



# Teo Guan Lee Corporation Berhad

199301028971 (263710-A)



## NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Twenty-Seventh Annual General Meeting of the Company will be held at the Conference Room of Teo Guan Lee Corporation Berhad, Plot 28 Lorong Perusahaan Maju 4, Prai Industrial Estate, 13600 Prai, Pulau Pinang on Thursday, 26 November 2020 at 12.00 noon for the following purposes:-

### A G E N D A

1. To receive the Audited Financial Statements of the Company for the financial year ended 30 June 2020 together with the Reports of the Directors and Auditors thereon. **Please refer to Note 2**

#### As Ordinary Business

2. To re-elect the following Directors retiring under the provision of Clause 76(3) of the Constitution of the Company, and who, being eligible, have offered themselves for re-election:-
  - a) Mr Lee Kean Cheong **Ordinary Resolution 1**
  - b) Dato' (Dr) Mustapha Bin Abdul Hamid **Ordinary Resolution 2**
3. To re-appoint Messrs Peter Chong & Co. as Auditors of the Company and to authorise the Board of Directors to fix their remuneration. **Ordinary Resolution 3**
4. To approve the payment of Directors' fees of RM45,000 for the financial year ending 30 June 2021. **Ordinary Resolution 4**
5. To approve the payment of Directors' benefit in accordance with Section 230(1) of the Companies Act 2016 up to an amount of RM15,000 from 27 November 2020 until the next Annual General Meeting of the Company. **Ordinary Resolution 5**

#### As Special Business

To consider and if thought fit, to pass with or without modifications the following resolutions:-

6. **Continuing in office as Independent Non-Executive Directors**
  - (i) "THAT authority be and is hereby given to Dato' (Dr) Mustapha Bin Abdul Hamid 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 act as an Independent Non-Executive Director of the Company." **Ordinary Resolution 6**
  - (ii) "THAT authority be and is hereby given to Mr Lee Kean Cheong 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 act as an Independent Non-Executive Director of the Company." **Ordinary Resolution 7**

#### 7. Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature

"THAT subject always to the provisions of the Companies Act 2016 ("the Act"), the Constitution of the Company, the Bursa Malaysia Securities Berhad Main Market Listing Requirements or other regulatory authorities, approval be and is hereby given to the Company and/or its subsidiaries to enter into recurrent related party transactions with the corporations as set out in Section 2.2 of the Circular to Shareholders dated 28 October 2020 ("the Circular"), which are necessary for the day to day operations and are carried out in the ordinary course of business and are on normal commercial terms which are not more favourable to the related parties than those generally available to the public and not detrimental to the minority shareholders as set out in the Circular ("Mandate").

THAT the Directors be empowered to do all such acts and things considered necessary or expedient to give full effect to the Mandate with full powers to assent to any conditions, modifications, revaluations, variations and/or amendments as may be imposed by the relevant authorities.

THAT such Mandate shall commence upon passing this ordinary resolution and to be in force until:-

- (a) the conclusion of the next Annual General Meeting ("AGM") of the Company at which time the authority shall lapse unless the authority is renewed by a resolution passed at the meeting;
- (b) the expiration of the period within which the next AGM after that date it is required to be held pursuant to Section 340(2) of 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 ordinary resolution of the shareholders of the Company at a general meeting;

whichever is earlier.

And THAT the Directors of the Company be and are hereby authorised to complete and to 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 transactions contemplated and/or authorised by this ordinary resolution. **Ordinary Resolution 8**

#### 8. Approval for issuance of new ordinary shares pursuant to Sections 75 and 76 of the Companies Act 2016

"THAT pursuant to Sections 75 and 76 of the Companies Act 2016, the Constitution of the Company and approvals from Bursa Malaysia Securities Berhad ("Bursa Securities") and other relevant governmental/regulatory authorities where such authority shall be necessary, the Board of Directors be and is hereby authorised to issue and allot new shares in the Company from time to time until the conclusion of the next Annual General Meeting and upon such terms and conditions and for such purposes as the Board of Directors may, in their absolute discretion, deem fit provided that the aggregate number of shares to be issued shall not exceed twenty per centum (20%) of the total number of issued shares (excluding treasury shares, if any) of the Company for the time being and THAT the Board of Directors be and is also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Securities." **Ordinary Resolution 9**

9. To transact any other business of which due notice shall have been given in accordance with the Companies Act 2016 and the Constitution of the Company.

By Order of the Board

**LIM CHOO TAN** (LS 0008888) (SSM PC No. 202008000713)

**CHEW SIEW CHENG** (MAICSA 7019191) (SSM PC No. 202008001179)

Secretaries

Date: 28 October 2020

Penang

#### Notes:

##### 1. Proxy

- 1.1 For the purpose of determining who shall be entitled to attend this General Meeting, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to make available to the Company, a Record of Depositors as at 19 November 2020. Only a member whose name appears on this Record of Depositors shall be entitled to attend this General Meeting or appoint a proxy to attend, speak and vote on her/his behalf.
  - 1.2 A member entitled to attend and vote at this General Meeting is entitled to appoint a proxy or attorney or in the case of a corporation, to appoint a duly authorised representative to attend, participate, speak and vote in his place. A proxy may but need not be a member of the Company.
  - 1.3 A member of the Company who is entitled to attend and vote at a General Meeting of the Company may appoint not more than two (2) proxies to attend, participate, speak and vote instead of the member at the General Meeting.
  - 1.4 If two (2) proxies are appointed, the entitlement of those proxies to vote on a show of hands shall be in accordance with the listing requirements of the stock exchange.
  - 1.5 Where a member of the Company is an authorised nominee as defined in the Central Depositories Act, it may appoint not more than two (2) proxies in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.
  - 1.6 Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for 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. An exempt authorised nominee refers to an authorised nominee defined under the Securities Industry (Central Depositories) Act 1991 ("Central Depositories Act") which is exempted from compliance with the provisions of Section 25A(1) of the Central Depositories Act.
  - 1.7 Where a member appoints more than one (1) proxy, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.
  - 1.8 The appointment of a proxy may be made in a hard copy form or by electronic means in the following manner and must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the General Meeting or adjourned General Meeting at which the person named in the appointment proposes to vote:
    - (i) **In hard copy form**  
In the case of an appointment made in hard copy form, this proxy form must be deposited at the registered office of the Company situated at Plot 28, Lorong Perusahaan Maju 4, Prai Industrial Estate, 13600 Prai, Pulau Pinang.
    - (ii) **By electronic means**  
In the case of an appointment made via email transmission, this proxy form must be received via email at [tgl\\_adm@tgllcorp.com.my](mailto:tgl_adm@tgllcorp.com.my).
  - 1.9 For option (ii), the Company may request any member to deposit original executed proxy form to its registered office before or on the day of meeting for verification purpose. Any authority pursuant to which such an appointment is made by a power of attorney must be deposited at the registered office of the Company situated at Plot 28, Lorong Perusahaan Maju 4, Prai Industrial Estate, 13600 Prai, Pulau Pinang not less than forty-eight (48) hours before the time appointed for holding the General Meeting or adjourned General Meeting at which the person named in the appointment proposes to vote. A copy of the power of attorney may be accepted provided that it is certified notarially and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.
  - 1.10 Please ensure ALL the particulars as required in this proxy form are completed, signed and dated accordingly.
  - 1.11 Last date and time for lodging this proxy form is 12.00 noon on 24 November 2020, Tuesday.
  - 1.12 Please bring an **ORIGINAL** of the following identification papers (where applicable) and present it to the registration staff for verification:
    - a. Identity card (NRIC) (Malaysian), or
    - b. Police report (for loss of NRIC)/Temporary NRIC (Malaysian), or
    - c. Passport (Foreigner).
  - 1.13 For a corporate member who has appointed a representative instead of a proxy to attend this meeting, please bring the **ORIGINAL** certificate of appointment executed in the manner as stated in this proxy form if this has not been lodged at the Company's registered office earlier.
2. **Audited Financial Statements for the financial year ended 30 June 2020**  
This agenda item is meant for discussion only as the provision of Sections 248(2) and 340(1)(a) of the Companies Act 2016 does not require a formal approval of the shareholders and hence is not put forward for voting.
  3. **Directors' Fees**  
This proposed Ordinary Resolutions 4, if passed, will authorise the payment of Directors' fees amounting to RM45,000 for the financial year ending 30 June 2021.
  4. **Directors' Benefit**  
This proposed Ordinary Resolution 5, if passed, will authorise the payment of Directors' benefits up to an amount of RM15,000 from 27 November 2020 until the next Annual General Meeting of the Company.

#### Explanatory Notes on Special Business

##### Continuing in office as Independent Non-Executive Directors

The Nomination Committee had assessed the independence of Dato' (Dr) Mustapha Bin Abdul Hamid and Mr Lee Kean Cheong, who have served on the Board as Independent Non-Executive Directors of the Company for a cumulative term of more than nine (9) years and the Board has recommended that the approval of the shareholders be sought to re-appoint Dato' (Dr) Mustapha Bin Abdul Hamid and Mr Lee Kean Cheong as Independent Non-Executive Directors as both of them possess the following aptitudes necessary in discharging their roles and functions as Independent Non-Executive Directors of the Company:-

- (1) Has met the independence guidelines as set out in Chapter 1 of the Bursa Malaysia Securities Berhad Main Market Listing Requirements;
- (2) Have vast experience in Corporate, Marketing and Accounting industries which is very relevant and important for the Group;
- (3) Have carried out their fiduciary duties in the interest of the Company and minority shareholders; and
- (4) The Group always maintains a cordial and independent relationships with them.

Meanwhile, as recommended by the Malaysian Code on Corporate Governance 2017 ("MCCG 2017"), the Board will be seeking shareholders' approval through a two-tier voting process at the Twenty-Seventh Annual General Meeting to retain Dato' (Dr) Mustapha Bin Abdul Hamid, who has served the Company for a cumulative term of more than twelve years; and Mr Lee Kean Cheong, who will serve as an Independent Non-Executive Director for a cumulative term of more than twelve years after January 2021, to continue acting as Independent Directors of the Company.

##### Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature

This proposed Ordinary Resolution 8, if passed, will authorise the Company and/or its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature. This Authority will, unless revoked or varied by the shareholders of the Company in general meeting, will expire at the conclusion of the next Annual General Meeting of the Company. Please refer to the Circular to Shareholders dated 28 October 2020 for more information.

##### Approval for issuance of new ordinary shares

This general mandate for issuance of shares ("the Mandate") was sought for in the preceding year and the Board did not carry out the Mandate since the last Annual General Meeting of the Company until the latest practicable date before the printing of this Annual Report. As the Mandate will expire on 26 November 2020, the Board is desirous of seeking a fresh mandate at the Twenty-Seventh Annual General Meeting.

In view of the challenging time due to the Covid-19 pandemic, Bursa Malaysia Securities Berhad had on 16 April 2020 introduced this 20% General Mandate as an interim relief measure to allow a listed issuer to seek a higher general mandate under Paragraph 6.03 of the Listing Requirement of Bursa Malaysia Securities Berhad of not more than twenty per centum (20%) of the total number of issued shares (excluding treasury shares) for issue of new securities.

The Board, having considered the current economic climate and future financial needs of the Group, is of the opinion that this 20% General Mandate is in the best interest of the Company and its shareholders.

This proposed Ordinary Resolution 9, if passed, will provide flexibility for the Company and empower the Directors of the Company to issue and allot new shares in the Company up to an amount not exceeding in total 20% of the total number of issued shares (excluding treasury shares, if any) of the Company for any possible fund raising activities, including but not limited to placing of shares, for the purpose of funding further investment project(s), working capital and/or acquisition. This Authority will, unless revoked or varied by the Company in general meeting, will expire at the next Annual General Meeting of the Company.