

PADINI HOLDINGS BERHAD
(197901005918 (50202-A))
(Incorporated in Malaysia)

Minutes of the 43rd Annual General Meeting of the Company held at Glenmarie Ballroom, Glenmarie Hotel & Golf Resort Malaysia, No. 1, Jalan Usahawan U1/8, Seksyen U1, 40250 Shah Alam, Selangor Darul Ehsan on Wednesday, 27 November 2024 at 10:00 a.m..

PRESENT : Datuk Lee Say Tshin
(Independent Non-Executive Chairman)
Mr Yong Pang Chaun
(Managing Director)
Mr Ng Chee Hoong
(Independent Non-Executive Director)
Ms Tan Poh Ling
(Independent Non-Executive Director)
Mr Andrew Yong Tze How
(Executive Director)
Mr Benjamin Yong Tze Jet
(Executive Director)
Ms Chew Voon Chyn
(Executive Director)
Ms Sung Fong Fui
(Executive Director)
Mr Christopher Yong Tze-Yao
(Executive Director)
Ms Tan Shi Wen
(Independent Non-Executive Director)
Mr Timothy Tan Heng Han
(Independent Non-Executive Director)

IN ATTENDANCE : Ms Adelyn Ho – Company Secretary
Ms Quinnie Tam
Nurhayati Ang Abdullah
Rachel Ou Zhi Wai
Simon Tan Chern Wei
Norhaslilwati Binti Hashim
Nurhayati Binti Sopian
Yuli Chew Lai Peng
Saiful Azlan Bin Musa

} Polling Administrators
} Scrutineers

SHAREHOLDERS, PROXIES AND INVITEES : As per attendance list

CHAIRMAN OF THE MEETING

Datuk Lee Say Tshin took the Chair and called the 43rd Annual General Meeting (“AGM”) to order at 10:00 a.m. He welcomed the Shareholders to the meeting and informed that the quorum requirement had been satisfied as there were more than 2 shareholders and proxies present. He also informed that the Company had received proxy forms appointing the Chairman as the proxy and the votes represented 17.98% of the total issued capital.

The Chairman informed that all the resolutions set out in the Notice of the 43rd AGM will be voted by poll.

The Chairman informed that for the purpose of the poll voting, the Company had appointed:-

- a) SS E Solutions Sdn. Bhd as the Polling Administrator to conduct the poll voting; and
- b) Commercial Quest Sdn Bhd as the Scrutineer to scrutinise the e-polling procedures and to verify the poll results.

NOTICE

The Notice convening the meeting was taken as read.

The Chairman informed that the Company has received questions from the Minority Shareholder Watch Group ("MSWG") and shareholders of the Company. The questions and replies from the Board of Directors ("Board") as set out in **Appendix I** were projected for the shareholders' information.

1. **DELIBERATION ON THE AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024 AND THE REPORTS OF THE DIRECTORS AND AUDITORS THEREON**

The Chairman then proceeded with the first item on the Agenda which was to lay the Audited Financial Statements for the financial year ended 30 June 2024 and the Reports of the Directors and Auditors.

Ms Sung Fong Fui ("Ms Sung") was invited to brief the shareholders on the Group's financial performance (**Appendix II**) and Sustainability Highlights (**Appendix III**).

The Chairman then invited questions from the floor.

The Shareholders and proxies deliberated at length on item 1. A summary of the questions raised by the Shareholders/proxies together with the corresponding responses were set out in **Appendix IV** of the minutes.

The Chairman and the Directors conducted the questions and answers session for item 1 and then proceeded to the next item on the Agenda.

2. **DIRECTORS' FEES FOR THE FINANCIAL YEAR ENDING 30 JUNE 2025**

The Chairman informed that the next item on the Agenda was the payment of Directors' fee for the financial year ending 30 June 2025. He informed that the Board has recommended the Directors' fees of RM523,000 in respect of the financial year ending 30 June 2025.

As there were no questions from the floor, the Chairman proceeded with the next item on the agenda.

3. DIRECTORS' BENEFITS

The Chairman proceeded to item 3 on the Agenda which was to table the resolution on the payment of Directors' benefits (excluding Directors' fees) up to an amount of RM50,000 payable to the Independent Directors from 1 July 2024 until the next Annual General Meeting of the Company in the year 2025.

As there were no questions from the floor, the Chairman proceeded with the next item on the agenda.

4. RE-ELECTION OF THE DIRECTORS WHO RETIRE BY ROTATION IN ACCORDANCE WITH CLAUSE 103(1) OF THE COMPANY'S CONSTITUTION

The Chairman informed that at this meeting, Benjamin Yong Tze Jet, Ms Sung Fong Fui and Ms Tan Poh Ling, retired under Clause 103(1) of the Company's Constitution, and being eligible, offered themselves for re-election under Ordinary Resolution 3, 4 and 5, respectively.

As there were no questions from the floor, the Chairman proceeded with the next item on the agenda.

5. RE-ELECTION OF THE DIRECTOR WHO RETIRES IN ACCORDANCE WITH CLAUSE 110 OF THE COMPANY'S CONSTITUTION

The Chairman informed that at this meeting, Mr Ng Chee Hoong retired under Clause 110 and being eligible, offered himself for re-election under Ordinary Resolution 6.

As there were no questions from the floor, the Chairman proceeded with the next item on the agenda.

6. AUDITORS

The Chairman informed that item 6 on the Agenda was on the reappointment of Auditors. He informed that the Auditors, Messrs BDO PLT, had indicated their willingness to continue in office.

As there were no questions from the floor, the Chairman proceeded with the next item on the agenda.

**7. SPECIAL BUSINESS
- PROPOSED BONUS ISSUE**

The Chairman informed that item 7 was on the Proposed Bonus Issue of up to 328,954,750 new Ordinary Shares of the Company on the basis of one (1) Bonus Share for every two (2) existing shares of the Company held on the Entitlement Date to be determined and announced at a later date ("Proposed Bonus Issue").

Mr Leo Ann Puat, a shareholder, enquired on the reasons for the Proposed Bonus Issue. Ms Sung informed that the Proposed Bonus Issue is intended as a reward to the existing shareholders of the Company at no extra cost. The Proposed Bonus Issue will also improve the liquidity of the Company's shares.

He further enquired whether the Company has a formal dividend policy and whether there is a minimum benchmark against the earnings. Ms Sung informed that the Company does not have a dividend policy and there is no benchmark. He then enquired on the % of dividend paid against the net earnings for the past few years. Ms Sung informed that the dividend payout against earnings was 52% for the financial year ended 30 June 2024 compared to 34% in the previous financial year.

Mr Lew Tuck Wai, a shareholder, commented that he hoped that the dividend payout ratio will be maintained after the Proposed Bonus Issue.

8. ANY OTHER MATTERS

The Chairman informed that no notice had been received for the transaction of any other business at this Meeting. The Chairman also informed that the registration for attending the 43rd AGM be closed at that juncture to facilitate the conduct of the poll.

9. CONDUCT OF POLL

The Chairman then invited the representative of SS E Solutions Sdn. Bhd, the Polling Administrator, to brief the shareholders/proxies on the polling process.

The e-polling process commenced at 11.30 a.m. and the Meeting was adjourned for the polling, counting and verification of the poll results to take place.

10. ANNOUNCEMENT OF POLL RESULTS

The Meeting resumed at 11:55 a.m. for the declaration of poll results as the Chairman had received the said results from the Scrutineer.

The poll results (**Appendix V**) were projected onto the screen.

The Chairman announced that the Ordinary Resolutions 1 to 8 were **duly carried**. The Ordinary Resolutions 1 to 8 were as follows:

10.1 Ordinary Resolution 1 - Payment of Directors' Fees for the financial year ending 30 June 2025

"That the payment of Directors' fees of RM523,000.00 in respect of the financial year ending 30 June 2025 be and is hereby approved."

10.2 Ordinary Resolution 2 - Payment of Directors' Benefits

"That the payment of Directors' benefits (excluding Directors' Fees) up to an amount of RM50,000 payable to the Independent Directors from 1 July 2024 until the next Annual General Meeting of the Company in the year 2025 be and is hereby approved."

10.3 Ordinary Resolution 3 - Re-election of Director retiring in accordance with Clause 103(1) of the Company's Constitution

"That Mr Benjamin Yong Tze-Jet who retires in accordance with Clause 103(1) of the Company's Constitution be and is hereby re-elected as a Director of the Company."

10.4 Ordinary Resolution 4 - Re-election of Director retiring in accordance with Clause 103(1) of the Company's Constitution

"That Ms Sung Fong Fui who retires in accordance with Clause 103(1) of the Company's Constitution be and is hereby re-elected as a Director of the Company."

10.5 Ordinary Resolution 5 - Re-election of Director retiring in accordance with Clause 103(1) of the Company's Constitution

"That Ms Tan Poh Ling who retires in accordance with Clause 103(1) of the Company's Constitution be and is hereby re-elected as a Director of the Company."

10.6 Ordinary Resolution 6 - Re-election of Director retiring in accordance with Clause 110 of the Company's Constitution

"That Mr Ng Chee Hoong who retires in accordance with Clause 110 of the Company's Constitution be and is hereby re-elected as a Director of the Company."

10.7 Ordinary Resolution 7 - Re-appointment of Auditors

"That Messrs BDO PLT, be and are hereby re-appointed as Auditors of the Company for the financial year ending 30 June 2025 and that the Directors be and are hereby authorised to fix their remuneration."

10.8 Ordinary Resolution 8 – Proposed Bonus Issue of up to 328,954,750 new Ordinary Shares of Padini ("Padini Shares" or "Shares") ("Bonus Shares") on the basis of one (1) Bonus share for every two (2) existing Padini Shares held on the Entitlement Date to be determined and announced at a later date ("Entitlement Date") ("Proposed Bonus Issue")

"That subject to the approvals being obtained from all the relevant regulatory authorities and/or parties (where applicable), including the approval from Bursa Malaysia Securities Berhad ("Bursa Securities") for the listing of and quotation for the Bonus Shares on the Main Market of Bursa Securities, authority be and is given to the Board of Directors of the Company ("Board") to issue up to 328,954,750 Bonus Shares in the share capital of the Company, on the basis of 1 Bonus Share for every 2 existing Padini Shares held by the entitled shareholders of the Company whose names appear in the Record of Depositors of the Company as at the close of business on the Entitlement Date.

And that the Bonus Shares in respect of the Proposed Bonus Issue will be issued as fully paid Padini Shares at nil consideration, without any capitalisation from the Company's reserves.

And that the Board be and is hereby authorised to deal with fractional entitlements arising from the Proposed Bonus Issue, if any, in such a manner as the Board may in its absolute discretion deem fit and expedient and in the best interest of the Company.

And that the Bonus Shares will, upon allotment and issuance, rank equally in all respects with the existing Padini Shares save and except that the Bonus Shares will not be entitled to any dividends, rights, allotments and/ or any other forms of distribution, unless the Bonus Shares were allotted on or prior to the Entitlement Date of such dividends, rights, allotments and/ or any other forms of distribution.

And that the Board be and is hereby authorised to sign and execute all documents and to do all acts, deeds and things as may be required to give effect to and to complete the Proposed Bonus Issue with full power to assent to any conditions, variations, modifications and/ or amendments in any manner as may be required or permitted by any relevant authorities and to deal with all matters relating thereto and to take all such steps and do all acts, deeds and things for and on behalf of the Company in any manner as they may deem fit or necessary or expedient to implement, finalise and give full effect to the Proposed Bonus Issue.”


TERMINATION

There being no further business, the meeting terminated at 12.05 p.m. with a vote of thanks to the Chair.

Confirmed as a correct record,



CHAIRMAN



Questions
Received From
Minority
Shareholders
Watch Group

(MSWG)



OPERATIONAL & FINANCIAL MATTERS



Question 1:

Padini group manages a total of 32 overseas stores, 6 in Cambodia, 7 in Thailand, 12 in United Arab Emirates, 3 in Oman, 1 in Qatar, 2 in Bahrain and 1 in Brunei. (Source: page 14 of Integrated Annual Report (IAR) 2024).

- a) How have these stores performed during the financial year 2024? Which of these stores are profitable?

- a) What are the expansion plans in terms of the number of retail stores to be opened in the abovementioned countries in FY2025 and the near future? Are there any plans to venture into other countries too?



Answer 1(a):

Out of the 32 overseas stores, 19 are operated under franchise agreements, while 13 are managed by Padini group. These 13 own-managed overseas stores are located in Cambodia and Thailand, with total of 8 stores are profitable in the financial year 2024. We are closely monitoring the performance of the underperforming stores. Remaining tenure of the leasing term is one of the considerations among many other factors to determine the continuity of the store.

Answer 1(b):

At present, there are no definitive plans to expand the number of stores in the mentioned countries for FY2025 or to venture into other countries. However, we remain open to explore opportunities as they arise especially in the neighbouring countries.



Question 2:

Padini is still very much centred on the brick-and-mortar business. The sales from e-commerce contributed approximately 1% (FY2023: 1%) of the total Group's revenue in FY2024. (Source: page 43 & 46 of IAR 2024).

What is the impact of e-commerce on the group's business given the stiff competition from fast fashion international players like SHEIN, UNIQLO and how is the group embracing e-commerce going forward?



Answer 2:

The increasing competition from fast fashion international players presents both challenges and opportunities to the Group. To stay competitive, the Group has launched the Padini mobile application and keeps improving the customers' experiences on the online portal. In addition, we had expanded online presence to Singapore through dedicated website. While the revenue contribution from these efforts is currently modest, we have learnt the business management aspect of the e-commerce. We believe in their potential to drive long-term growth as we continue to invest in digital platforms and refine our strategies.



Question 3:

As shown on page 15 (Group Financial highlights) of IAR 2024, the group is in a net cash position as at the end of the last five financial years.

RM'000	FY2024	FY2023	FY2022	FY2021	FY2020
Deposits, cash and bank balances	791,040	605,315	808,853	523,758	441,474
Interest bearing borrowings	13,495	3,994	379	653	2,546

- a) Has the board evaluated the capital structure of the group and determined its optimal capital structure?

- b) Is management able to obtain cheaper sources of funding to fund the business?



Question 3 (continued):

- c) What is the amount of working capital required to support the group's operations and its growth plans?

- d) Would the board consider a review of how the group could balance the need to provide returns to its capital providers (dividends for shareholders) and the need to support its operations and growth?



Answer 3(a):

The Board believes optimal capital structure is the ability to maintain flexibility for operations and investments while ensuring a decent and stable dividend yield.

Answer 3(b):

Management continuously explores opportunities to secure more cost-effective funding to support the business. This involves balancing internally generated fund from operations with external financing options such as hire purchase arrangements which offer lower interest rates and credit facilities with favourable terms and lower costs. Furthermore, the Group's strong financial position and creditworthiness enhances its ability to negotiate competitive rates, ensuring cost-effective funding solutions.



Answer 3(c):

Based on our current activity level, we estimate that the required working capital, excluding inventory purchases is more than RM500 million per year. To effectively manage these requirements, we need to monitor our cash flow consistently and make adjustments as and when necessary to align with market conditions and the evolving needs of the business.



Answer 3(d):

The proposed quantum of dividends, if any, will be deliberated by the Board quarterly after reviewing the current and future expected financial performance of the Group.

The Board continuously evaluates the returns to shareholders, while ensuring the Group has sufficient resources to support its operations and growth initiatives. Experiencing from what had happened during the Covid-19 pandemic, the Board had affirmed the importance of having sufficient cash flow to be able to get through any unpredicted circumstances, including circumstances of zero revenue was generated and at the same time incurring regular operating costs.



SUSTAINABILITY MATTERS



Question 4

Sustainable Procurement

Padini focuses on long-lasting relationships with its external suppliers although each one of the Company's suppliers is at a different stage of their sustainability journey. Padini has a set of code of conduct which most of its core suppliers have acknowledged and signed. For any areas of non-compliance or areas for improvement, Padini works with its suppliers on improving their processes. (Source: Page 68, IAR 2024).

- a) What are the sustainability considerations in the selection of the Company's suppliers?
- b) How many suppliers against the total number have not met Padini's code of conduct?
- c) Is climate risk a criterion in the selection of suppliers?



Answer 4(a):

The Group prioritise suppliers who uphold anti-bribery and anti-corruption practices; social compliance standards such as ethical labour practices and safe working conditions, and environmental compliance. This includes ensuring that the hazardous waste is properly managed within their factories.

Answer 4(b):

Padini's Supplier Code of Conduct includes guidelines on quality management, social compliance (such as labour laws, working hours, and health and safety), environmental standards, and anti-bribery and corruption practices. Currently, 99% of our suppliers adhere to these standards (refer to Page 56 of the IAR 2024).



Answer 4(c):

At present, the Group does not include climate risk as a specific criterion in the selection of suppliers. However, the importance of sustainability, including climate related considerations, is recognised, and the Group is exploring ways to enhance its supplier selection processes.



Question 5

Customer Satisfaction

Below are the number of complaints on customer service:

	FY2022	FY2023	FY2024
Services	60	94	160

(Source: Page 56 of IAR2024)

- (a) What were the reasons for the significant increase in customer complaints over the last three (3) financial years? What were most of these complaints related to?
- (b) What measures and efforts have been taken to reduce complaints?



Answer 5(a):

The increase in customer complaints has been primarily related to the service provided. We have received feedbacks indicating different level of expectations from customers, such as personalised staff assistance, security guards being too responsible, friendliness of staff and so on.

Answer 5(b):

We learn and keep on improving from the reasonable complaints. The Group has addressed these issues through training initiatives such as staff orientation and retail service training programs. In addition, the Group has also implemented a mystery shopper program to evaluate the customer experience and assess the quality of customer service provided. The Group remains committed to monitoring these matters closely and further improve customers' shopping experience.



CORPORATE GOVERNANCE MATTERS



Question 6

The Company recognizes its non-adherence to Practice 4.4 of the Malaysian Code of Corporate Governance 2021, which mandates the assessment of Board and senior management performance evaluations, encompassing their handling of the Group's significant sustainability risks and opportunities (Source: Page 27 of Corporate Governance (CG) Report 2024).

When does the Group intend to integrate relevant sustainability Key Performance Indicators into the performance evaluation framework?



Answer 6:

Currently, the Group has not integrated sustainability Key Performance Indicators (KPIs) into performance evaluation framework for Board and Management. The Board and Management are mindful the importance of sustainability in driving long-term value. The sustainability initiatives that the Group has embarked on (refer to Pages 54 - 89 of IAR 2024) have indicated the Group's thoughtfulness on environmental, social, and governance (ESG) matter. The Board and Management will take necessary steps to improve the evaluation structure relating to addressing the Group's material sustainability risks and opportunities in 3 years' time.



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Questions received from Shareholders



Question 1:

Please shed some light on the competitive landscape of the retail apparel market in Cambodia and Thailand. Thanks.

Answer:

Thailand's retail industry is relatively more mature and established compared to Cambodia's.

The Group recognises that these market conditions present both challenges and opportunities. The Group's own brands create differentiation, which is crucial for remaining competitive among various other factors.



Question 2:

Is there any change in market dynamics for the domestic retail apparel market before covid vs after covid (current) ?

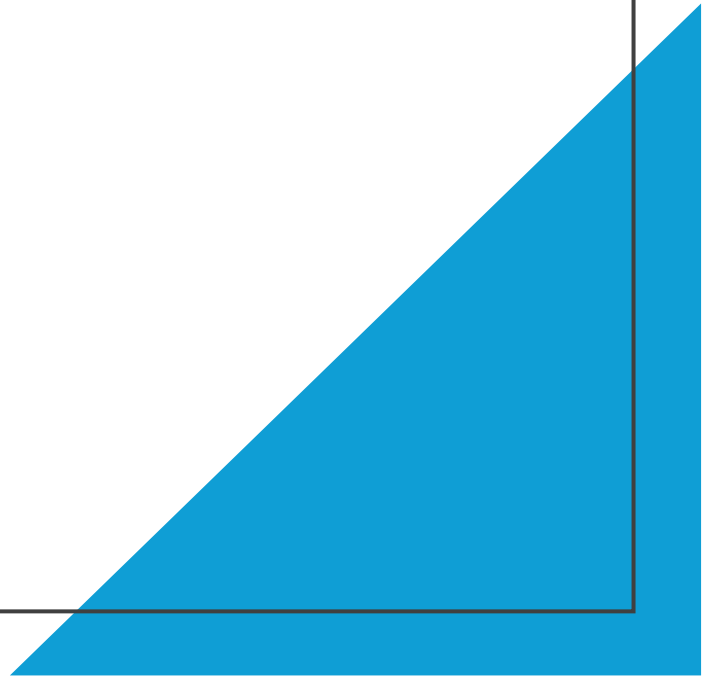
Answer:

Before and after the COVID-19 pandemic, the retail industry experienced stable growth, driven by disposable income, consumer spending and market sentiment, with brick-and-mortar stores dominating the retail landscape.

The Group believes that customers still value the touch-and-feel experience of the brick-and-mortar business model, which cannot be fully replicated in the digital world. Therefore, the Group strives to integrate brick-and-mortar and online retail models to complement each other, aiming to provide richer shopping experience for its customers.



Thank you!



PADINI



43rd

Annual General Meeting

FY2024

Financial Performance

AGENDA



**FASHION RETAIL
INDUSTRY SALES
GROWTH**

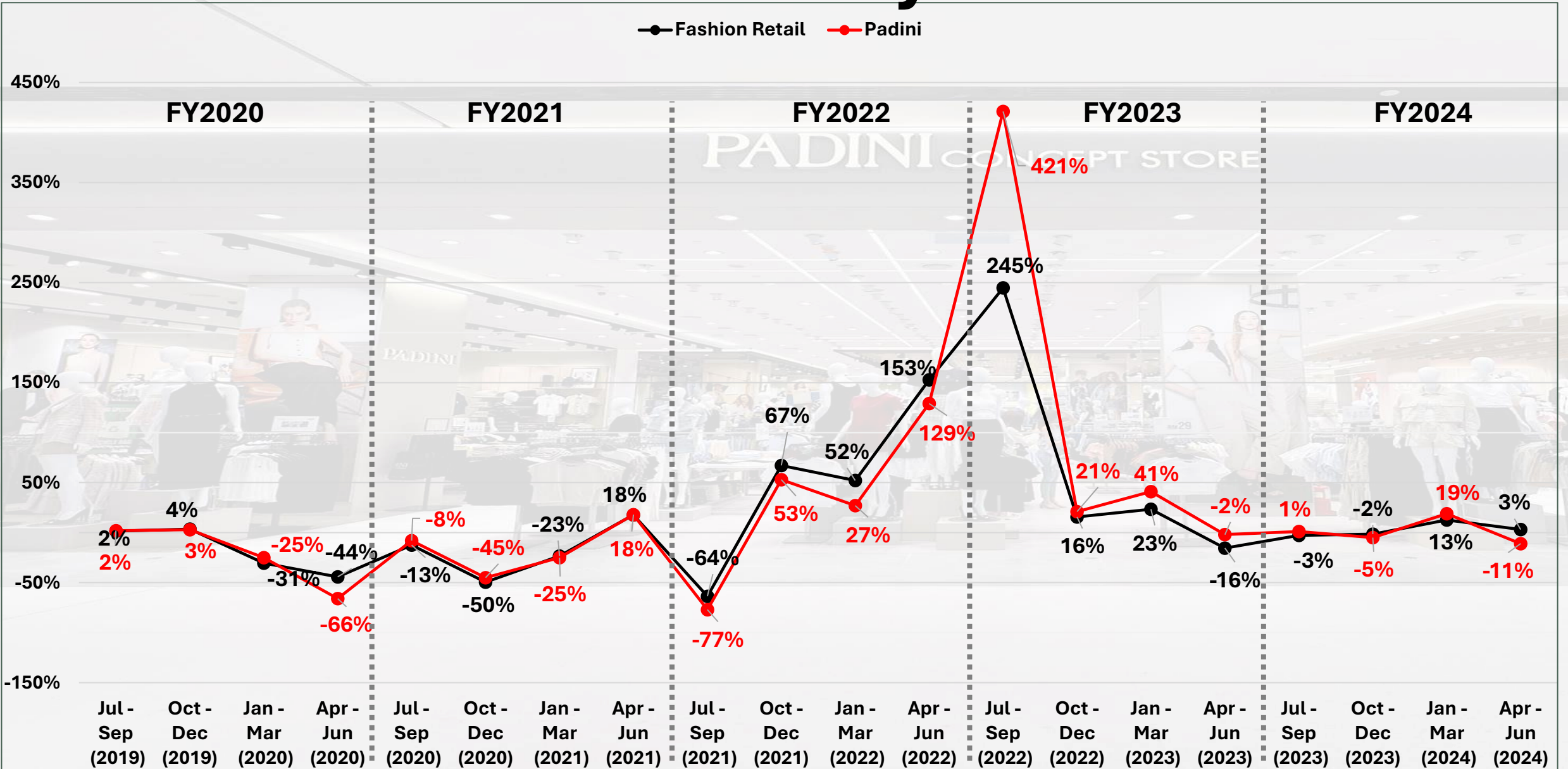


**GROUP'S FINANCIAL
PERFORMANCE**



**SUSTAINABILITY
HIGHLIGHTS**

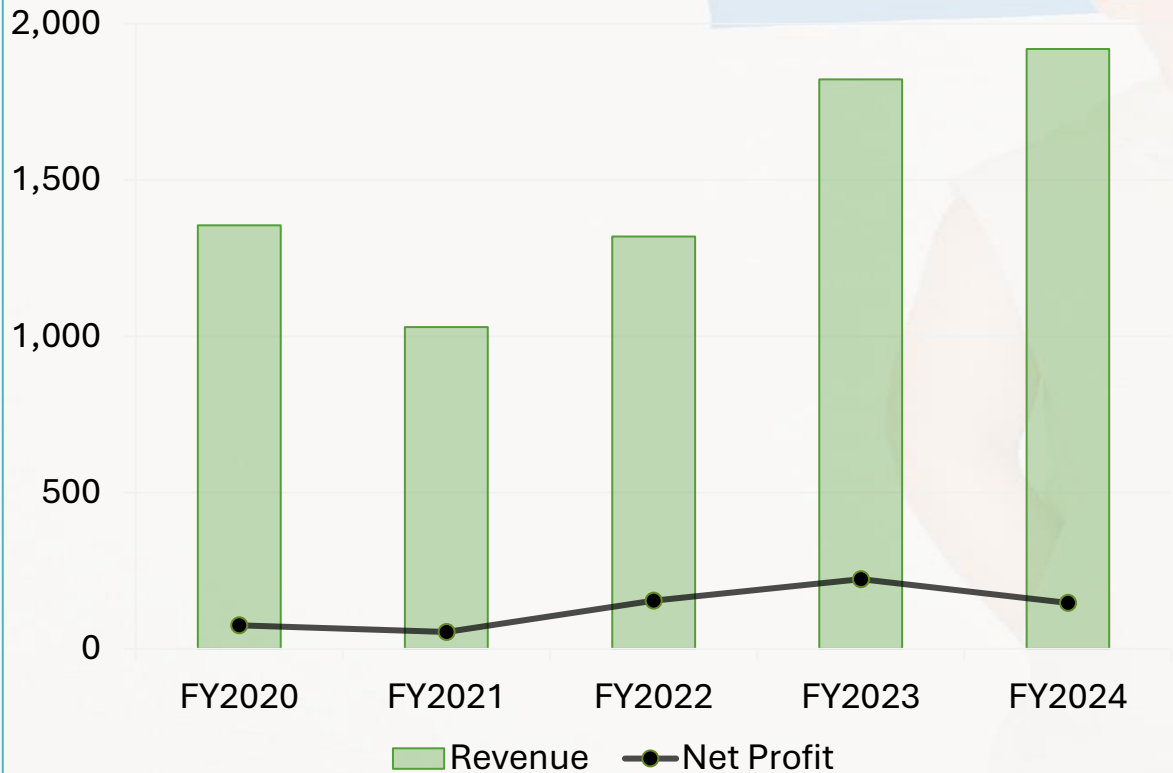
Fashion Retail Industry Sales Growth



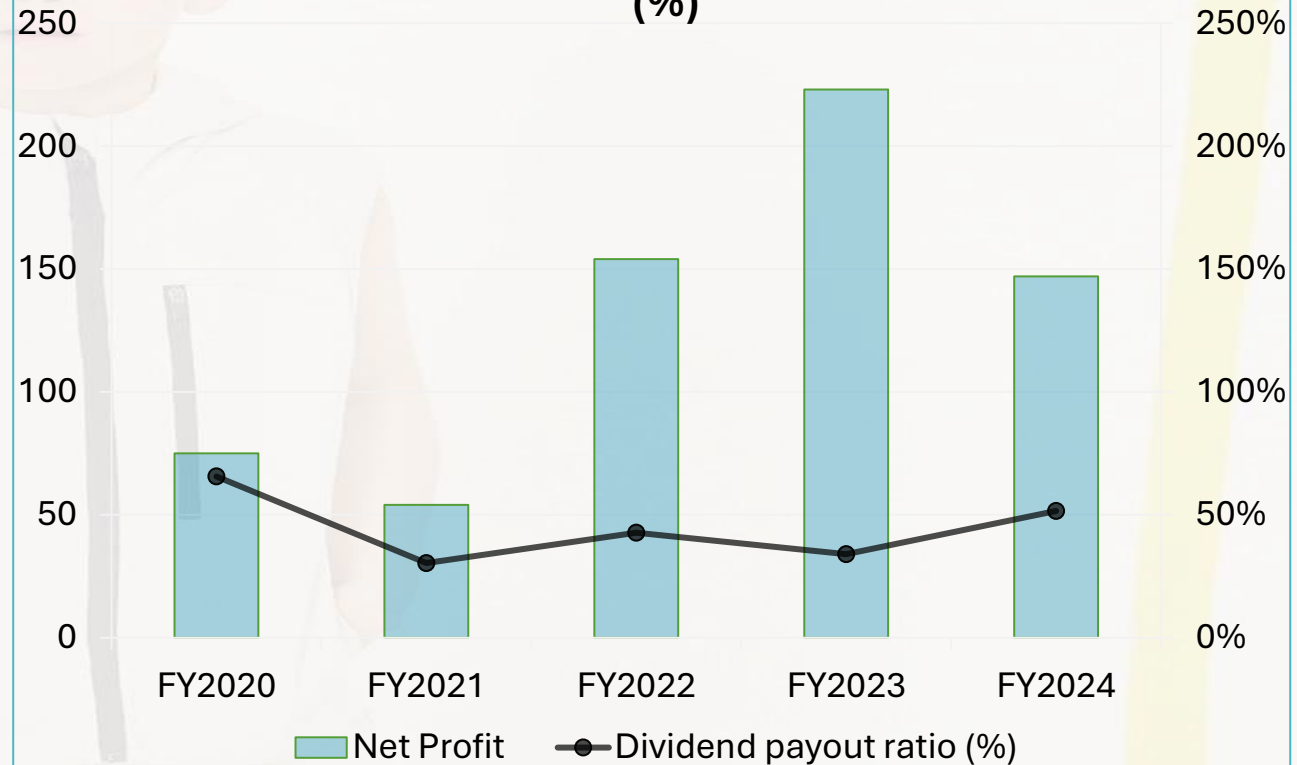
(Fashion Retail Source Data: MRA/Retail Group Malaysia/MRCA, The Edge/The Star/Oriental daily)

Financial Highlights

Revenue & Net Profit (in RM million)



Net Profit (in RM million) & Dividend payout (%)



- **Total Revenue:** RM1.9 billion (+5% YoY).
- **Same-Store Sales Growth:** 1% (YoY) improvement, indicating steady in-store demand.
- **Net Profit:** RM147 million (-34% YoY).
- **New Stores Opened:** 13 stores across regions.

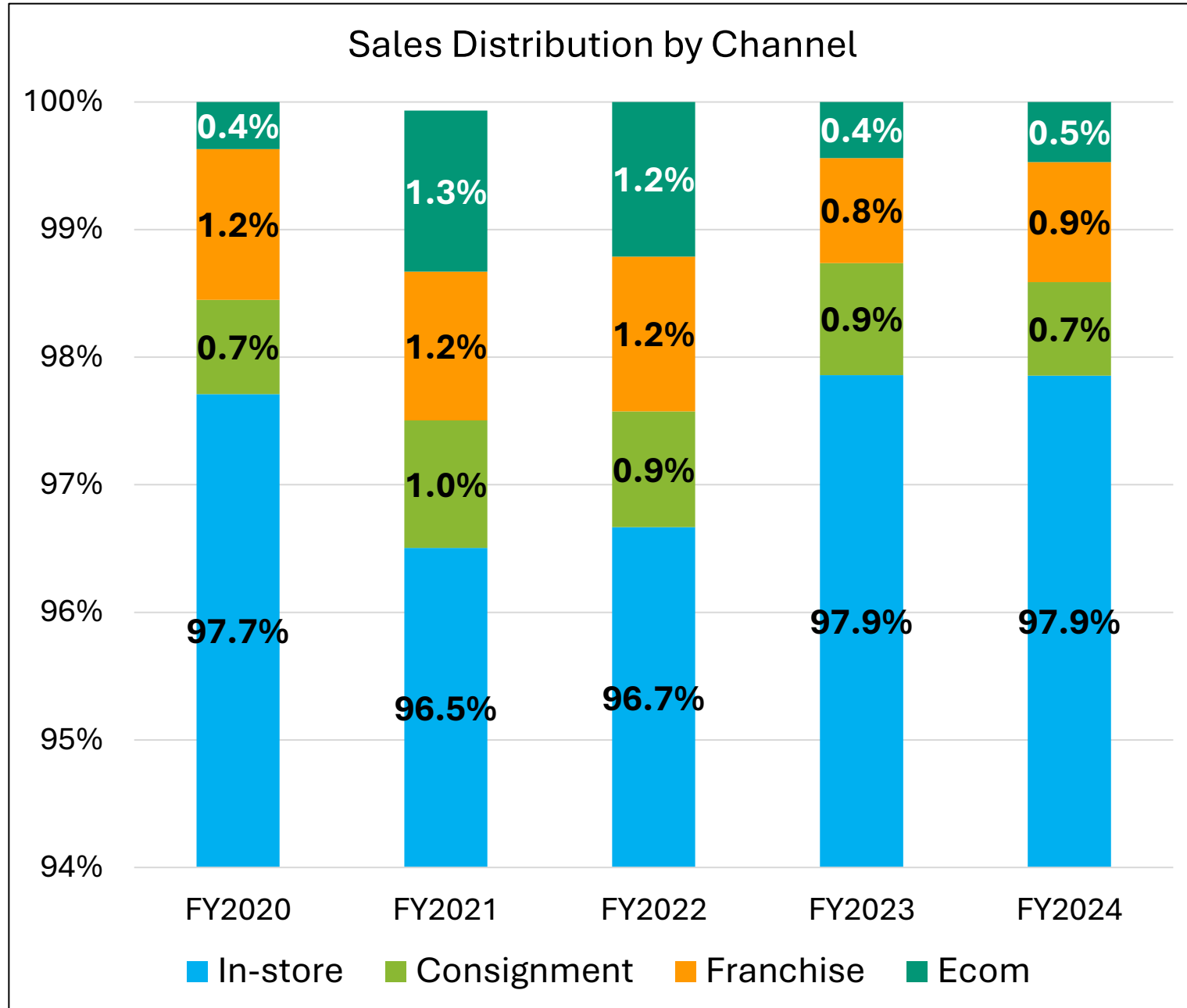
Group Revenue Overview

By Sales Channel:

- **In-store: RM 1,870 mil**
(FY23: RM 1,783 mil)
- **Consignment: RM 14 mil**
(FY23: RM 16 mil)
- **Franchise Sales: RM 18 mil**
(FY23: RM 15 mil)
- **Ecommerce Sales: RM 9 mil**
(FY23: RM 8 mil)

Geographical Contribution:

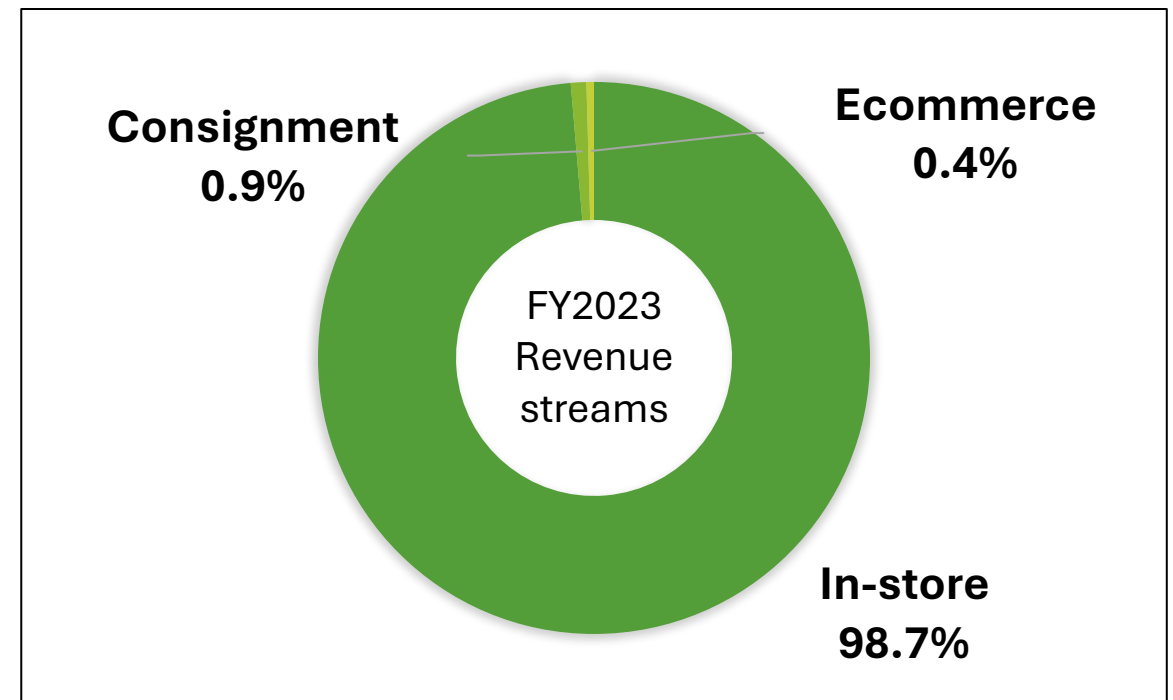
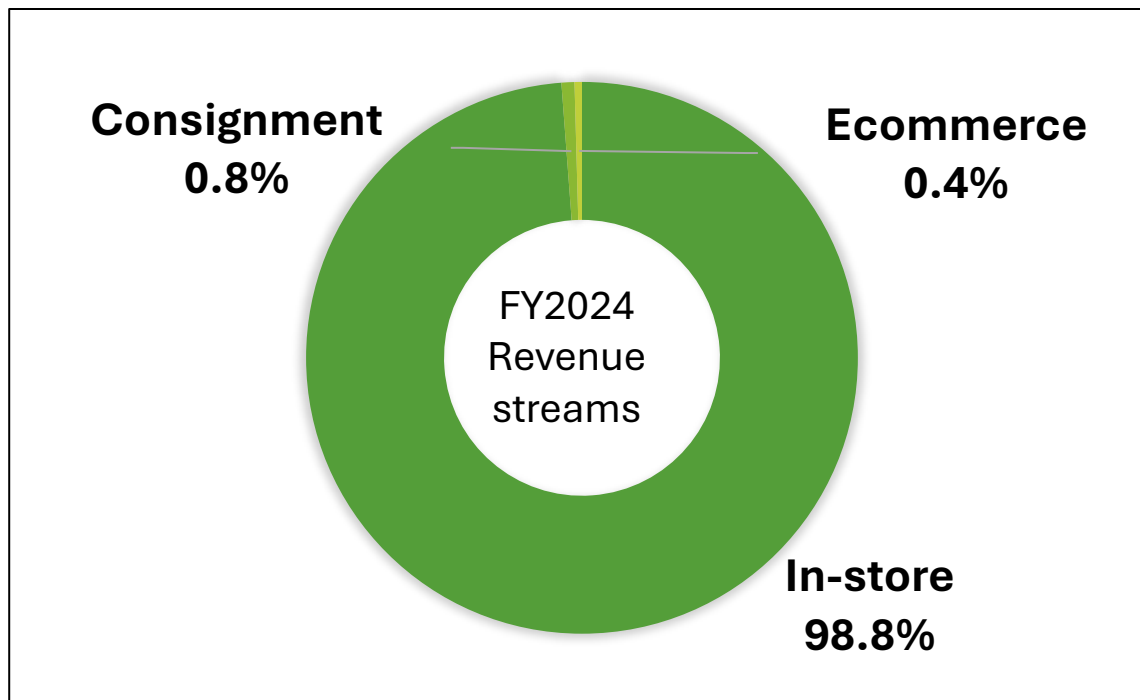
- **Domestic Market: 96.6%**
(FY23: 96.8%)
- **International Market: 3.4%**
(FY23: 3.2%)



Domestic Market – Malaysia

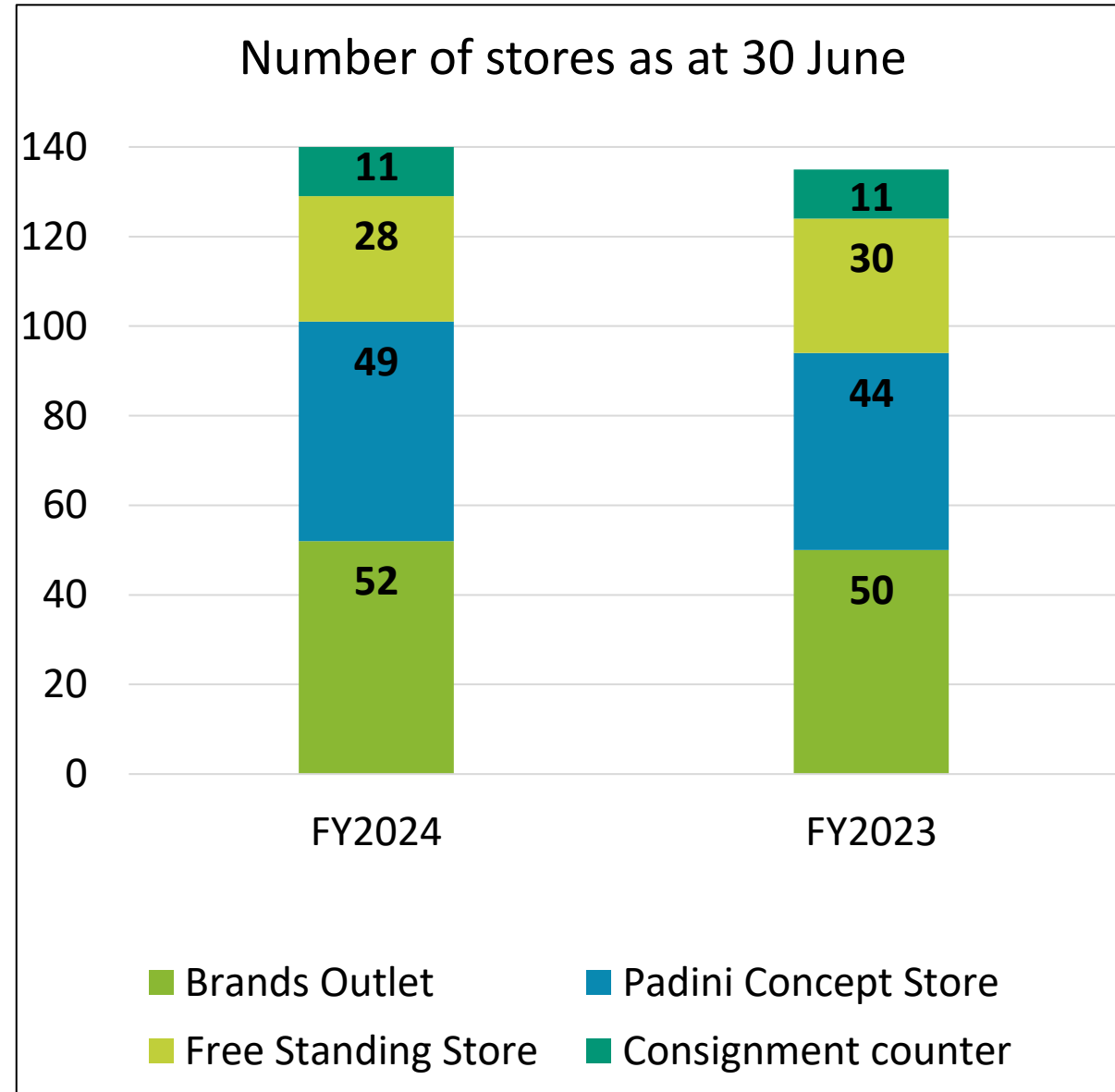
	FY2024	FY2023	% Change
Revenue derived from Malaysia (RM million)	1,854	1,764	↑ 5%
Revenue/sq ft (approximate to)	RM1,290/sq ft	RM1,280/sq ft	↑ 1%
Floor area operated (sq ft)	1,412,000	1,362,000	↑ 4%

Same-store sales growth improved by 1% (YoY) and the increased number of stores contributed to the overall revenue growth.



Domestic Market – Malaysia (Continued)

	FY2024	FY2023
No. of stores as of 30 June	140	135
No. of stores opened	12	6
No. of stores closed	7	4
No. of stores temporarily closed for renovation and reopened during the respective financial year	11	5
No. of transactions (approximate to '000)	18,324	16,756
Average spending/transaction	RM100	RM104

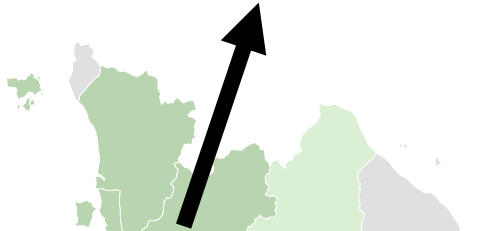


Domestic Market – Malaysia (Continued)

Contributions by Region (in %)

Region	FY2024		FY2023	
	Revenue (%)	No. of stores	Revenue (%)	No. of stores
Eastern Region	6%	10	7%	9
Northern Region	16%	29	17%	26
Central Region	52%	60	52%	62
Southern Region	15%	18	13%	15
East Malaysia	11%	12	11%	12

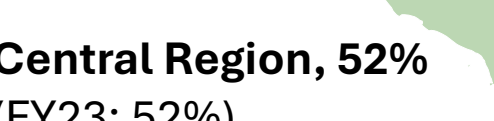
Northern Region, 16%
(FY23: 17%)



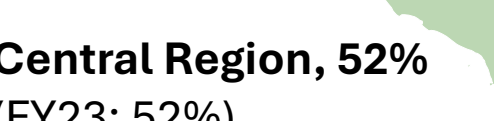
Eastern Region, 6%
(FY23: 7%)



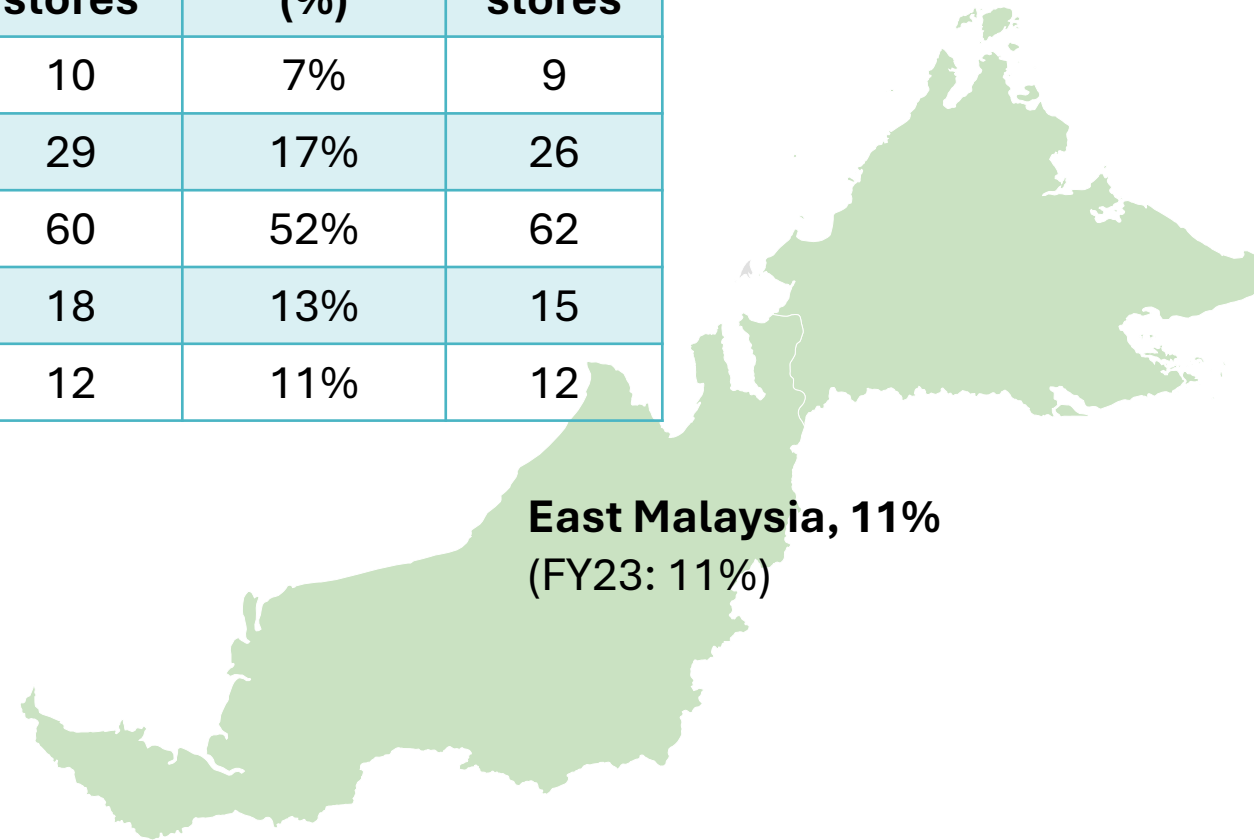
Central Region, 52%
(FY23: 52%)



Southern Region, 15%
(FY23: 13%)



East Malaysia, 11%
(FY23: 11%)

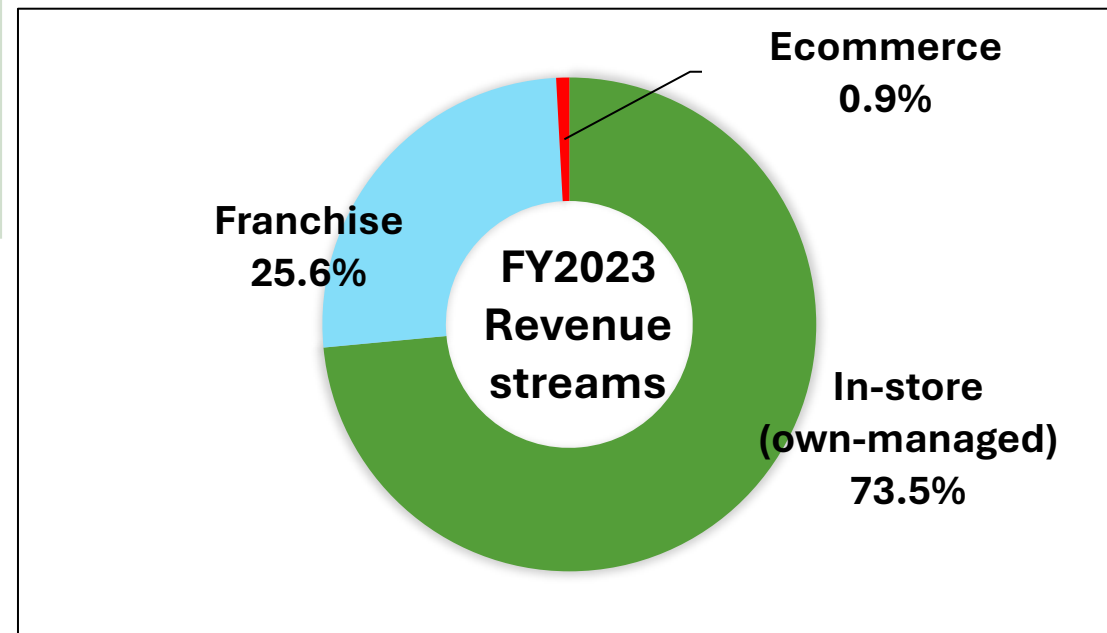
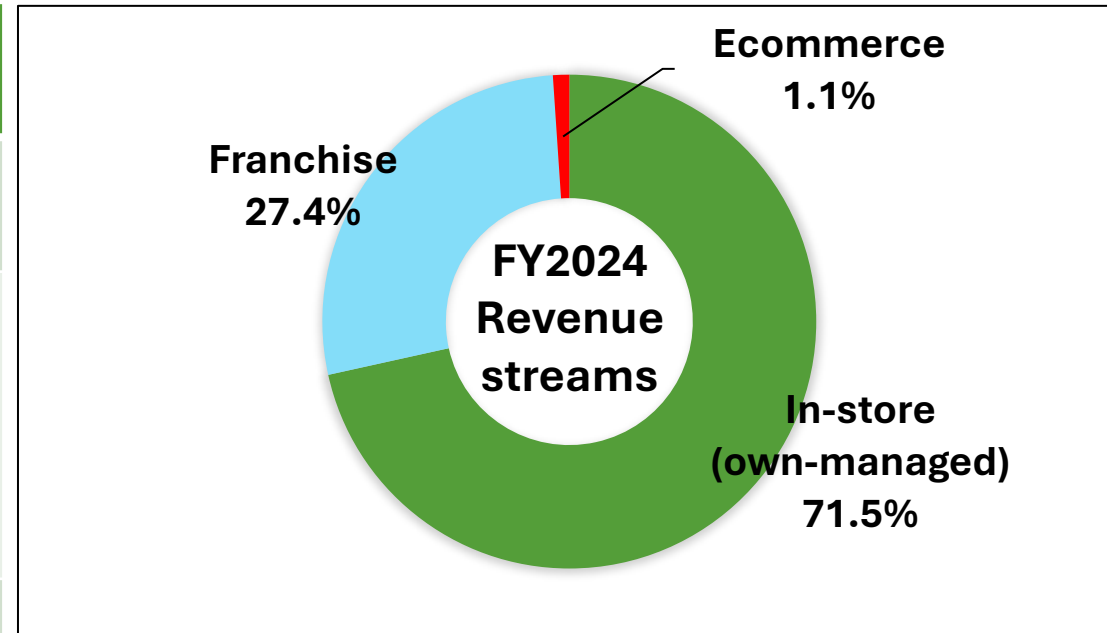


International Market

	FY2024	FY2023	% Change
Revenue derived from Overseas (RM million)	65	58	+12%
Revenue/sq ft (approximate to)	RM497/sq ft (Cambodia)	RM500/sq ft (Cambodia)	-0.6%
(for own-managed overseas stores)	RM1,276/sq ft (Thailand)	RM887/sq ft (Thailand)	+43%
Floor area operated (sq ft)	65,000 (Cambodia)	65,000 (Cambodia)	
(for own-managed overseas stores)	12,000 (Thailand)	12,000 (Thailand)	

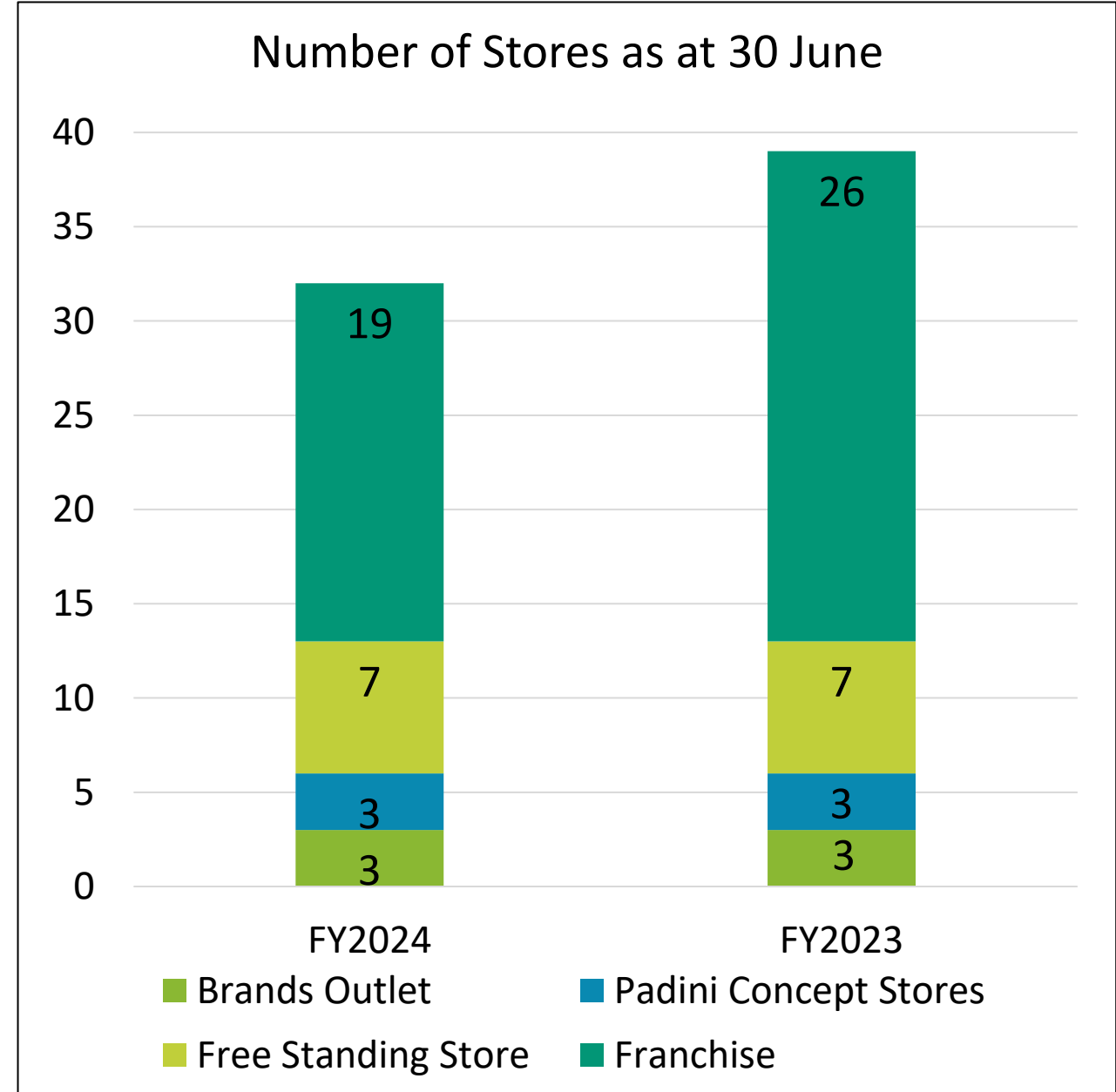
For overseas operations, our presence is established through:

1. Own-managed overseas stores: **Cambodia, Thailand**
2. Franchise: **Brunei, UAE, Bahrain, Qatar, Oman**
3. Ecommerce: **Singapore**



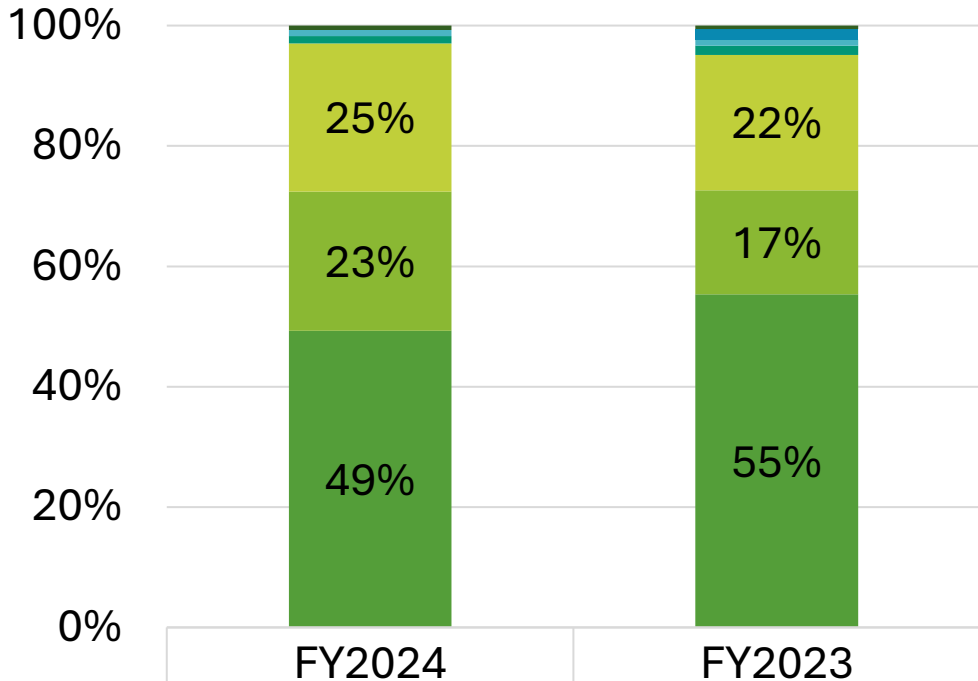
International Market (continued)

	FY2024	FY2023
No. of stores as of 30 June	32	39
No. of stores opened	1	4
No. of stores closed	8	1
No. of transactions (Rounded to thousand)	303,000 (Cambodia)	260,000 (Cambodia)
	119,000 (Thailand)	88,000 (Thailand)
Average spending/transaction	USD 23 (Cambodia)	USD 28 (Cambodia)
	THB 928 (Thailand)	THB 910 (Thailand)



International Market (continued)

Contributions by Country (in %)



	FY2024	FY2023
■ Singapore	1%	1%
■ Myanmar	0%	2%
■ Qatar	1%	1%
■ Brunei	1%	2%
■ UAE	25%	22%
■ Thailand	23%	17%
■ Cambodia	49%	55%

Group Profitability Review

- **Gross Profit Margin: 36%**

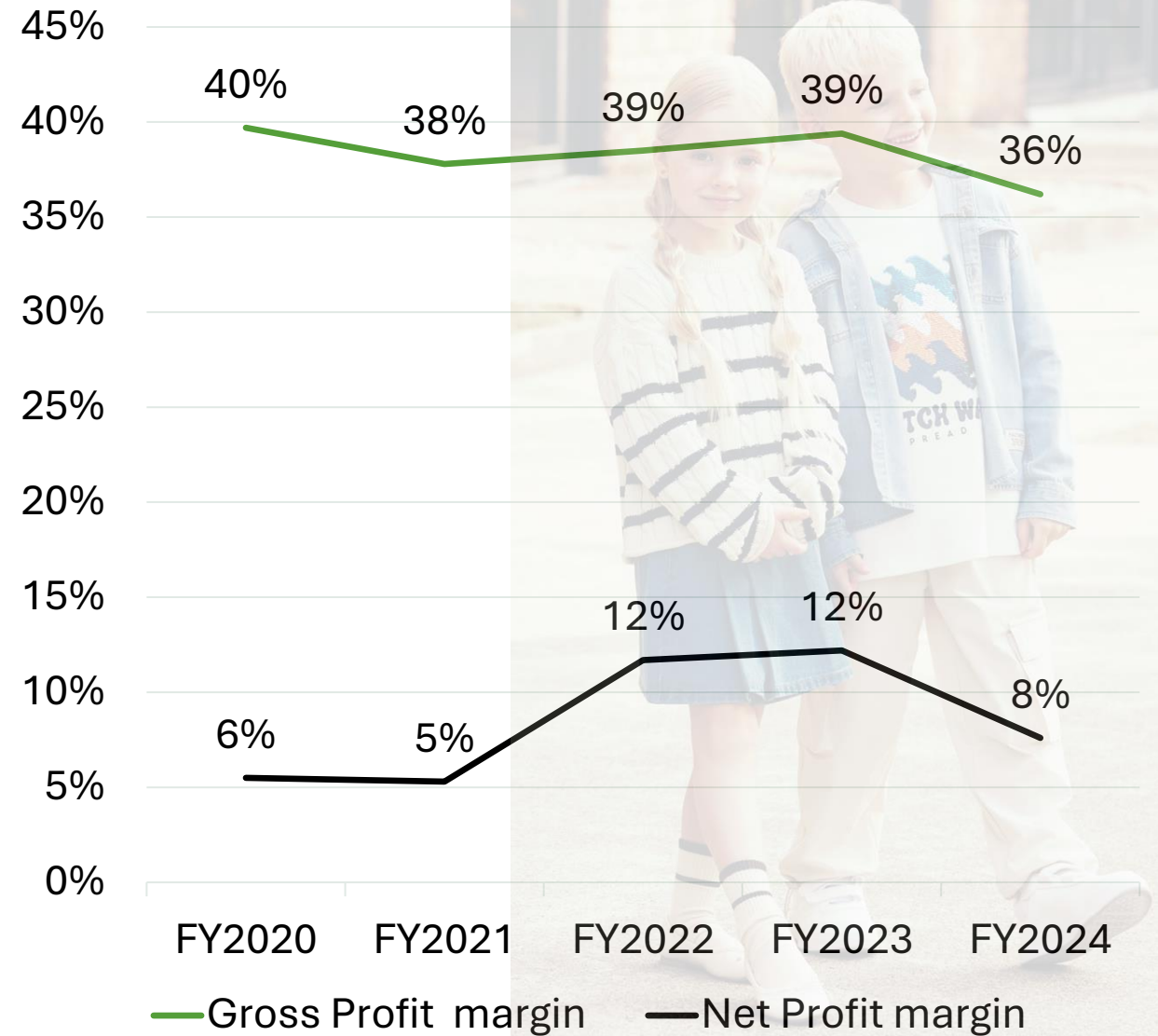
(-3% YoY)

- **Net Profit Margin: 8%**

(-5% YoY)

**(a) salaries and incidental costs
over revenue increased by 2%**

**(b) depreciation over revenue
increased by 1%**



Group Cash Flow and Liquidity for FY2024

“Ensuring Strong Liquidity to support Growth”

- **Operating Cash Flow:**

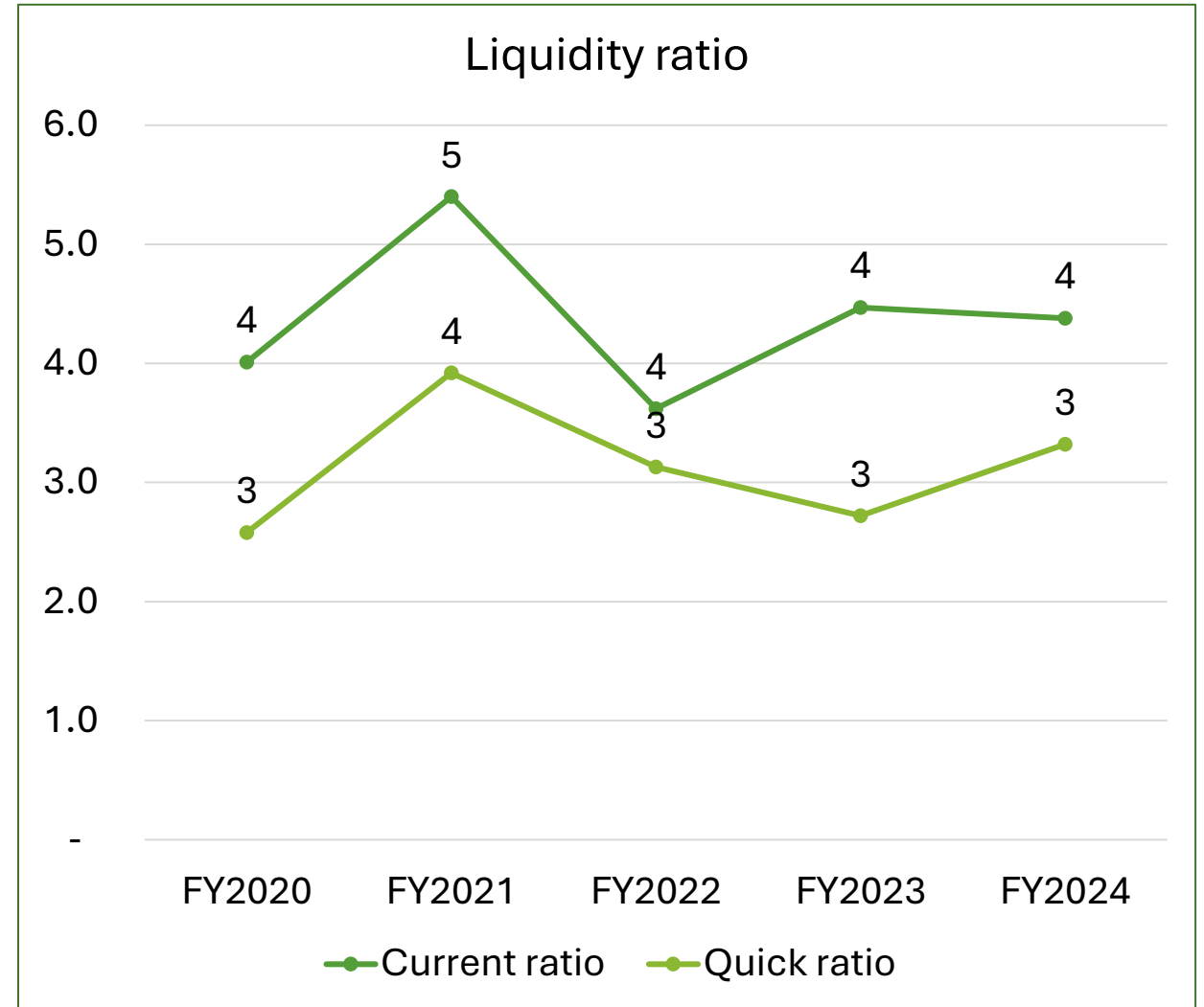
- Net cash generated: RM428 million.

- **Investing Activities:**

- Store Expansion & Renovation : RM44 million.
- Warehouse Automation & RFID inventory management: RM7 million.

- **Financing Activities:**

- Dividend Payout: RM 76 million.
- Payment of lease: RM108 million.



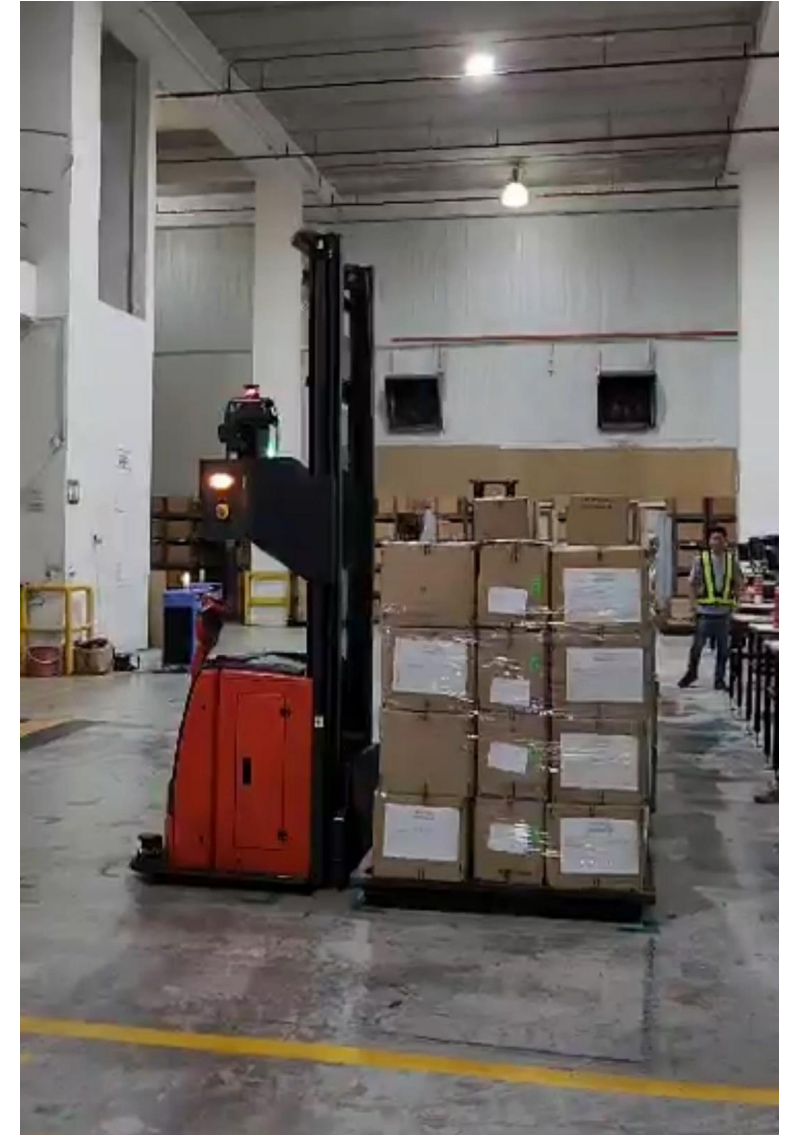
Current ratio = Current assets / current liabilities

Quick ratio = (Current assets – Inventories) / current liabilities

Warehouse Automation



- **Improved Accuracy and Reduced Errors**
- **Increased Efficiency and Productivity**
- **Cost Reduction**

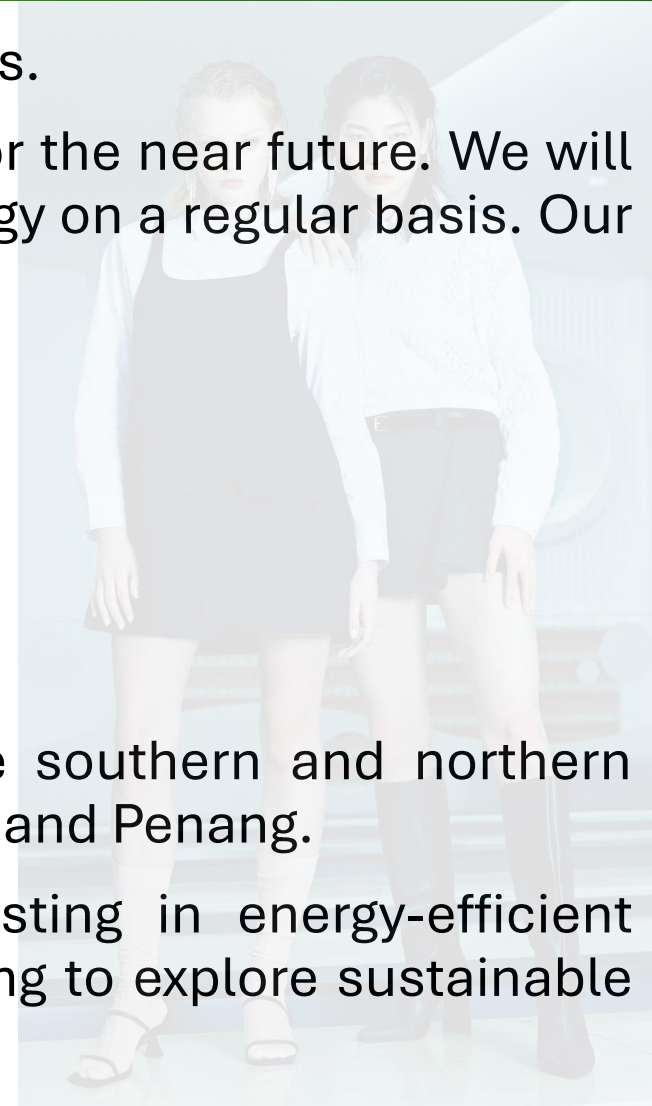


Future Outlook

- Domestic operations continue to be the main driver of revenue and profits.
- The Group is not expecting major contributions from overseas market for the near future. We will continue monitor the market condition and evaluate our business strategy on a regular basis. Our focus remains on improving sales per square feet in local market.
- **Growth Targets:** Revenue: RM2 billion

Initiatives:

- Maintain the procurement of eco-friendly products
- Enhance logistics operations in East Malaysia (“EM”), as well as the southern and northern regions of Peninsular Malaysia by establishing logistics hubs in EM, Johor and Penang.
- Addressing and adapting to climate change considerations by investing in energy-efficient technologies (such as LED lighting and solar installations) and continuing to explore sustainable sourcing options.

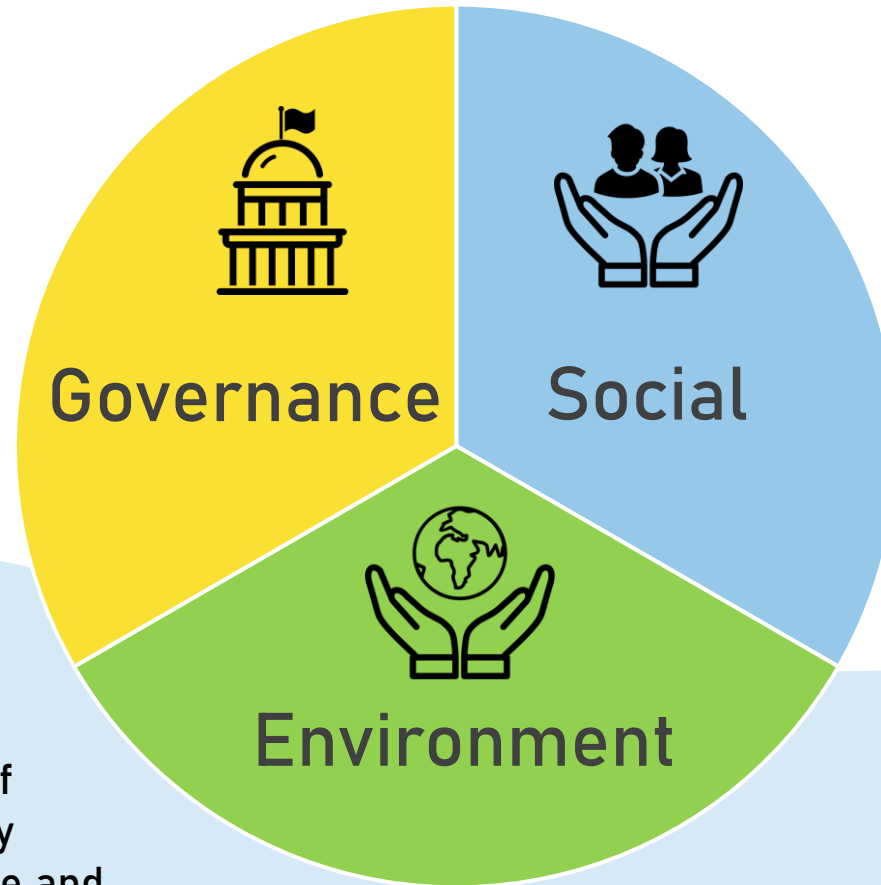


Sustainability Highlights 2024



3 Sustainability Strategic Pillar

Integrity in action
Responsible to ethical behavior,
governance and compliance.



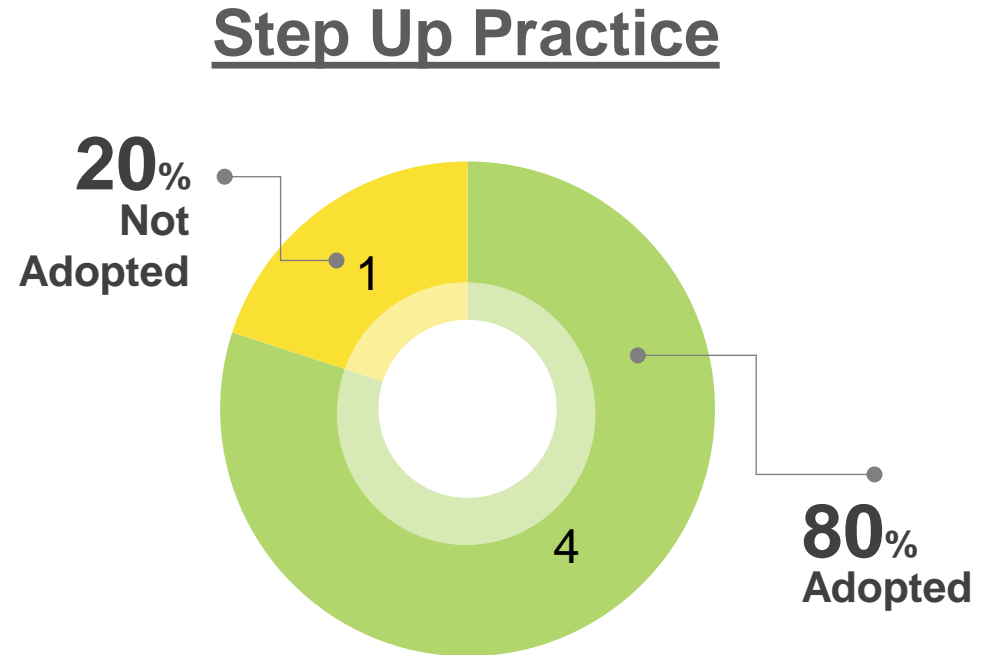
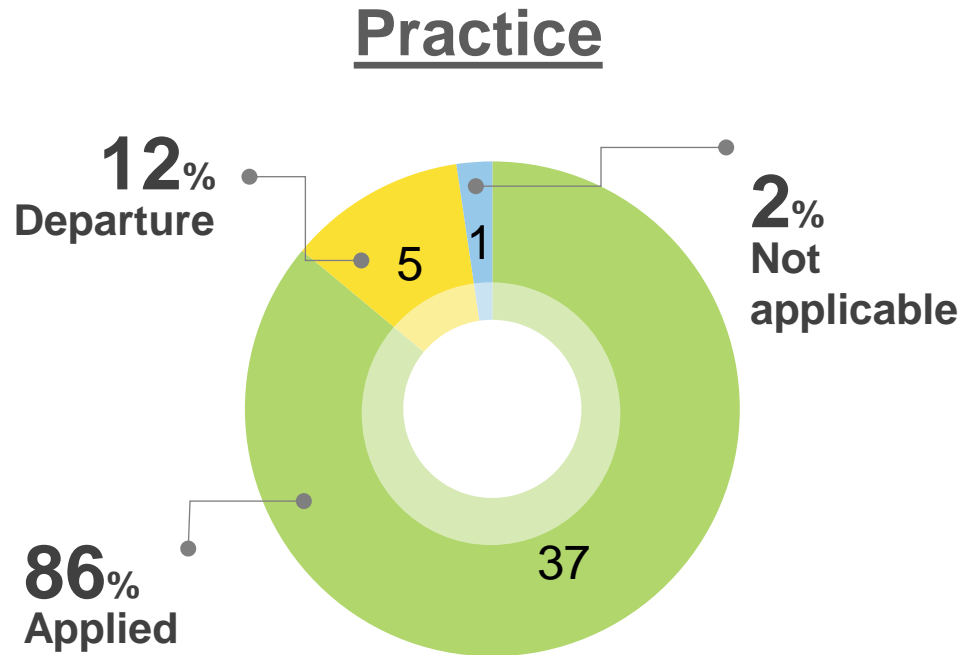
Caring from the heart
Aims to make a positive difference
in the lives of people and the
communities we serve.

Earth consciousness
Accountable to environmental,
contributing to the preservation of
natural resources and biodiversity
while fostering a more sustainable and
resilient fashion industry.



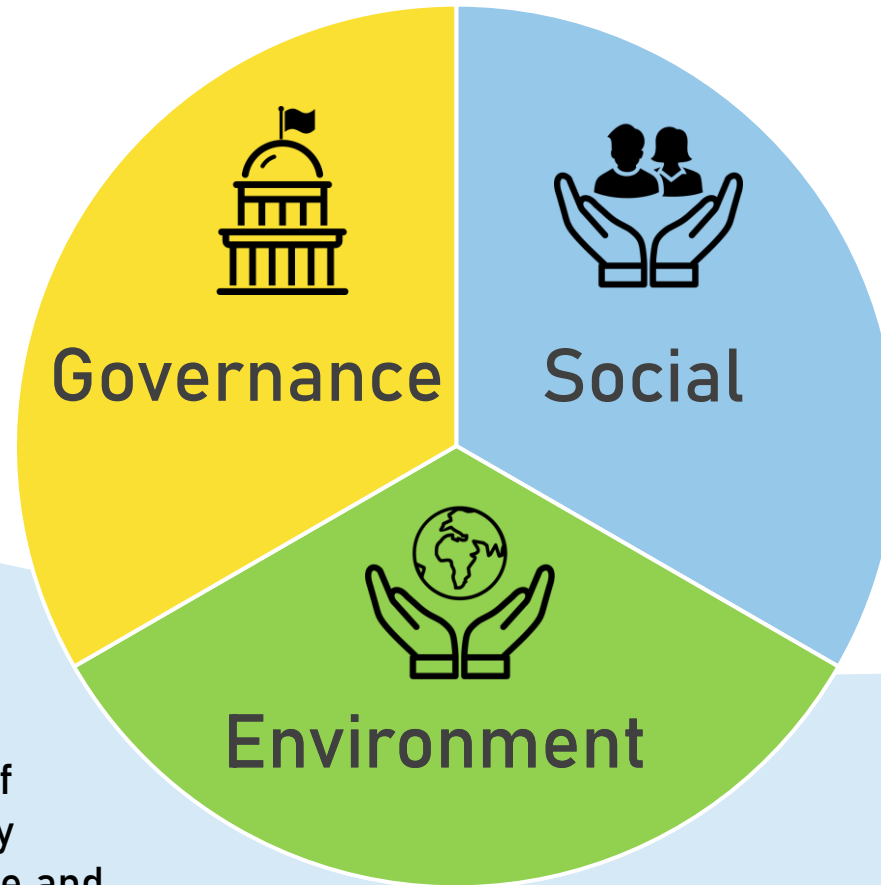
Governance

Compliance to Malaysia Code of Governance (“MCCG”) in FY2024



Environmental

Integrity in action
Responsible to ethical behavior,
governance and compliance.



Caring from the heart
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Environmental



Reduce greenhouse gas (GHG) emissions



Sustainable Products



Waste Reduction



Reduce greenhouse gas (GHG) emissions



Solar System Installation



Offset **3,276** tonnes equivalent of carbon dioxide (tCO₂e) emissions



Produced **4.2gWh** clean energy



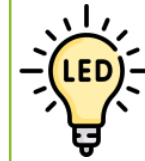
Reduce greenhouse gas (GHG) emissions



LED light installation



Energy consumption saving of **49%** wattage



60.5% of our stores in Malaysia equipped in LED lighting



Environmental



Reduce greenhouse gas (GHG) emissions



Sustainable Products



Waste Reduction



Sustainable Products

Source garment materials which are environment friendly



648,700 units of eco-friendly footwears and garments being procured



SUSTAINABILITY SERIES



RECYCLED POLYESTER



BAMBOO



Organic cotton



40%
Recycled polyester

20%
Recycled polyester



Environmental



Reduce greenhouse gas (GHG) emissions



Sustainable Products



Waste Reduction



Waste Reduction

Recycling Campaign at our outlets



Approximately **18,400kg** of apparel and footwear has been collected



**Let's see how many items
can fit in this Recycled
Bag!**



Waste Reduction

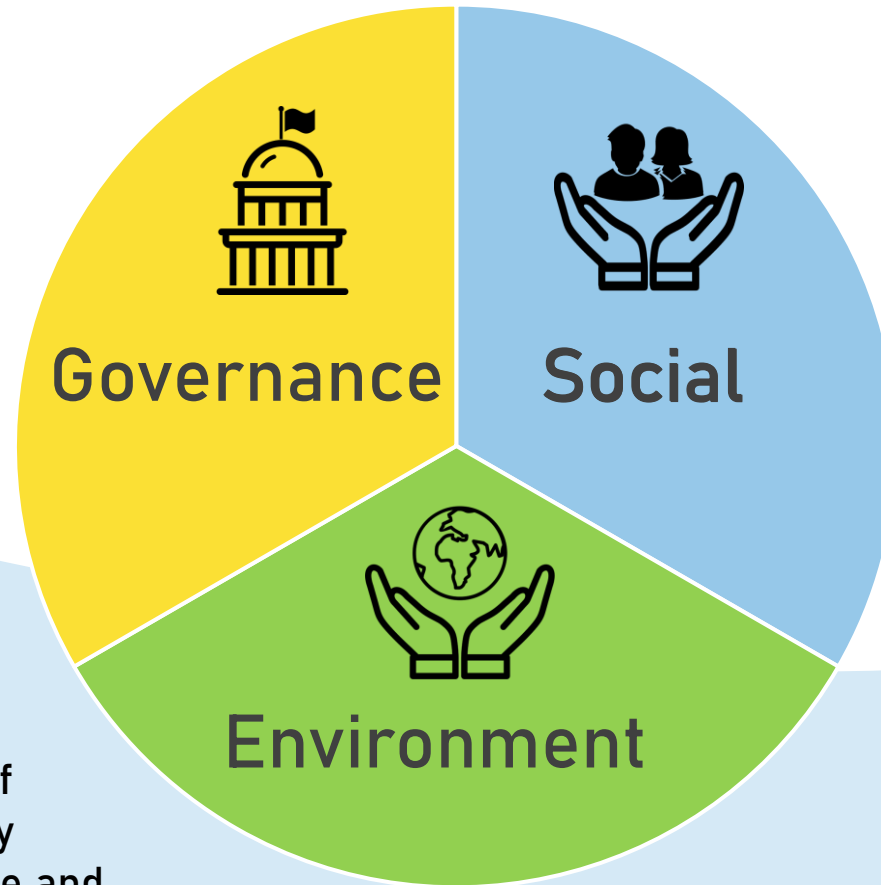
Eco-friendly packaging



Use of biodegradable plastic bags and recycled paper packaging at all stores

Sustainability Strategic Pillar

Integrity in action
Responsible to ethical behavior,
governance and compliance.



Caring from the heart
Aims to make a positive difference
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Social



Community Programs



Employee Development



Community Programs

Christmas Donation to Pertubuhan Kebajikan Yesuvin Mahligai



Volunteer Activities

Nearly **585** hours spent by employees on volunteering

Approximately **RM221,000** (cash and in kind) has been donated



Social



Community Programs



Employee Development



Employee Development

Hazard Identification, Risk Assessment, Risk Control



Training and Diverse Engagement

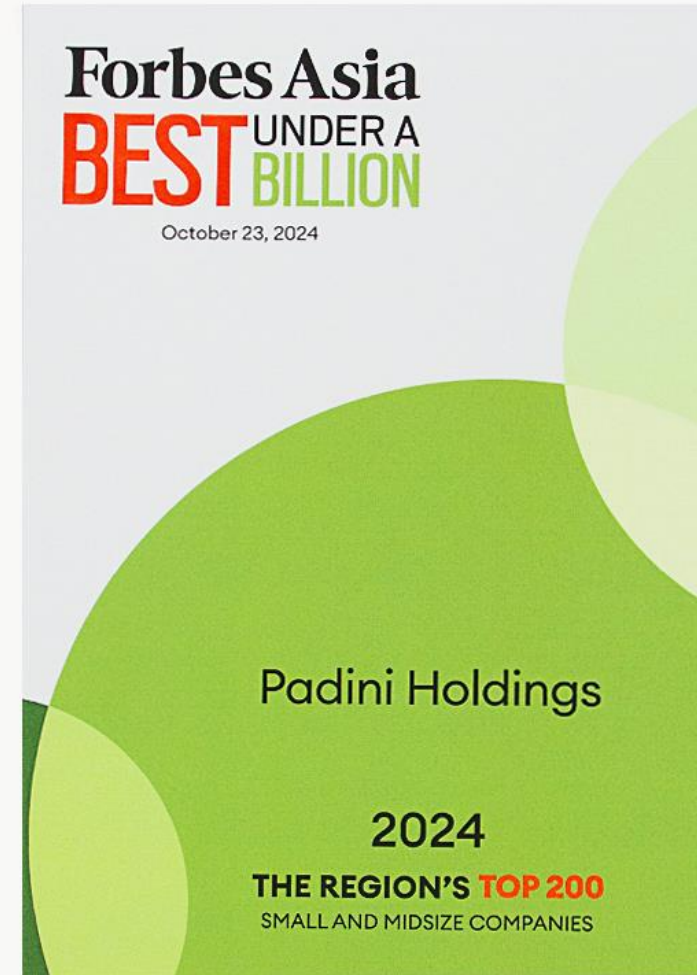
Approximately **RM500,000** allocated for training programmes encompassing all employees

Business Updates and Highlights



Forbes Asia Best Under A Billion 2024

Padini being **1** of the **11** Malaysia Companies awarded as Top 200 Small and Midsize Companies in Asia Pacific





Forbes Asia BEST UNDER A BILLION

FORUM & AWARDS DINNER

October 23, 2024 • Hong Kong



Anugerah Majikan Prihatin (Swasta)

Recognition and appreciation for providing strong support in hiring Persons with Disabilities by Kementerian Pembangunan Wanita, Keluarga dan Masyarakat





KEMENTERIAN PEMERINTAHAN WANITA,
KULUARGA DAN MASYARAKAT



ANUGERAH MAJIKAN PRIHATIN (SWASTA)

PADINI HOLDINGS BHD.

LATAR BELAKANG

- Mula mengambil 1 orang pekerja OKU pada tahun 2016 dan bertambah pada tahun 2019 seramai 6 orang. Total menggajikan Pekerja OKU seramai 51 orang. Melatih pekerja OKU menggunakan pendekatan arahan manual dan penyediaan senarai tugas.

SOKONGAN / PELUANG DISEBUTKAN

- Pada tahun 2019, OKU di Padini mempunyai 6 orang pekerja OKU dan telah menyediakan sokongan kepada mereka dalam bentuk latihan manual dan penyediaan senarai tugas.



Best In-Store Experience

Padini awarded by Sunway Malls as Best In-Store Experience and most supportive business partner



SUNWAY MALLS
ELEVATE
BUSINESS PARTNERS MEETING 2024

RETAIL AWARDS
MOST SUPPORTIVE
BUSINESS PARTNERS



FOCUS POINT

ASTER SPRING

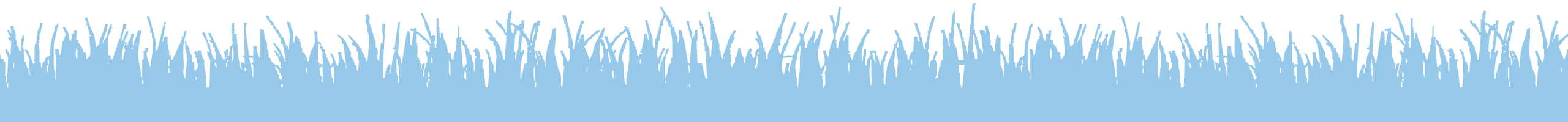


PADINI HOLDINGS BHD



Newly opened outlets after FY2024, up to November 15, 2024

1. Vincci Imago KK Times Square
2. Vincci The Spring Bintulu
3. Vincci Aman Central
4. Vincci Sunway Velocity
5. Padini Concept Store The Spring Bintulu
6. Brands Outlet Batu Pahat Mall
7. Vincci Sunway Carnival Mall



Vincci Imago KK Times Square



PADINI CONCEPT STORE

Give me a "P" , P!

PADINI HOLDINGS BERHAD (197901005918 (50202-A))43rd AGM – 29/11/2024

Appendix IV

Page 1

Questions raised by shareholders / proxies	Board of Directors / Management's response
Mr Loo Yeo Ming ("Mr Loo") enquired on the difference between 'Group' and 'Company' in the presentation of the financial performance.	Ms Sung Fong Fui ("Ms Sung") informed that 'Company' refers to the results of Padini Holdings Berhad ('the Company') itself, whilst 'Group' refers to the Company and its subsidiaries. She informed that the slide presentation of the financial performance generally refers to the results of the Group.
Mr Lew Tuck Wai ("Mr Lew TW") noted that the Group had invested RM30 million in structured products (Note 10 of the Audited Financial Statements) and enquired on the nature of the said investment and their yield.	Ms Sung informed that these were term deposits placed with OCBC Bank. It was moved from non-current assets (FY2023) to current assets (FY2024) as the maturity date is March 2025. She added that the yield is about 3% to 4%.
Mr Lew TW also enquired on the reason for the fluctuating inventory levels over the years and expected levels moving forward.	Mr Benjamin Yong Tze Jet ("Mr Benjamin Yong") informed that inventory levels were adjusted based on the market situation. However, the inventory levels have relatively stabilised since the end of the pandemic. He informed that inventories are expected to be maintained at the current levels moving forward.
Mr Lew TW enquired on the management of the impact of the fluctuation in foreign exchange ("forex") on the business operations.	Ms Sung informed that forex fluctuations will have an impact on the Group's exports, i.e. sales to franchisees. As for imports, the impact is minimised by pre-determined prices with the suppliers.
Mr Lew TW enquired on the Group's pricing strategy moving forward.	Mr Benjamin Yong informed that in order to maintain competitiveness, the Group's priority will be maintaining and increasing its market share rather than immediate profits by increasing the prices. Any price increase will be in tandem with improved product value.
Mr Lew TW enquired on the Group's plan on overseas expansion.	Mr Benjamin Yong informed that the Management is open to overseas expansion, which is the next area for growth. Nevertheless, many factors need to be taken into consideration, such as logistics, costing, sourcing etc, before any decision is made to expand outside Malaysia. The Managing Director, Mr Yong Pang Chau, added that the Group's focus is to provide value products to its customers and he was of the view that there are still rooms for growth in the Malaysian market. He further added that the Group will consider moving beyond the Malaysia market once it is able to achieve an international standard. He informed that the Management is working very hard to achieve this target.

PADINI HOLDINGS BERHAD (197901005918 (50202-A))43rd AGM – 29/11/2024

Appendix IV

Page 2

Questions raised by shareholders / proxies	Board of Directors / Management's response
Mr Chua Song Yun ("Mr Chua") noted that during the presentation of the financial performance, the drop in the Gross Profit ("GP") margin was a result of inflationary pressure and clearing of old stocks. He enquired whether the drop in the profit margin resulting from the clearing of old stocks was due to the high cost of the stocks or due to discount given for the old stocks. He also enquired on the GP margin trend for next year.	Ms Sung informed that this was due to the discount given. She added that the GP Margin depends on the sales mix and product cost. As such the expected GP Margin cannot be determined at the moment.
Mr Chua noted that the number of employees had increased by 6% but there was a 25% increase in employee benefits. He enquired on the high increase in staff cost over the years.	Ms Sung informed that the increase was due to the increase in the minimum wage (which came into effect in 2023) as well as higher commission and overtime resulting from the increase in sales. With the further revision of the minimum wage in 2025, the staff costs are expected to increase.
Mr Leo Ann Puat ("Mr Leo") noted the downward trend of the GP margin and enquired whether it will continue to go down and the Group's strategy to maintain the GP margin.	Mr Benjamin Yong informed that it would depend on the inventory control and product value. Improved products and lower mark down may maintain or improve the GP margin.
Mr Leo enquired whether there was any intention to diversify into other business segment and also the plans to expand the overseas market.	Mr Benjamin Yong informed that it is not the right time for diversification into other segments at the moment. The Management's current priorities are on other issues such as improving logistics and implementation of the RFID tags. As informed earlier, the Management will consider overseas expansion at a later date. Mr Benjamin Yong commented that the Group does practice diversification of its fashion products by introducing functional products such as sportswear, dri-fit, etc, into its product range.
Mr Loo enquired whether automation will result in a reduction in the number of staff	Mr Andrew Yong Tze How ("Mr Andrew Yong") informed that automation is mainly used in the warehouse and not throughout the operations. He informed that warehouse manpower requirement has reduced significantly with the use of automation. However, the use of automation will not have much impact to the number of outlet staff, due to the need for customer interaction.
Mr Loo enquired on succession planning for the Board of Directors.	Ms Sung informed that currently all the Independent Directors ("IDs") are serving for less than 9 years and there will be a change after they have served for 9 years.
Mr Loo enquired on the treatment of old stocks which cannot be sold.	Ms Sung informed that those inventories would be written off and the costs would be expensed off in the accounts. She informed that a continuous inventory monitoring process is carried out every quarter to determine the need for any write offs.

PADINI HOLDINGS BERHAD (197901005918 (50202-A))43rd AGM – 29/11/2024

Appendix IV

Page 3

Questions raised by shareholders / proxies	Board of Directors / Management's response
Mr Lam Yue Choong ("Mr Lam") enquired on the Management's strategy in balancing the GP margin and the increase in market share.	Mr Benjamin Yong informed that the Management's strategy is to offer high value products at an affordable price with the view of retaining existing customers and attracting new ones. A faster stock turnover and higher value products will have an impact on the GP margins. He informed that this is a dynamic process and is monitored and reviewed closely by the Management.
Mr Lam enquired on the branding that is projected for the Group's brand.	Mr Benjamin Yong informed that the Group offers value for its customers; offering high quality products at an affordable price.
Mr Lam enquired on the Group's strategy in incorporating the use of generative AI.	Mr Andrew Yong informed that the Group is still exploring the adoption of generative AI in its operations. He informed that AI is not used in the creative designs for the Group's products as yet. The Management is constantly monitoring the advances in AI.
Mr Lam enquired on the Group's outlook for the next couple of years.	Mr Benjamin Yong informed that the outlook will continue to be very challenging, with factors such as competition, increased online stores and inflationary issues to be considered.
Mr Ng Fu Zin enquired on the evolution of the product and branding over the years and the Management's strategy in enhancing the level of branding achieved.	<p>Mr Benjamin Yong informed that Padini's strategy over the years has been to understand and adapt to the market trend and continue to consistently offer value products at an affordable price.</p> <p>He informed that the perception of branding has evolved over the years as customers no longer just focus on a brand but more on the product value. As such, continuous product development will be essential for continued success.</p>
Mr Chong Shen Wei ("Mr Chong") enquired on the differentiating elements between Padini Concept Store ("PCS") and Brands Outlet ("BO").	Mr Benjamin Yong informed that there is a pricing difference of about 20% to 30% between PCS and BO's products. BO also serves a different segment offering more product variety at affordable prices.
Mr Chong enquired on the Group's preparation for the implementation of e-invoicing.	Ms Sung informed that the Group had already commenced with e-invoicing.
Mr Ng Kok Kiong ("Mr Ng") enquired on the Group's strategy in increasing the number of its environmentally friendly products and the target set.	Mr Benjamin Yong informed that the Management did not set a specific target / increment for its environmentally friendly products. It will be dependent on the products that they can source and the market situation. He informed that many factors need to be considered in producing these products such as material costs and product pricing. The Management is exploring products such as recycled polyester and other recycled materials for its products.

PADINI HOLDINGS BERHAD (197901005918 (50202-A))

43rd AGM – 29/11/2024

Appendix IV

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Questions raised by shareholders / proxies	Board of Directors / Management's response
<p>Mr Ng noted the Group's current efforts in reducing energy consumption and enquired on the Group's strategy to further reduce the energy consumption. He also enquired on the data for water usage, which was not reported in the Company's Annual Report.</p>	<p>Mr Benjamin Yong informed that eventually it will be 100% as all new outlets / newly renovated outlets will be fitted with LED lights.</p> <p>Ms Sung informed that the Management do not have any data on water usage. She informed that the Group does not manufacture its own products, as such impact of the water usage on production is very minimal.</p>

Company Name : **PADINI HOLDINGS BERHAD**
 197901005918 (50202-A)
 Type Of Meeting : **43RD ANNUAL GENERAL MEETING**
 Venue Of Meeting : **GLENMARIE BALLROOM, GLENMARIE HOTEL & GOLF RESORT MALAYSIA, NO. 1, JALAN USAHAWAN U1/8,SEKSYEN U1, 40250 SHAH ALAM, SELANGOR DARUL EHSAN.**
 Date & Time of Meeting : **27-NOVEMBER-2024 10.00 AM**

Votes Summary Report

Resolution (s)

Ordinary Resolution 1

Directors' Fee for the financial year ending 30 June 2025

	No. of Counts	No. of Votes	% of voted votes	Accepted/Rejected
For	126	545,063,669	100.0000	
Against	2	200	0.0000	
Valid Cast	128	545,063,869	100.0000	Accepted
Abstain	1	59,500		
Not Indicated	1	1,500		
Total Cast	130	545,124,869		

Ordinary Resolution 2

Directors' Benefits

	No. of Counts	No. of Votes	% of voted votes	Accepted/Rejected
For	126	545,063,669	100.0000	
Against	2	200	0.0000	
Valid Cast	128	545,063,869	100.0000	Accepted
Abstain	1	59,500		
Not Indicated	1	1,500		
Total Cast	130	545,124,869		

Ordinary Resolution 3

Re-election of Mr Benjamin Yong Tze Jet

	No. of Counts	No. of Votes	% of voted votes	Accepted/Rejected
For	115	531,496,646	97.5002	
Against	18	13,626,723	2.4998	
Valid Cast	133	545,123,369	100.0000	Accepted
Abstain	0	0		
Not Indicated	1	1,500		
Total Cast	134	545,124,869		



[Signature]
 Signature of Scrutineers

[Signature]

Acknowledgement of the chairman of the meeting

Company Name : **PADINI HOLDINGS BERHAD**
 197901005918 (50202-A)
 Type Of Meeting : **43RD ANNUAL GENERAL MEETING**
 Venue Of Meeting : **GLENMARIE BALLROOM, GLENMARIE HOTEL & GOLF RESORT MALAYSIA, NO. 1, JALAN USAHAWAN U1/8,SEKSYEN U1, 40250 SHAH ALAM, SELANGOR DARUL EHSAN.**
 Date & Time of Meeting : **27-NOVEMBER-2024 10.00 AM**

Votes Summary Report

Resolution (s)

Ordinary Resolution 4

Re-election of Ms Sung Fong Fuji

	No. of Counts	No. of Votes	% of voted votes	Accepted/Rejected
For	112	537,906,953	98.6762	
Against	22	7,216,416	1.3238	
Valid Cast	134	545,123,369	100.0000	Accepted
Abstain	0	0		
Not Indicated	1	1,500		
Total Cast	135	545,124,869		

Ordinary Resolution 5

Re-election of Ms Tan Poh Ling

For	118	543,187,047	99.6448	
Against	13	1,936,322	0.3552	
Valid Cast	131	545,123,369	100.0000	Accepted
Abstain	0	0		
Not Indicated	1	1,500		
Total Cast	132	545,124,869		

Ordinary Resolution 6

Re-election of Mr Ng Chee Hoong

For	126	545,123,169	100.0000	
Against	2	200	0.0000	
Valid Cast	128	545,123,369	100.0000	Accepted
Abstain	0	0		
Not Indicated	1	1,500		
Total Cast	129	545,124,869		



Signature of Scrutineers

Acknowledgement of the chairman of the meeting

Signature of Chairman

Company Name : **PADINI HOLDINGS BERHAD**
 197901005918 (50202-A)
 Type Of Meeting : **43RD ANNUAL GENERAL MEETING**
 Venue Of Meeting : **GLENMARIE BALLROOM, GLENMARIE HOTEL & GOLF RESORT MALAYSIA, NO. 1, JALAN USAHAWAN U1/8,SEKSYEN U1, 40250 SHAH ALAM, SELANGOR DARUL EHSAN.**
 Date & Time of Meeting : **27-NOVEMBER-2024 10.00 AM**

Notes Summary Report

Resolution (s)

Ordinary Resolution 7

Re-appointment of Auditors

	No. of Counts	No. of Votes	% of voted votes	Accepted/Rejected
For	124	545,111,469	99.9978	
Against	4	11,900	0.0022	
Valid Cast	128	545,123,369	100.0000	
Abstain	0	0		Accepted
Not Indicated	1	1,500		
Total Cast	129	545,124,869		

Ordinary Resolution 8

Proposed Bonus Issue

	No. of Counts	No. of Votes	% of voted votes	Accepted/Rejected
For	121	525,277,569	96.3594	
Against	7	19,845,800	3.6406	
Valid Cast	128	545,123,369	100.0000	
Abstain	0	0		Accepted
Not Indicated	1	1,500		
Total Cast	129	545,124,869		



[Signature]
 Signature of Scrutineers

[Signature]
 Acknowledgement of the chairman of the meeting