

TEO SENG CAPITAL BERHAD (732762-T)
(Incorporated in Malaysia)

MINUTES OF THE THIRTEENTH ANNUAL GENERAL MEETING (“13th AGM”) OF TEO SENG CAPITAL BERHAD (“TEO SENG” OR “THE COMPANY”) HELD AT TEO SENG CAPITAL BERHAD CONFERENCE ROOM, FIRST FLOOR, LOT PTD 25740, BATU 4, JALAN AIR HITAM, 83700 YONG PENG, JOHOR ON TUESDAY, 28 MAY 2019 AT 11.30 A.M.

PRESENT : As per Attendance Lists

1. CHAIRMAN

1.1 Mr. Lau Jui Peng (“Chairman”) chaired the meeting. He welcomed all present at the 13th AGM of Teo Seng and called the meeting to order at 11:30 a.m.

1.2 Chairman informed that pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”), all resolutions set out in the notice of general meeting would be voted by poll. The Company was required to appoint at least one scrutineer to validate the votes cast at the general meeting. In view thereof, Chairman declared that all resolutions set out in the Notice of 13th AGM of the Teo Seng would be voted by poll. Tricor Investor & Issuing House Services Sdn Bhd (“Tricor IS”) would act as Poll Administrator while Asia Securities Sdn Bhd (“ASSB”) would act as Scrutineers. The poll would be conducted at the end of the meeting to facilitate the smooth running of the meeting.

1.3 Chairman also informed that Teo Seng had issued an Errata to the Annual Report for the financial year ended 31 December 2018 on 13 May 2019 to rectify the information on page 16 (Financial Performance Review, and Capital Expenditure and Structure) and pages 16-17 (Business Objective, Strategies and Review of the Operating Activities – Poultry Farming-Marketing & Financial Highlight, and Investment and Trading of Related Poultry Products) and proxy form.

2. QUORUM

The Secretary confirmed that a quorum was present to constitute the meeting and informed that the total number of valid proxy forms received within the prescribed period was 21, which represented 167,604,883 shares of the total number of the issued shares of the Company.

3. NOTICE

With the consent of the members present, the notice convening the meeting was taken as read. Chairman then proceeded with the business on the Agenda of the Notice of 13th AGM.

4. TO RECEIVE THE AUDITED FINANCIAL STATEMENTS OF THE COMPANY AND OF THE GROUP AND THE REPORTS OF THE DIRECTORS AND THE AUDITORS THEREON FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018

4.1 Chairman said item 1 of the Agenda was meant for discussion only as the provisions of Sections 248(2) and 340(1)(a) of the Companies Act 2016 ("the Act") did not require a formal approval of the shareholders for the Audited Financial Statements. Hence, it was not put forward for voting.

4.2 Chairman then invited the shareholders and proxy holders to raise their questions on this Agenda item.

4.3 Questions raised by shareholders and the replies from Teo Seng were as follows:

Q1 : Shareholder – Mr. Goh Leng Pheow ("Mr. Goh") from Penang
What is the status of the bio-gas plant project?

A1 : Chairman

The timeline of bio-gas plant project has just started.

Q2 : Shareholder – Mr. Goh

I refer to Poultry Farming-Operation in page 16 of the Annual Report 2018. How many farms have been accredited for export by Singapore Food Agency.

A2 : Chairman

Teo Seng has a total of eight accredited farms obtaining export permit. We export approximately 30% of the eggs to Singapore. Overall, we have a total of twenty five farms.

Q3 : Shareholder – Mr. Gor Ching Ruey ("Mr Gor")

What does the Company do with the animal feed and how much profit has been generated?

A3 : Chairman

The animal feed is not meant for distribution, mainly for own layer farming activities and production of organic fertiliser by using chicken manure.

A3 : Mr. Ng Eng Leng ("Mr. Ng"), Group Financial Controller

The profit before tax is less than 10%.

Q4 : Shareholder – Mr. Gor

The Company produces 3.80 million eggs daily. What is the defect rate?

A4 : Mr. Ng

The defect rate is less than 1% at egg grading process.

Q5 : Shareholder – Mr. Gor

Has a dividend policy been established?

A5 : Mr. Ng

The dividend policy is set between 20% and 50% of the profit after tax ("PAT") in the Company's Prospectus years back 2009. Dividends were paid to shareholders at about 40% of the PAT during the first quarter ended 31 March 2019.

Q6 : Shareholder – Edwin Teoh Jit Siong

I refer to the sensitivity analysis in page 113 of the Annual Report 2018. According to the risk survey, can the Board explain why a change of 1 sen will change the performance of the Company?

A6 : Chairman

In view of the raw materials are traded in United States dollar (“USD”) which has significant cost impact, performance of the Company is not only depending on selling price . Currently, the exchange rate in USD is quite stable.

4.4 As there was no further question raised, Chairman declared that the Audited Financial Statements for the financial year ended 31 December 2018, together with the Reports of the Directors and Auditors thereon, had been properly laid and received in accordance with the Act.

5. TO APPROVE THE PAYMENT OF DIRECTORS’ REMUNERATION (INCLUDING DIRECTORS’ FEES) OF RM122,000-00 IN RESPECT OF THE FINANCIAL YEAR ENDED 31 DECEMBER 2018

5.1 Chairman said item 2 of the Agenda referred to the payment of Directors’ remuneration (including Directors’ fees) of RM122,000-00 in respect of the financial year ended 31 December 2018.

5.2 Chairman then invited questions from the floor. Since there was no question raised, Chairman said the voting by poll in respect of the following Ordinary Resolution 1 on payment of Directors’ remuneration (including Directors’ fees) would be deferred to the end of the meeting:

Ordinary Resolution 1

“THAT the payment of Directors’ remuneration (including Directors’ fees) of RM122,000-00 in respect of the financial year ended 31 December 2018 be hereby approved.”

6. TO APPROVE THE PAYMENT OF DIRECTORS’ REMUNERATION (INCLUDING DIRECTORS’ FEES) UP TO RM160,000-00 FROM 1 JANUARY 2019 UNTIL THE CONCLUSION OF THE NEXT ANNUAL GENERAL MEETING

6.1 Chairman said item 3 of the Agenda referred to the payment of Directors’ remuneration (including Directors’ fees) of up to RM160,000-00 from 1 January 2019 until the conclusion of the next Annual General Meeting. This Agenda item was to facilitate the payment of Directors’ remuneration for duties performed as Non-Executive Directors of the Company on a monthly basis and/or as and when required.

6.2 Chairman then invited questions from the floor. Since there was no question raised, Chairman said the voting by poll in respect of the following Ordinary Resolution 2 on payment of Directors’ remuneration (including Directors’ fees) would be deferred to the end of the meeting:

Ordinary Resolution 2

“THAT the payment of Directors’ remuneration (including Directors’ fees) up to RM160,000-00 from 1 January 2019 until the conclusion of the next Annual General Meeting be hereby approved.”

7. TO RE-ELECT MR. NAM HIOK JOO WHO RETIRES PURSUANT TO ARTICLE 110 OF THE CONSTITUTION OF THE COMPANY

7.1 Chairman proceeded with item 4 of the Agenda on the re-election of Mr. Nam Hiok Joo (“Mr. Nam”), who was retiring pursuant to Article 110 of the Constitution of the Company. Mr. Nam, being eligible, had offered himself for re-election. His profile could be viewed on page 7 of the Annual Report 2018 (“AR”).

7.2 Chairman then invited questions from the floor. Since there was no question raised, Chairman said the voting by poll in respect of the following Ordinary Resolution 3 on the re-election of Mr. Nam would be deferred to the end of the meeting:

Ordinary Resolution 3

“THAT Mr. Nam Hiok Joo who retires pursuant to Article 110 of the Constitution of the Company and being eligible, be re-elected as Director of the Company.”

**8. TO RE-ELECT THE FOLLOWING DIRECTORS WHO RETIRE PURSUANT TO ARTICLE 103 OF THE CONSTITUTION OF THE COMPANY:
(A) DATO’ KOH LOW @ KOH KIM TOON
(B) MR. LOH WEE CHING**

8.1 Chairman proceeded with item 5 of the Agenda on the re-election of Directors who were retiring pursuant to Article 103 of the Constitution of the Company.

8.2 Chairman said Dato’ Koh Low @ Koh Kim Toon (“Dato Koh”) would be retiring and being eligible, had offered himself for re-election. The profile of Dato’ Koh could be viewed on page 9 of the AR.

8.3 Chairman then invited questions from the floor. Since there was no question raised, Chairman said the voting by poll in respect of following Ordinary Resolution 4 on the re-election of Dato’ Koh would be deferred to the end of the meeting:

Ordinary Resolution 4

“THAT Dato’ Koh Low @ Koh Kim Toon who retires pursuant to Article 103 of the Company’s Constitution and being eligible, be re-elected as Director of the Company.”

8.4 Chairman then proceeded with the re-election of Mr. Loh Wee Ching (“Mr. Loh”), who was retiring pursuant to Article 103 of the Company’s Constitution and being eligible, had offered himself for re-election. The profile of Mr. Loh could be viewed on page 8 of the AR.

- 8.5 Chairman then invited questions from the floor. Since there was no question raised, Chairman said the voting by poll in respect of following Ordinary Resolution 5 on the re-election of Mr. Loh would be deferred to the end of the meeting:

Ordinary Resolution 5

“THAT Mr. Loh Wee Ching who retires pursuant to Article 103 of the Company’s Constitution and being eligible, be re-elected as Director of the Company.”

9. TO RE-APPOINT PRICEWATERHOUSECOOPERS PLT AS AUDITORS OF THE COMPANY FOR THE FINANCIAL YEAR ENDING 31 DECEMBER 2019 AND TO AUTHORISE THE DIRECTORS TO FIX THEIR REMUNERATION

- 9.1 Chairman proceeded with item 6 of the Agenda on the re-appointment of PricewaterhouseCoopers PLT as Auditors of the Company for the financial year ending 31 December 2019 and to authorise the Directors to fix their remuneration.

- 9.2 Chairman then invited questions from the floor. Since there was no question raised, Chairman said the voting by poll in respect of following Ordinary Resolution 6 on the re-appointment of PricewaterhouseCoopers PLT would be deferred to the end of the meeting:

Ordinary Resolution 6

“THAT the re-appointment of PricewaterhouseCoopers PLT as Auditors of the Company for the financial year ending 31 December 2019 at a remuneration to be determined by the Board of Directors be hereby approved.”

10. CONTINUING IN OFFICE AS INDEPENDENT NON-EXECUTIVE DIRECTORS

- 10.1 Chairman proceeded with items 7 to 9 of the Agenda on the continuation of Mr. Choong Keen Shian (“Mr. Choong”), Mr. Frederick Ng Yong Chiang (“Mr. Frederick Ng”) and Dato’ Koh Low @ Koh Kim Toon (“Dato’ Koh”) in office as Independent Non-Executive Directors of the Company. Chairman said their profiles could be viewed on pages 8 and 9 of the AR.

- 10.2 Chairman then invited questions from the floor. Since there was no question raised, Chairman said the voting by poll in respect of following Ordinary Resolutions 7, 8 and 9 on the continuation of Mr. Choong, Mr. Frederick Ng and Dato’ Koh in office as Independent Non-Executive Directors of the Company would be deferred to the end of the meeting:

Ordinary Resolution 7

Continuing In Office As Independent Non-Executive Director

“THAT authority be and is hereby given to Mr. Choong Keen Shian, who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years, to continue to serve as an Independent Non-Executive Director of the Company.”

Ordinary Resolution 8
Continuing In Office As Independent Non-Executive Director

“THAT authority be and is hereby given to Mr. Frederick Ng Yong Chiang, who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years, to continue to serve as an Independent Non-Executive Director of the Company.”

Ordinary Resolution 9
Continuing In Office As Independent Non-Executive Director

“THAT subject to the passing of Ordinary Resolution 4, authority be and is hereby given to Dato’ Koh Low @ Koh Kim Toon, who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years, to continue to serve as an Independent Non-Executive Director of the Company.”

11. AUTHORITY TO ISSUE SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016

11.1 Chairman proceeded with item 10 of the Agenda and said the Company wished to obtain shareholders’ approval to empower the Directors to issue and allot shares in the Company up to a maximum of 10% of the total number of the issued shares (excluding treasury shares) of the Company pursuant to Sections 75 and 76 of the Act (“General Mandate”). The purpose of the new General Mandate is for possible fund raising exercises including but not limited to further placement of shares for purpose of funding current and/or future investment projects, working capital, repayment of borrowings and/or acquisitions.

11.2 Chairman then invited questions from the floor. Since there was no question raised, Chairman informed that the voting by poll in respect of the following Ordinary Resolution 10 on authority to issue shares pursuant to Sections 75 and 76 of the Act would be deferred to the end of the meeting:

Ordinary Resolution 10
Authority to issue shares pursuant to Sections 75 and 76 of the Companies Act 2016

"THAT subject to Sections 75 and 76 of the Companies Act 2016, Constitution of the Company, and approvals of the relevant governmental/regulatory authorities, the Directors be and are hereby empowered to issue and allot shares in the Company, at any time to such persons and 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 during the preceding twelve (12) months does not exceed ten per centum (10%) of the total number of the issued shares (excluding treasury shares) of the Company for the time being AND THAT the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad;

AND THAT such authority shall commence immediately upon the passing of this Resolution and continue to be in force until the conclusion of the next Annual General Meeting ("AGM") of the Company, or at the expiry of the period within which the next AGM is required to be held after the approval was given, whichever is earlier, unless revoked or varied by an Ordinary Resolution of the Company at a general meeting."

12. PROPOSED RENEWAL OF EXISTING SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

12.1 Chairman proceeded with item 11 of the Agenda and said the Company wished to obtain shareholders' approval to allow the Company and/or its subsidiaries ("the Group") to continue to enter into recurrent related party transactions of a revenue or trading nature ("RRPT") with the related party(ies) on an arm's length basis and on normal commercial terms which are not prejudicial to the interests of the minority shareholders. He said the detailed text on the RRPT was set out in Part A of the Circular/Statement to Shareholders dated 30 April 2019.

12.2 Chairman then invited questions from the floor. Since there was no question raised, Chairman informed that the voting by poll in respect of the following Ordinary Resolution 11 on proposed renewal of existing shareholders' mandate for RRPT would be deferred to the end of the meeting:

Ordinary Resolution 11

Proposed renewal of existing shareholders' mandate for recurrent related party transactions of a revenue or trading nature

"THAT subject to Main Market Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given to the Company and/or its subsidiaries ("the Group") to enter into recurrent related party transactions of a revenue or trading nature ("RRPT") with the related party(ies) as set out in Section 2 of Part A of the Circular/Statement to Shareholders of the Company dated 30 April 2019 ("the Circular") provided that such transactions are:

- (a) necessary for the day-to-day operations;
- (b) in the ordinary course of business and are on normal commercial terms and transaction prices which are not more favourable to the related parties than those generally available to the public; and
- (c) not prejudicial to the minority shareholders of the Company.

("Shareholders' Mandate").

THAT such approval shall continue to be in force and effect until:

- (a) the conclusion of the next Annual General Meeting ("AGM") of the Company at which time it will lapse, unless the authority is renewed by a resolution passed at the said AGM;

- (b) the expiration of the period within which the next AGM of the Company is required to be held pursuant to Section 340(2) of the Companies Act 2016 (“the Act”) (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- (c) revoked or varied by resolution passed by the shareholders in general meeting;

whichever is the earlier.

AND THAT the Directors of the Company be and are hereby empowered and authorised to complete and do all such acts, deeds and things as they may consider expedient or necessary or in the best interest of the Company to give effect to the Shareholders’ Mandate, with full power to assent to any condition, modification, variation and/or amendment (if any) as may be imposed or permitted by the relevant authorities.”

13. PROPOSED RENEWAL OF AUTHORISATION TO ENABLE THE COMPANY TO PURCHASE UP TO 10% OF THE TOTAL NUMBER OF ISSUED SHARES OF THE COMPANY

13.1 Chairman proceeded with item 12 of the Agenda on the proposed renewal of authority to purchase the Company’s own shares. Chairman said the detailed text on the proposed renewal on share buy-back authority was set out in Part B of the Circular/Statement to Shareholders dated 30 April 2019.

13.2 Chairman then invited questions from the floor. Since there was no question raised, Chairman informed that the voting by poll in respect of the following Ordinary Resolution 12 on the renewal of share buy-back authority would be deferred to the end of the meeting:

Ordinary Resolution 12

Proposed Renewal of authorisation to enable the Company to purchase up to 10% of the total number of issued shares of the Company

THAT, subject always to the Companies Act 2016 (“the Act”), the Constitution of the Company, the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”) and all other applicable laws, guidelines, rules and regulations, the Company be and is hereby authorized, to the fullest extent permitted by law, to purchase such number of issued shares in the Company as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company provided that:

- (i) the aggregate number of issued shares in the Company (“Shares”) purchased (“Purchased Shares”) and/or held as treasury shares pursuant to this Ordinary Resolution does not exceed ten per centum (10%) of the total number of issued shares of the Company as quoted on Bursa Securities as at the point of purchase; and

- (ii) the maximum fund to be allocated by the Company for the purpose of purchasing the shares shall not exceed the aggregate of the retained profits of the Company based on the latest audited financial statements and/or the latest management accounts (where applicable) available at the time of the purchase;

("Proposed Share Buy-Back").

AND THAT the authority to facilitate the Proposed Share Buy-Back will commence immediately upon passing of this Ordinary Resolution and will continue to be in force until:

- (a) the conclusion of the next Annual General Meeting ("AGM") of the Company following at which time the authority shall lapse unless by Ordinary Resolution passed at the meeting, the authority is renewed, either unconditionally or subject to conditions; or
- (b) the expiration of the period within which the next AGM of the Company is required by law to be held; or
- (c) revoked or varied by Ordinary Resolution passed by the shareholders of the Company at a general meeting;

whichever occurs first, but shall not prejudice the completion of purchase(s) by the Company of its own Shares before the aforesaid expiry date and, in any event, in accordance with the MMLR and any applicable laws, rules, regulations, orders, guidelines and requirements issued by any relevant authorities.

AND THAT the Directors of the Company be and are hereby authorized, at their discretion, to deal with the Purchased Shares until all the Purchased Shares have been dealt with by the Directors in the following manner as may be permitted by the Act, MMLR, applicable laws, rules, regulations, guidelines, requirements and/or orders of any relevant authorities for the time being in force:

- (i) To cancel all or part of the Purchased Shares;
- (ii) To retain all or part of the Purchased Shares as treasury shares as defined in Section 127 of the Act;
- (iii) To distribute all or part of the treasury shares as dividends to the shareholders of the Company;
- (iv) To resell all or part of the treasury shares;
- (v) To transfer all or part of the treasury shares for the purposes of or under the employees' share scheme established by the Company and/or its subsidiaries;
- (vi) To transfer all or part of the treasury shares as purchase consideration;
- (vii) To sell, transfer or otherwise use the Shares for such other purposes as the Minister may by order prescribed; and/or
- (viii) To deal with the treasury shares in any other manners as allowed by the Act, MMLR, applicable laws, rules, regulations, guidelines, requirements and/or orders of any relevant authorities for the time being in force.

AND THAT the Directors of the Company be and are hereby authorized to take all such steps as are necessary or expedient [including without limitation, the opening and maintaining of central depository account(s) under the Securities Industry (Central Depositories) Act 1991 ("SICDA"), and the entering into all other agreements, arrangements and guarantee with any party or parties] to implement, finalise and give full effect to the Proposed Share Buy-Back with full powers to assent to any conditions, modifications, variations and/or amendments (if any) as may be imposed by the relevant authorities."

14. PROPOSED ALTERATION OF THE EXISTING MEMORANDUM AND ARTICLES OF ASSOCIATION BY REPLACING WITH A NEW CONSTITUTION OF THE COMPANY

14.1 Chairman then proceeded with the last item 13 of the Agenda on proposed alteration of the existing Memorandum and Articles of Association by replacing with a new Constitution of the Company ("Proposed Alteration"). He said the detailed text on the Proposed Alteration was set out in Part C of the Circular/Statement to Shareholders dated 30 April 2019.

14.2 Chairman then invited questions from the floor. Since there was no question raised, Chairman informed that the voting by poll in respect of the following Special Resolution 1 on the Proposed Alteration would be conducted immediately after the poll briefing by the Poll Administrator:

Special Resolution 1

Proposed Alteration of the existing Memorandum and Articles of Association by replacing with a new Constitution of the Company

"THAT the existing Memorandum and Articles of Association of the Company be hereby altered by replacing with a new Constitution as set out in Part C of the Circular/Statement dated 30 April 2019 AND THAT the same be hereby adopted as the Constitution of the Company with effect from the date of passing this special resolution.

THAT the Directors of the Company be and are hereby authorised to do all such acts and things and to take all such steps as they deem fit, necessary, expedient and/or appropriate in order to complete and give full effect to the Proposed Alteration with full powers to assent to any conditions, modifications, variations and/or amendments as may be required or imposed by the relevant authorities."

15. Since there was no question raised, Chairman put the resolutions to the meeting for voting. He said Ordinary Resolutions 1 to 12 and Special Resolution 1 would be voted by poll. He then invited the representative of Poll Administrator, Ms Lee Siew Li ("Ms Lee") to brief the meeting on polling procedures. Ms Lee read out the polling procedures to the meeting and the meeting then proceeded to the polling.

16. At this juncture, Chairman adjourned the meeting at 12.03 p.m. for the votes to be counted and verified. At 12.40 p.m., the meeting resumed and Chairman announced the results of the poll as follows:

Resolution	FOR		AGAINST		Result
	No. of votes	%	No. of votes	%	
Ordinary Resolution 1	172,668,300	99.983	30,000	0.017	Carried
Ordinary Resolution 2	172,668,300	99.983	30,000	0.017	Carried
Ordinary Resolution 3	172,698,300	100.000	-	-	Carried
Ordinary Resolution 4	172,698,300	100.000	-	-	Carried
Ordinary Resolution 5	172,698,300	100.000	-	-	Carried
Ordinary Resolution 6	172,698,300	100.000	-	-	Carried
Ordinary Resolution 7	172,698,300	100.000	-	-	Carried
Ordinary Resolution 8	172,698,300	100.000	-	-	Carried
Ordinary Resolution 9	172,668,300	99.983	30,000	0.017	Carried
Ordinary Resolution 10	172,698,300	100.000	-	-	Carried
Ordinary Resolution 11	7,130,736	100.000	-	-	Carried
Ordinary Resolution 12	172,668,300	99.983	30,000	0.017	Carried
Special Resolution 1	172,698,300	100.000	-	-	Carried

12. CLOSURE

There being no other business, the meeting ended at 12.45 p.m. with a vote of thanks to the Chairman.

Confirmed as a Correct Record,

Signed

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 Chairman

Date: 28 May 2019