in Malaysia.</li><li>• Subject to the pandemic situation, the Group expects Natura to breakeven in 2 to 3 years.</li></ul>
4	Foreign Currency Exposure	<ul style="list-style-type: none"><li>• Bulk of the Group's purchases are from The Body Shop International in GBP.</li><li>• The Group has short-term forward contract in place in managing its foreign currency exposure.</li></ul>
5	Dividend	<ul style="list-style-type: none"><li>• The Group's policy is to distribute a minimum of 30% of attributable net profit as dividend to shareholders.</li><li>• 56.6% of the Group's attributable net profit were distributed as dividend to shareholders for FY2019.</li><li>• The Group intends to uphold its dividend policy as long as it remains profitable.</li></ul>