



TEO SENG CAPITAL BERHAD

(Company No: 732762-T)
(Incorporated in Malaysia)

NOTICE OF EIGHTH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Eighth Annual General Meeting of the Company will be held at Jasmine A & B Conference Room, Fourth Floor, Riverview Hotel, 29 Jalan Bentayan, 84000 Muar, Johor on Wednesday, 25 June 2014 at 11.00 am to transact the following businesses:

AGENDA

AS ORDINARY BUSINESS

- 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 2013; (Please refer Explanatory Note 1)
- To approve the payment of final dividend of 7.5%, in respect of the financial year ended 31 December 2013 under the single-tier systems; [Resolution 1]
- To approve Directors' fees for the financial year ended 31 December 2013; [Resolution 2]
- To re-elect the following Directors who retire pursuant to Article 103 of the Company's Articles of Association : [Resolution 3]
 - Mr Loh Wee Ching [Resolution 4]
 - Mr Choong Keen Shian [Resolution 5]
 - Mr Frederick Ng Yong Chiang [Resolution 6]
- To re-appoint Messrs. Crowe Horwath as auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration. [Resolution 6]

AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following resolutions as Ordinary Resolutions:-

- PROPOSED ISSUANCE OF NEW ORDINARY SHARES OF RM0.20 EACH PURSUANT TO SECTION 132D OF THE COMPANIES ACT, 1965** [Resolution 7]
 (Please refer Explanatory Note 2)
 "THAT subject always to the Companies Act, 1965, the Articles of Association of the Company and the approvals of the relevant regulatory authorities, the Directors be and are hereby empowered pursuant to Section 132D of the Companies Act, 1965, to issue new ordinary shares of RM0.20 each in the Company from time to time and upon such terms and conditions to such persons and for such purposes as the Directors may deem fit PROVIDED THAT the aggregate number of new ordinary shares to be issued pursuant to this resolution does not exceed ten per centum (10%) of the total issued share capital of the Company and that such authority shall unless revoked or varied by an ordinary resolution by the shareholders of the Company in general meeting commence upon the passing of this resolution until the conclusion of the next annual general meeting of the Company AND THAT the Directors are further authorised to do all such things and upon such terms and conditions as the Directors may deem fit and expedient in the best interest of the Company to give effect to the issuance of new ordinary shares under this resolution including making such applications to Bursa Malaysia Securities Berhad for the listing of and quotation for the new ordinary shares to be issued pursuant to this resolution."

- PROPOSED SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE** [Resolution 8]
 (Please refer Explanatory Note 3)
 "THAT, subject to the provisions of the Listing Requirements of Bursa Malaysia Securities Berhad, the Company and/or its subsidiary companies ("the Group") be and are hereby authorised to enter into and give effect to the recurrent related party transactions of a revenue or trading nature with the related party as set out in Part B Section 2 of the Circular to Shareholders dated 3 June 2014 ("the Related Party") provided that such transactions and/or arrangements are:-

- necessary for the day-to-day operations;
- undertaken in the ordinary course of business and at arm's length basis and on normal commercial terms which are not more favourable to the Related Party than those generally available to the public; and
- are not prejudicial to the minority shareholders of the Company

("the Shareholders' Mandate")

AND THAT such approval, shall continue to be in force until:-

- the conclusion of the next Annual General Meeting ("AGM") of the Company following this AGM at which the Shareholders' Mandate is passed, at which time it will lapse, unless by a resolution passed at such AGM whereby the authority is renewed; or
- the expiration of the period within the next AGM of the Company after that date is required to be held pursuant to Section 143(1) of the Companies Act, 1965 ("Act") (but shall not extend to such extension as may be allowed pursuant to Section 143(2) of the Act); or
- revoked or varied by a resolution passed by the shareholders of the Company in a general meeting;

whichever is earlier;

AND THAT the Directors of the Company be and are hereby authorised to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to the Shareholders' Mandate."

- PROPOSED RENEWAL OF AUTHORISATION TO ENABLE TEO SENG CAPITAL BERHAD TO PURCHASE UP TO 10% OF THE ISSUED AND PAID-UP ORDINARY SHARE CAPITAL OF THE COMPANY** [Resolution 9]
 (Please refer Explanatory Note 4)

"THAT, subject always to the compliance with all applicable laws, guidelines, rules and regulations and the approval of all relevant authorities, the Company be and is hereby authorised to purchase such amount of ordinary shares of RM0.20 each in the Company as may be determined by the Directors of the Company from time to time through Bursa Malaysia Securities Berhad upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company provided that:-

- the aggregate number of shares purchased does not exceed ten per centum (10%) of the total issued and paid-up share capital of the Company as quoted on Bursa Malaysia Securities Berhad as at the point of purchase;
- the maximum fund to be allocated by the Company for the purpose of purchasing the shares shall be backed by an equivalent amount of retained profits and share premium; and
- the Directors of the Company may decide either to retain the shares purchased as treasury shares or cancel the shares or retain part of the shares so purchased as treasury shares and cancel the remainder or to resell the shares or distribute the shares as dividends.

THAT the authority conferred by this resolution will commence after the passing of this ordinary resolution and will continue to be in force until:-

- the conclusion of the next Annual General Meeting ("AGM") at which time it shall lapse unless by ordinary resolution passed at the meeting, the authority is renewed, either unconditionally or subject to conditions; or
- the expiration of the period within which the next AGM after that date is required by law to be held; or
- revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting;

whichever occurs first.

AND THAT authority be and is hereby given unconditionally and generally to the Directors of the Company 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 of Malaysia, and the entering into all other agreements, arrangements and guarantee with any party or parties) to implement, finalise and give full effect to the aforesaid purchase with full powers to assent to any conditions, modifications, revaluations, variations and/or amendments (if any) as may be imposed by the relevant authorities and with the fullest power to do all such acts and things thereafter (including without limitation, the cancellation or retention as treasury shares of all or any part of the purchased shares or to resell the shares or distribute the shares as dividends) in accordance with the requirements and/or guidelines of Main Market Listing Requirements of Bursa Malaysia Securities Berhad and all other relevant governmental and/or regulatory authorities."

- To transact any other business that may be transacted at an annual general meeting of which due notice shall have been given in accordance with the Company's Articles of Association and the Companies Act, 1965.

NOTICE OF DIVIDEND ENTITLEMENT AND PAYMENT

NOTICE IS ALSO HEREBY GIVEN THAT the final dividend of 7.5%, in respect of the financial year ended 31 December 2013 under the single-tier systems, if approved by the shareholders at the Eighth Annual General Meeting, will be paid on 22 July 2014.

The entitlement date for the dividend payment is on 11 July 2014.

A depositor shall qualify for entitlement to the dividend only in respect of:-

- Shares transferred into the Depositor's Securities Account before 5.00 p.m. on 11 July 2014 in respect of transfers; and
- Shares bought on Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of Bursa Malaysia Securities Berhad.

By order of the Board,

LIM MENG BIN (LS 005798)
WONG WAI FOONG (MAICSA 7001358)
TAN BEE HWEE (MAICSA 7021024)
Secretaries

Yong Peng
3 June 2014

Notes:-

- For the purpose of determining a member who shall be entitled to attend and vote at the Eighth Annual General Meeting, the Company shall be requesting the Record of Depositors as at 18 June 2014. Only a depositor whose name appears on the Record of Depositors as at 18 June 2014 shall be entitled to attend and vote at the said meeting as well as for appointment of proxy(ies) to attend and vote on his/her stead.
- A member entitled to attend and vote at this meeting is entitled to appoint a proxy/(proxies or attorney) or authorised representative to attend and vote in its stead.
- A proxy may but need not be a member of the Company, an advocate, an approved company auditor or a person approved by the Registrar of Companies. The provisions of Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company.
- Where a member is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint at least one proxy but not more than two (2) proxies in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
- Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for the multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
- Where a member or the authorised nominee appoints two (2) proxies, or where an exempt authorised nominee appoints two (2) or more proxies, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.
- The instrument appointing a proxy or the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the registered office of the Company at 201-203, Jalan Abdullah, 84000 Muar, Johor, not less than forty-eight (48) hours before the time for holding the meeting i.e. before 11.00 am, 23 June 2014.
- If the appointer is a corporation, this form shall be executed under its common seal or under the hand of its officer or attorney duly authorised.
- If this Proxy Form is signed under the hands of an officer duly authorised, it should be accompanied by a statement reading "signed as authorised officer under Authorisation Document which is still in force, no notice of revocation having been received". If this Proxy Form is signed under the attorney duly appointed under a power of attorney, it should be accompanied by a statement reading "signed under Power of Attorney which is still in force, no notice of revocation having been received". A copy of the Authorisation Document or the Power of Attorney, which should be valid in accordance with the laws of the jurisdiction in which it was created and is exercised, should be enclosed in the Proxy Form.

EXPLANATORY NOTES

- Item 1 of the Agenda**
This Agenda item is meant for discussion only as the provision of Section 169(1) of the Companies Act, 1965 does not require a formal approval of the shareholders for the Audited Financial Statements. Hence, this Agenda item is not put forward for voting.
- Item 6 of the Agenda**
The proposed resolution 7 is the renewal of the mandate obtained from the members at the last Annual General Meeting and if passed, will give the Directors authority to issue new ordinary shares up to an amount not exceeding 10% of the issued share capital of the Company for such purposes as the Directors would consider to be in the best interest of the Company. This would avoid any delay and cost involved in convening a general meeting to specifically approve such an issue of shares. This authority will commence from the date of this Annual General Meeting and, unless earlier revoked or varied by the shareholders of the Company at a subsequent general meeting, expire at the next annual general meeting.
The previous mandate was not utilised and accordingly no proceeds were raised.
The purpose of this 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.
- Item 7 of the Agenda**
The proposed resolution 8, if passed, will allow the Group to continue to enter into recurrent related party transactions made on an arm's length basis and on normal commercial terms and which are not prejudicial to the interests of the minority shareholders. Please refer to Part B of the Circular to Shareholders dated 3 June 2014 for further information.
- Item 8 of the Agenda**
The proposed resolution 9, if passed, will allow the Company to purchase its own shares up to 10% of the total issued and paid-up capital of the Company by utilising the funds allocated which shall not exceed the earnings and/or share premium of the Company. Please refer to Part A of the Circular to Shareholders dated 3 June 2014 for further information.