

**THIS CIRCULAR/STATEMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

If you are in any doubt as to the course of action to be taken, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

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**TEO SENG CAPITAL BERHAD**

Registration No. 200601013011 (732762-T)  
(Incorporated in Malaysia)

**CIRCULAR/STATEMENT TO SHAREHOLDERS**

**in relation to the**

**PART A**

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

**PART B**

**PROPOSED RENEWAL OF AUTHORITY FOR SHARE BUY-BACK**

The ordinary resolutions in respect of the above proposals will be tabled as Special Business at the Nineteenth Annual General Meeting (“19th AGM”) of the Company to be held at Teo Seng Capital Berhad Conference Room, First Floor, Lot PTD 25740, Batu 4, Jalan Air Hitam, 83700 Yong Peng, Johor on Wednesday, 28 May 2025 at 11.30 a.m. The Notice of the 19th AGM together with the Proxy Form are set out in the Annual Report for the financial year ended 31 December 2024. Shareholders are advised to refer to the Notice of the 19th AGM and the Proxy Form.

The Proxy Form must be lodged at the Company’s Share Registrar, Tricor Investor & Issuing House Services Sdn. Bhd. at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, it can be deposited in the designated drop box at Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or alternatively, to submit your proxy form electronically via TIIH Online website at <https://tiih.online> not less than forty-eight (48) hours before the time for holding the 19th AGM.

The last day and time for lodging the Proxy Form is on 26 May 2025 at 11.30 a.m.

*This Circular/Statement is dated on 25 April 2025*

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## DEFINITIONS

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For the purpose of this Circular/Statement, except where the context otherwise requires, the following terms and expressions shall have the following meanings:

“Act”	: Companies Act 2016 and any amendment thereto
“AGM”	: Annual General Meeting
“Audit Committee”	: The Audit Committee of Teo Seng
“Board”	: The Board of Directors of Teo Seng
“Bursa Securities”	: Bursa Malaysia Securities Berhad Registration No. 200301033577(635998-W)
“Constitution”	: Constitution of the Company
“CMSA”	: Capital Markets and Services Act, 2007 and any amendment thereto
“Code or the Code”	: Malaysian Code on Take-overs and Mergers 1998
“Director”	: Shall have the meaning given in Section 2(1) of the CMSA and includes any person who is or was within the preceding 6 months of the date on which the terms of the transaction were agreed upon, a Director of the Company or any other company which is its subsidiary or holding company or a subsidiary of its holding company or a chief executive officer of the listed issuer, its subsidiary or holding company
“EPS”	: Earnings per share
“FYE”	: Financial year ended / ending
“Teo Seng” or “the Company”	: Teo Seng Capital Berhad Registration No. 200601013011 (732762-T)
“Teo Seng Group” or “the Group”	: Teo Seng Capital Berhad and its subsidiary companies collectively
“Listing Requirements”	: The Main Market Listing Requirements of the Bursa Securities
“Major Shareholder”	: A person who has an interest or interests in one or more voting shares in the Company and the number or the aggregate number of those shares, is:  (a) 10% or more of the total number of voting shares in the Company; or (b) 5% or more of the total number of voting shares in the Company where such person is the largest shareholder of the Company. For the purpose of this definition, “interest in shares” shall have the meaning given in Section 8 of the Act and a Major Shareholder includes any person who is or was within the preceding 6 months of the date on which the terms of the transaction were agreed upon, a Major Shareholder of the Company (or any other which is its subsidiary or holding company)

“Market Day(s)”	: A day on which the stock market of Bursa Securities is open for trading of securities, which may include a Surprise Holiday.  “Surprise Holiday” means a day that is declared as a public holiday in the Federal Territory of Kuala Lumpur that has not been gazette as a public holiday at the beginning of the calendar year.
“MCCG”	: Malaysian Code on Corporate Governance revised on 28 April 2021
“NA”	: Net assets
“Person Connected”	: Person(s) connected with a Director or Major Shareholder(s) as defined under Paragraph 1.01 of the Listing Requirements
“Proposed Renewal of Existing Shareholders’ Mandate”	: The proposed renewal of existing shareholders’ mandate for Recurrent Related Party Transactions of a revenue or trading nature
“Proposed Renewal of Authority for Share Buy-Back”	: A proposed renewal of the Company to grant the Directors a general mandate to exercise the authority to carry out a share buy-back of its own Shares of up to a maximum of 10% of the total number of issued shares of the Company
“Purchased Shares”	: Share(s) to be purchased by the Company pursuant to the Proposed Renewal of Authority for Share Buy-Back
“ROD”	: Record of depositors
“Recurrent Related Party Transaction(s)”/ “RRPT(s)”	: A transaction which is a recurrent related party transaction of a revenue or trading nature and which are necessary for the day-to-day operations of Teo Seng Group and are in the ordinary course of business, entered into/to be entered into by the Company or its subsidiary companies which involve the interest, direct or indirect, of a Related Party(ies)
“Related Party(ies)”	: Means a director, major shareholder or person connected with such director or major shareholder of Teo Seng Group. For the purpose of this definition, director and major shareholder shall have the same meanings given in Paragraph 10.02 of the Listing Requirements
“Related Party Transaction”	: A transaction entered into by the Group which involves the interest, direct or indirect, of a Related Party(ies)
“RM” and “sen”	: Ringgit Malaysia and sen, respectively
“Shares”	: Ordinary shares in Teo Seng
“Treasury Shares”	: Purchased Shares which are or will be retained as treasury shares by the Company (as defined in Section 127 of the Act)
“WAMP”	: Weighted average market price
“AVSB”	: Advantage Valuations Sdn. Bhd. Registration No. 200601010117 (729867-V), the immediate holding company of Teo Seng

“LH(M)SB”	: Leong Hup (Malaysia) Sdn. Bhd. Registration No. 201401020733 (1096819-M), the intermediate holding company of Teo Seng
“LHI”	: Leong Hup International Berhad Registration No. 201401022577 (1098663-D), the pen-ultimate holding company of Teo Seng
“EGSB”	: Emerging Glory Sdn. Bhd. Registration No. 201001019033 (902741-V), the ultimate holding company of Teo Seng

All references in this Circular/Statement to “we”, “us”, “our” and “ourselves” are to Teo Seng Group and, where the context requires, to the Teo Seng Group. All references to “you” in this Circular/Statement are to the shareholders of Teo Seng.

Words importing the singular shall, where applicable, include the plural and vice versa and words importing the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. Reference to persons shall include corporations, unless otherwise specified.

Any reference to any enactment in this Circular/Statement is a reference to that enactment as amended or re-enacted from time to time.

Any reference to a time of day in this Circular/Statement shall be reference to Malaysian time, unless otherwise stated.

Any discrepancy in the tables included in this document between the amounts listed, actual figures and the totals thereof are due to rounding.

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## APPENDIX I

## **PART A**

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



**TEO SENG CAPITAL BERHAD**  
Registration No. 200601013011 (732762-T)  
(Incorporated in Malaysia)

**Registered Office**  
201 – 203 Jalan Abdullah  
84000 Muar  
Johor Darul Takzim

25 April 2025

**Board of Directors:**

Lau Jui Peng (*Executive Chairman*)  
Nam Hiok Joo (*Managing Director*)  
Loh Wee Ching (*Executive Director*)  
Lim Huey Hean (*Independent Non-Executive Director*)  
Lim Ying Khoo (*Independent Non-Executive Director*)  
Goh Wen Ling (*Independent Non-Executive Director*)

**To the Shareholders of Teo Seng**

Dear Sir/Madam,

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

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**1. INTRODUCTION**

The Company had on its 18th AGM held on 28 May 2024, obtained the shareholders' mandate for the Company and/or its subsidiaries to enter into recurrent related party transactions as set out in the Circular to the Shareholders dated 25 April 2024. The said shareholders' mandate shall lapse at the conclusion of the forthcoming 19th AGM to be held on 28 May 2025.

On 11 April 2025, the Board announced to Bursa Securities that the Company is proposing to seek the approval of shareholders for the Proposed Renewal of Existing Shareholders' Mandate which is effective from the forthcoming 19th AGM to the conclusion of the next AGM.

The purpose of this Circular is to provide you with the details of the Proposed Renewal of Existing Shareholders' Mandate and to seek your approval for the ordinary resolutions pertaining to the Proposed Renewal of Existing Shareholders' Mandate to be tabled at the forthcoming 19th AGM of the Company. The Notice of the 19th AGM together with the Proxy Form has been incorporated into the Annual Report for the financial year ended 31 December 2024 of the Company.

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**YOU ARE ADVISED TO READ THE CONTENTS OF THIS CIRCULAR CAREFULLY BEFORE VOTING ON THE ORDINARY RESOLUTIONS PERTAINING TO THE PROPOSED RENEWAL OF EXISTING SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE AT THE FORTHCOMING 19TH AGM**

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## 2. DETAILS OF THE PROPOSED RENEWAL OF EXISTING SHAREHOLDERS' MANDATE

The Company is principally an investment holding company and the principal activities of its subsidiary companies are as follows:

Name of Company	Effective Equity Interest (%)	Principal Activities
<u>Direct subsidiary companies</u>		
Teo Seng Farming Sdn. Bhd. ("TSF")	100	Investment holding, poultry farming, processing, wholesale, retailing and distribution of eggs and related poultry products, manufacturing and marketing of fertiliser
Success Century Sdn. Bhd. ("SCSB")	100	Management and renting of poultry related properties, planting, trading and processing of fruits and related products
Teo Seng Feedmill Sdn. Bhd. ("TSFM")	100	Manufacturing and marketing of animal feeds
Teo Seng Paper Products Sdn. Bhd. ("TSPP")	100	Manufacturing and marketing of paper egg trays
Ritma Prestasi Sdn. Bhd. ("Ritma")	100	Distribution of pet food, medicine and other animal health related products
Premium Egg Products Pte. Ltd. ("PEP")	100	Wholesaler, importers, exporters of egg products
<u>Indirect subsidiary company</u> <i>Held through Ritma</i>		
B-Tech Aquaculture Sdn. Bhd. ("B-Tech")	100	Dormant
Professional Vet Enterprise Sdn. Bhd. ("PVESB")	100	Trading of veterinary and farming equipment, veterinary pharmaceutical and biological products
Ritma Premier Pte. Ltd. ("RPPL")	100	Distribution of pet food, medicine and other animal health related products
Trendata Science Sdn. Bhd. ("Trendata")	65	Provision of services, sales, research and development of poultry farming related intelligent machinery, equipment and robot

The Company is principally an investment holding company and the principal activities of its subsidiary companies are as follows: (continued)

Name of Company	Effective Equity Interest (%)	Principal Activities
<i>Held through TSF</i>		
Laskar Fertiliser Sdn. Bhd. ("LFSB")	100	Management and renting of poultry related properties
Teo Seng Integrated Farming Sdn. Bhd. ("TSIF")	100	Engaged in the business of poultry farming, manufacturing and marketing of animal feed, fertiliser and related poultry products
<i>Held through PEP</i>		
BH Fresh Food Pte. Ltd. ("BHFF")	100	Provision of cold room service and other investment holding including renting of factory space to derive rental income

There are various transactions of trading or revenue nature which are necessary for the day-to-day operations of the companies in the Teo Seng Group being transacted between the companies in the Teo Seng Group and the classes of Related Party in the ordinary course of business.

Under paragraph 10.09(2) and Practice Note 12 of the Listing Requirements, a listed issuer may seek shareholders' mandate in respect of Related Party Transactions involving recurrent transactions of a revenue or trading nature which are necessary for its day-to-day operations and are in the ordinary course of business, subject to the following:

- (a) the transactions are in the ordinary course of business and are on terms not more favourable to the Related Party than those generally available to the public.
- (b) the shareholders' mandate is subject to annual renewal and disclosure is made in the annual report of the aggregate value of transactions conducted pursuant to the shareholders' mandate during the financial year where;
  - (i) the consideration, value of the assets, capital outlay or costs of the aggregated transactions is equal to or exceeds RM1 million; or
  - (ii) any one of the percentage ratios of such aggregated transactions is equal to or exceeds 1%, whichever is higher.
- (c) the listed issuer's Circular to shareholders for the shareholders' mandate include the information as may be prescribed by the Bursa Securities.
- (d) in a meeting to obtain shareholders' mandate, the interested Directors, interested Major Shareholders or interested persons connected with a Director or Major Shareholder and where it involves the interest of an interested person connected with a Director or Major Shareholder, must not vote on the resolutions approving the transactions. An interested Director or interested Major Shareholder must also ensure that persons connected with him abstain from voting on the resolutions approving the transactions.

- (e) the listed issuer immediately announces to Bursa Securities when the actual value of a Recurrent Related Party Transaction entered by the listed issuer, exceeds the estimated value of the Recurrent Related Party Transaction disclosed in the Circular by 10% or more and must include the information as may be prescribed in its announcement.

The Proposed Renewal of Existing Shareholders' Mandate is subject to annual renewal. In this respect, any authority conferred by the Proposed Renewal of Existing Shareholders' Mandate shall only continue to be in force until:

- (a) the conclusion of the next AGM of Teo Seng at which time it will lapse, unless by a resolution passed at the AGM whereby the authority is renewed;
- (b) the expiration of the period within which the next AGM 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 resolution passed by the shareholders of the Company in a general meeting;

whichever is earlier.

## 2.1 Class and Nature of Related Party Transactions

No	Transacting party	Nature of relationship	Nature of transactions	Estimated value of transactions from 19th AGM to the next AGM (RM)	Estimated value of as disclosure in the Circular dated 25 April 2024	Actual value of transactions from 18th AGM held on 28 May 2024 to 27 Mar 2025 (RM)
1	EGSB and its subsidiary companies	<p>Lau Chia Nguang, Tan Sri Dato' Lau Eng Guang, Tan Sri Lau Tuang Nguang ("Lau Brothers") and Datuk Lau Joo Hong, Lau Joo Han, Lau Joo Keat together with Lau Jui Peng ("Teo Seng Director") are Directors and/or shareholders (direct and/or indirect) of EGSB Group and/or Teo Seng Group.</p> <p>In addition, LH(M)SB and AVSB, the indirect subsidiaries of EGSB, collectively holding 55.03% in Teo Seng which in turn makes EGSB an indirect major shareholder of Teo Seng.</p> <p>CWL, Datuk Lau Joo Hong, Lau Jui Peng, Lau Joo Heng and Lau Joo Han, major shareholders of EGSB (direct and/or indirect) are also indirect major shareholders of Teo Seng by virtue of its/their direct and/or indirect interest in EGSB.</p> <p>Datuk Lau Joo Hong and his siblings, Lau Jui Peng and Lau Joo Heng collectively control 100% of CWL.</p>	<p>Sales to EGSB Group: Eggs &amp; old hen, egg tray, veterinary products, raw material and feed</p> <p>Purchase from EGSB Group: Day-old-chick (DOC), veterinary products, raw material, feed and sundry goods</p> <p>Other services to/by EGSB Group: Rental of property, secretarial, information technology and laboratory services</p>	<p>36,000,000</p> <p>31,000,000</p> <p>4,500,000</p>	<p>40,000,000</p> <p>32,000,000</p> <p>4,500,000</p>	<p>15,625,485</p> <p>18,467,611</p> <p>337,407</p>

2	Poly Yarn Industries Sdn. Bhd. (“PY”)	<p>Lau Joo Han is a Director of PY and Teo Seng Group.</p> <p>Lau Brothers and their family members together with Datuk Lau Joo Hong, Lau Jui Peng, Lau Joo Heng and Lau Joo Han collectively hold 96.32% equity interest in PYSB.</p> <p>Lau Jui Peng and his siblings, Datuk Lau Joo Hong and Lau Joo Heng and Lau Joo Han are indirect major shareholders of Teo Seng. Tan Sri Lau Tuang Nguang, Lau Jui Peng and Lau Joo Han are directors of Teo Seng Group.</p>	Purchase from PY Group: Packing materials	200,000	200,000	-
3	Astaka Shopping Centre (Muar) Sdn. Bhd. (“ASCSB”)	<p>Datuk Lau Joo Hong, Lau Joo Han, Lau Joo Ping and Lau Jui Peng are Directors of ASCSB and/or Teo Seng Group.</p> <p>Datuk Lau Joo Hong, Lau Joo Han and Lau Jui Peng are indirect major shareholders of Teo Seng.</p> <p>ASCSB is wholly-owned subsidiary of Xing Ji Food Products Sdn. Bhd. which in turn wholly-owned by LHM, a company controlled by Lau Brothers and their family members and Directors of ASCSB.</p>	<p>Sales to ASCSB: Eggs</p> <p>Purchase from ASCSB: Sundry goods</p>	2,050,000 50,000	2,050,000 50,000	890,884 -

4	Teratai Agriculture Sdn. Bhd. ("TASB")	<p>Datuk Lau Joo Hong, Lau Joo Han and Lau Joo Ping are the Directors of TASB (collectively "TASB Directors").</p> <p>Datuk Lau Joo Hong and his siblings, Lau Jui Peng and Lau Joo Heng, and Lau Joo Han are indirect major shareholders of Teo Seng. Tan Sri Lau Tuang Nguang, Lau Jui Peng and Lau Joo Han are directors of Teo Seng Group.</p> <p>TASB is a company 100% controlled by person connected to Lau Brothers and their family members and TASB Directors.</p>	Sales to TASB: Veterinary products	500,000	700,000	292,861
5	Popular Yield Sdn. Bhd. ("PYSB")	<p>Lau Joo Yong, Lau Joo Pern and Tan Lai Kai are directors of PYSB and/or shareholders of Teo Seng. Lau Brothers and their family members together with Datuk Lau Joo Hong, Lau Jui Peng, Lau Joo Heng and Lau Joo Han collectively hold 100% equity interest in PYSB.</p> <p>Lau Jui Peng and his siblings, Datuk Lau Joo Hong and Lau Joo Heng, and Lau Joo Han are indirect major shareholders of Teo Seng. Tan Sri Lau Tuang Nguang, Lau Jui Peng and Lau Joo Han are directors of Teo Seng Group.</p> <p>Lau Joo Yong and Lau Joo Pern are sons/nephews of Lau Brothers.</p>	Sales to PYSB: Fermented fertiliser	100,000	100,000	-
Sub-Total				<u>74,400,000</u>	<u>79,600,000</u>	<u>35,614,248</u>

6.	Blue Home Marketing Sdn. Bhd. ("Blue Home")	<p>Nam Yok San, Teo Sik Ghoo, Nam Poren and Nam Ya Yun collectively hold 89.89% equity interest in Blue Home, is the sibling, sister-in-law, nephew and niece respectively to Na Hap Cheng, Na Yok Chee, Nam Hiok Yong, and Nam Hiok Joo ("Nam Brothers"), directors and/or shareholders of Teo Seng Group. Nam Brothers and family members collectively holds 4.06% in Teo Seng. Na Hap Cheng and Na Yok Chee hold 52.63% indirect interest in Teo Seng through Unigold Capital Sdn. Bhd. interest in AVSB.</p> <p>Loh Wee Ching, a Director of Teo Seng is the Director in Blue Home and owns 10% equity interest in Blue Home.</p>	Service by Blue Home: Transportation	15,000,000	17,000,000	9,239,716
			<b>Total</b>	<b>89,400,000</b>	<b>96,600,000</b>	<b>44,853,964</b>

**Note:** The estimated value of transactions from the 19th AGM to the next AGM in the above tables are based on the information available at the point of preparing this circular. The estimated value of the transactions may vary from the actual value of the transaction in the future.

**2.1 (a) AMOUNTS DUE AND OWING BY RELATED PARTIES PURSUANT TO RECURRENT RELATED PARTY TRANSACTIONS (“RRPTs”)**

The aggregate principal amount of outstanding RRPT receivables which have exceeded the credit term as at 31 December 2024 are as follow:

No.	Transacting Party(ies)	Nature of Transactions	Total Outstanding RRPT Receivables as at 31 December 2024 (RM)	Outstanding RRPT Receivables as at 31 December 2024 which exceed normal credit term of			
				1 year or less (RM)	More than 1 to 3 years (RM)	More than 3 to 5 years (RM)	More than 5 years (RM)
1	EGB and its subsidiary companies (“EGB”)	Sales of egg, old hen, veterinary products, paper egg tray	3,899,101	-	-	-	-
2	Astaka Shopping Centre (Muar) Sdn. Bhd. (“ASCSB”)	Sales of egg	150,883	-	-	-	-
3	Teratai Agriculture Sdn. Bhd. (“TASB”)	Sales of veterinary products	13,226	-	-	-	-
TOTAL			4,063,210	-	-	-	-

There is no outstanding RRPT receivables which exceeded the normal credit term.



## **2.2 Rationale of the Recurrent Related Party Transactions**

The Related Party Transactions to be entered into by Teo Seng Group are in the ordinary course of business. They are recurrent transactions of a revenue or trading nature, which are likely to occur with some degree of frequency and which may arise at any time and from time to time. These transactions may be constrained by their time-sensitive and confidential nature, and it may be impracticable to seek shareholders' approval on a case-by-case basis before entering into such transactions. As such, the Board is seeking the shareholders' mandate pursuant to paragraph 10.09 of the Listing Requirements for the transactions described in Section 2.1 above to allow the Group to enter into such recurrent Related Party Transaction on terms which are not more favourable to the Related Party than those generally available to the public and not to the detriment of the minority shareholders of Teo Seng.

By obtaining the shareholders' mandate and renewing the same on an annual basis, the Company does not need to convene separate meetings from time to time to seek the shareholders' approval as and when such Recurrent Related Party Transactions occur. This would substantially reduce administrative time, inconvenience, expenses associated with the convening of such meetings, without compromising the corporate objectives of Teo Seng Group or adversely affecting the business opportunities available to the Group.

## **2.3 Benefits**

The Recurrent Related Party Transactions are carried out in the ordinary course of business at arm's length and on normal commercial terms which are not prejudicial to minority interest. The Related Party Transactions to be entered into are intended to meet the business needs of the Group at the best possible terms. The Group has long-standing business relationship with the Related Party and the close co-operation has yielded mutual benefits which are expected to continue to be beneficial to the business of the Group.

## **2.4 Guidelines and Approval of Recurrent Related Party Transactions**

All Recurrent Related Party Transactions are subject to the review and/or approval of the appropriate level of authority pursuant to the procedures as disclosed in the following section set by the executive directors and/or senior management (such as delegated general managers or department managers, depending on types of transactions), to ensure the Recurrent Related Party Transactions will be carried out on arm's length basis, on transaction prices and terms not more favourable to the Related Parties than those generally available to the public, and are not to the detriment of the minority shareholders.

The guidelines for the relevant approving authority practised by Teo Seng Group in relation to Recurrent Related Party Transactions are as follow:

- (i) Transactions below RM100,000 each in value will be reviewed and approved by department manager or such other senior executive(s) (not being a person connected to the Related Party);
- (ii) Transactions equal to or exceeding RM100,000 each in value will be reviewed and approved by General Manager or such other senior executive(s) (not being a person connected to the Related Party).

## 2.5 Review Procedures for Recurrent Related Party Transactions

Teo Seng has established adequate procedures to ensure that the RRPTs are conducted at arm's length and on normal terms consistent with the Group's usual business practices and policies that are not more favourable to the Related Parties than those generally available to the public, and are not to the detriment of minority shareholders.

The procedures, *inter alia*, are as follows:

- (a) The identity of the Related Party is disclosed/circulated within the Group and at the same time, the Related Party is notified that all Recurrent Related Party Transactions are required to be taken on arm's length basis and on normal commercial terms not more favourable to the Related Party than those generally available to the public;
- (b) The management of the Group has been kept informed of the procedures applicable to the RRPTs, and should ensure that Recurrent Related Party Transactions would be entered into after taking into account the exclusivity of the distributorship, pricing, quality, expertise required and other related factors;
- (c) The transaction prices are determined by the prevailing market rates/prices that are agreed upon under similar commercial terms for transactions with third parties; business practices and policies and on terms which are generally in line with industry norm;
- (d) Records of all Recurrent Related Party Transactions have been maintained and reports thereof will be circulated to the Audit Committee on quarterly basis for the Audit Committee's notation, review and monitoring of such Recurrent Related Party Transactions;
- (e) The annual internal audit plan incorporates review of the procedures governing the reporting and approval of Recurrent Related Party Transactions entered into by the Group and its compliance. The Board and the Audit Committee shall review the internal audit reports to ascertain that the guidelines and procedures established to monitor the Recurrent Related Party Transactions have been complied;
- (f) If a member of the Board and/or Audit Committee has an interest, direct and/or indirect as the case may be, the Director concerned will abstain from deliberation and voting in respect of the Recurrent Related Party Transactions;
- (g) All operating divisions and our subsidiaries are required to review their existing information pertaining to the Recurrent Related Party Transactions on an on-going basis to ensure that features are incorporated into the systems for capturing information at source.

At least 2 other contemporaneous transactions with unrelated third parties for similar products/services, and/or quantities will be used as comparison, whenever possible, to determine whether the price and terms offered to/by the Related Parties are fair and reasonable and comparable to those offered to/by other unrelated third parties for the same/substantial similar type of products/services and/or quantities. Where quotation or comparative pricing from unrelated third parties cannot be obtained, the transaction price will be determined by Teo Seng Group based on those offered to/by other unrelated parties for the same or substantial similar type of transaction to ensure that the Recurrent Related Party Transaction is not detrimental to Teo Seng Group.

## 2.6 Statement by Audit Committee

The Audit Committee of the Company has seen and reviewed the procedures mentioned in Section 2.5 above at least once a year and are of the view that the said procedures are sufficient to ensure that the Recurrent Related Party Transactions shall be transacted on terms which are not more favourable to the Related Parties than those generally available to the public and are not to the detriment of the minority shareholders of the Company.

The Audit Committee further affirms that the Company maintaining adequate procedures and processes to monitor, track and identify Recurrent Related Party Transactions in a timely and orderly manner.

If during its periodic reviews, the Audit Committee is of the view that such procedures and processes are no longer appropriate or adequate, the Audit Committee has the discretion to request for additional procedures and will draw it to the attention of the Board and, if necessary, the Company will establish a new guidelines and procedures.

## 2.7 Condition to the Proposed Renewal of Existing Shareholders' Mandate

The Proposed Renewal of Existing Shareholders' Mandates are conditional upon the approval of the shareholders of Teo Seng at the forthcoming 19th AGM to be convened.

## 3. DIRECTORS' AND MAJOR SHAREHOLDERS' INTERESTS

Save as disclosed below, as per ROD dated 27 March 2025, none of the directors, major shareholders of Teo Seng and/or persons connected with the directors and/or major shareholders of Teo Seng, have any interest, direct or indirect, in the Proposed Renewal of Existing Shareholders' Mandate.

Name	---- Number of Teo Seng Shares held ----			
	Direct	%	Indirect	%
Interested Director				
Lau Jui Peng	-	-	325,525,138 <sup>5</sup>	55.03
Nam Hiok Joo	2,932,444	0.50	-	-
Interested Major Shareholders				
AVSB	311,316,184	52.63	-	-
LH(M)SB	14,208,954	2.40	311,316,184 <sup>1</sup>	52.63
Unigold Capital Sdn. Bhd.	-	-	311,316,184 <sup>1</sup>	52.63
LHI	-	-	325,525,138 <sup>2</sup>	55.03
EGSB	-	-	325,525,138 <sup>3</sup>	55.03
CWL	-	-	325,525,138 <sup>4</sup>	55.03
Lau Joo Han	-	-	325,525,138 <sup>4</sup>	55.03
Datuk Lau Joo Hong	-	-	325,525,138 <sup>5</sup>	55.03
Lau Jui Peng	-	-	325,525,138 <sup>5</sup>	55.03
Lau Joo Heng	-	-	325,525,138 <sup>5</sup>	55.03
Na Hap Cheng	2,307,306	0.39	312,355,466 <sup>6&amp;7</sup>	52.80
Na Yok Chee	2,144,006	0.36	314,035,168 <sup>6&amp;7</sup>	53.09

Name	---- Number of Teo Seng Shares held ----			
	Direct	%	Indirect	%
Persons connected with Interested Directors and/or Major Shareholders				
Tan Sri Dato' Lau Eng Guang	9,578,262	1.62	-	-
Tan Sri Lau Tuang Nguang	40,596	0.01	-	-
Lai Chong Koo	2,075,700	0.35	-	-
Ng Lee Ping	1,916,788	0.32	-	-
Nam Yok San	1,851,446	0.31	-	-
Nam Hiok Yong	3,261,600	0.55	-	-
Nam Hiok Yok	551,032	0.09	-	-
Yau Tai Thye	1,014,924	0.17	-	-
Han Soon Inn	252,716	0.04	-	-
Teo Sik Ghoo	5,732,358	0.97	-	-
Na Eluen	1,039,282	0.18	-	-
Na Yi Chan	1,248,358	0.21	-	-
Na Yi Hwee	1,217,910	0.21	-	-
Nam Ze Cung	492,238	0.08	-	-
Safari Bird Park & Wonderland Sdn. Bhd.	2,338,400	0.40	-	-

*Notes:*

1. *Deemed interested by virtue of its interest in AVSB and/or subsidiary pursuant to Section 8(4) of the Act.*
2. *Deemed interested by virtue of its interest in LH(M)SB pursuant to Section 8(4) of the Act*
3. *Deemed interested by virtue of its interest in LHI pursuant to Section 8(4) of the Act*
4. *Deemed interested by virtue of its/his interest in EGSB pursuant to Section 8(4) of the Act.*
5. *Deemed interested by virtue of his interest in CWL pursuant to Section 8(4) of the Act.*
6. *Deemed interested by virtue of his interest in Unigold Capital Sdn. Bhd. pursuant to Section 8(4) of the Act.*
7. *Deemed interested by virtue of his indirect equity interest in Teo Seng via his spouse and/or children pursuant to Section 59(11)(c) of the Act.*

Accordingly, the Directors of Teo Seng, namely Lau Jui Peng and Nam Hiok Joo (“Interested Directors”), who are interested in the Proposed Renewal of Shareholders’ Mandate by virtue of them being persons connected to the interested major shareholders, AVSB, LH(M)SB, LHI, EGSB and Unigold Capital Sdn. Bhd. have abstained and will continue to abstain from all Board deliberations and voting in respect of the Proposed Renewal of Existing Shareholders’ Mandate. The Interested Directors will also abstain from voting on the ordinary resolutions pertaining to the Proposed Renewal of Shareholders’ Mandate at the forthcoming 19th AGM of the Company.

The Interested Major Shareholders will abstain from voting on the ordinary resolutions pertaining to the Proposed Renewal of Existing Shareholders’ Mandate at the forthcoming 19th AGM of the Company.

Both Interested Directors and Interested Major Shareholders further undertake to ensure that persons connected to them, and having interests in the Company, will abstain from voting on the ordinary resolutions pertaining to the Proposed Renewal of Existing Shareholders’ Mandate at the forthcoming 19th AGM of the Company.

#### **4. DIRECTORS' RECOMMENDATION**

The Board (except for the Interested Directors) is of the opinion that the Proposed Renewal of Existing Shareholders' Mandate are in the best interest of the Company and its shareholders and therefore recommend you to vote in favour of the ordinary resolutions pertaining to the Proposed Renewal of Existing Shareholders' Mandate to be tabled at the forthcoming 19th AGM of the Company.

#### **5. AGM**

The ordinary resolution pertaining to the Proposed Renewal of Existing Shareholders' Mandate are set out in the Notice of the 19th AGM of the Company contained in the Annual Report for the financial year ended 31 December 2024 of the Company, which is being sent to you together with this Circular. The 19th AGM of the Company is to be held at Teo Seng Capital Berhad Conference Room, First Floor, Lot PTD 25740, Batu 4, Jalan Air Hitam, 83700 Yong Peng, Johor on Wednesday, 28 May 2025 at 11.30 a.m.

If you are unable to attend and vote in person at the 19th AGM of the Company, you may send a proxy by completing, signing and returning the enclosed Proxy Form set out in Annual Report for the financial year ended 31 December 2024 of the Company, in accordance with the instructions printed thereon, as soon as possible, so as to arrive at the Company's Share Registrar, Tricor Investor & Issuing House Services Sdn. Bhd. at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, it can be deposited in the designated drop box at Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, to submit your electronic proxy form via TIIH Online website at <https://tiih.online> not later than 48 hours before the time set for holding the meeting. The lodging of the Proxy Form will not preclude you from attending and voting in person at the forthcoming 19th AGM of the Company should you wish to do so.

#### **6. FURTHER INFORMATION**

You are requested to refer to the attached Appendix I for further information.

Yours faithfully  
for and on behalf of the Board of  
**TEO SENG CAPITAL BERHAD**

**LIM YING KHOO**  
*Independent Non-Executive Director*

## **PART B**

**PROPOSED RENEWAL OF AUTHORITY FOR  
SHARE BUY-BACK UP TO TEN PER CENTUM (10%)  
OF THE TOTAL NUMBER OF ISSUED SHARES  
OF THE COMPANY**



**TEO SENG CAPITAL BERHAD**  
Registration No. 200601013011 (732762-T)  
(Incorporated in Malaysia)

**Registered Office**  
201 – 203 Jalan Abdullah  
84000 Muar  
Johor Darul Takzim

25 April 2025

**Board of Directors:**

Lau Jui Peng (*Executive Chairman*)  
Nam Hiok Joo (*Managing Director*)  
Loh Wee Ching (*Executive Director*)  
Lim Huey Hean (*Independent Non-Executive Director*)  
Lim Ying Khoo (*Independent Non-Executive Director*)  
Goh Wen Ling (*Independent Non-Executive Director*)

**To the Shareholders of Teo Seng**

Dear Sir/Madam,

**PROPOSED RENEWAL OF AUTHORITY FOR SHARE BUY-BACK UP TO TEN PER CENTUM (10%) OF THE TOTAL NUMBER OF ISSUED SHARES OF THE COMPANY**

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**1. INTRODUCTION**

On 11 April 2025, the Board of Directors announced that the Company proposes to seek its shareholders' approval to renew the authority for the Company to purchase of its own shares on Bursa Securities of up to ten per centum (10%) of the total number of issued shares of the Company at the Nineteenth Annual General Meeting ("19th AGM") to be convened.

The purpose of Part B of this Statement is to provide you with information on the Proposed Renewal of Authority for Share Buy-Back, to set out the views of the Board and to seek your approval for the resolutions pertaining to the Proposed Renewal of Authority for Share Buy-Back to be tabled at the forthcoming 19th AGM of the Company, to be held at Teo Seng Capital Berhad Conference Room, First Floor, Lot PTD 25740, Batu 4, Jalan Air Hitam, 83700 Yong Peng, Johor on Wednesday, 28 May 2025 at 11.30 a.m. The Notice of 19th AGM together with the Proxy Form are set out in the Annual Report for the financial year ended 31 December 2024.

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**YOU ARE ADVISED TO READ THE CONTENTS OF THIS STATEMENT CAREFULLY BEFORE VOTING ON THE ORDINARY RESOLUTIONS PERTAINING TO THE PROPOSED RENEWAL OF AUTHORITY FOR SHARE BUY-BACK AT THE FORTHCOMING 19TH AGM**

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## 2. DETAILS OF THE PROPOSED RENEWAL OF AUTHORITY FOR SHARE BUY-BACK

On 28 May 2024, the Board obtained shareholders' mandate for the Company to purchase and/or hold in aggregate up to ten per centum (10%) of the total issued and paid-up share capital of the Company at any point of time through Bursa Securities. The Proposed Renewal of Authority for Share Buy-Back is subject to compliance with Section 127 of the Act and any prevailing laws and regulations issued by the relevant authorities.

For illustration purposes, the maximum number of Shares that may be purchased under the Proposed Renewal of Authority for Share Buy-Back based on the existing total number of issued Shares as per ROD dated 27 March 2025 are as follow: -

	<u>No. of Shares</u>
Total number of issued Shares (including Treasury Shares)	<u>600,016,350</u>
10% of the total number of issued Shares	60,001,635
Less: Treasury Shares held as per ROD dated 27 March 2025	<u>(8,477,574)</u>
Maximum number of shares that may be purchased pursuant to the Proposed Renewal of Authority for Share Buy-Back	<u>51,524,061</u>

The authorisation for the Proposed Renewal of Authority for Share Buy-Back will be effective upon the passing of the ordinary resolutions for the renewal of Proposed Renewal of Authority for Share Buy-Back at the forthcoming 19th AGM until:

- (i) the conclusion of the next AGM of the Company, at which time it shall lapse unless by ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions; or
- (ii) the expiration of the period within which the next AGM after that date is required by law to be held; or
- (iii) revoked or varied by ordinary resolution passed by the shareholders of the Company in general meeting, whichever occurs first.

## 3. FUNDING FOR THE PROPOSED RENEWAL OF AUTHORITY FOR SHARE BUY-BACK

Pursuant to the Paragraph 12.10(1) of the Listing Requirements, the Proposed Renewal of Authority for Share Buy-Back must be made wholly out of retained profits of the Company. Therefore, the Board proposes to allocate a maximum amount of funds up to the retained profits of the Company for the purchase of its own shares subject to compliance with Section 127 of the Act and any prevailing laws, rules, regulations, orders, guidelines and requirements issued by the relevant authorities at the time of purchase. The audited financial statements of the Company as at 31 December 2024 showed a retained profit of RM121,594,810.

The funding of the Proposed Renewal of Authority for Share Buy-Back will be from internal generated funds and/or borrowings. The amount of internal generated funds and/or external borrowings to be utilised will only be determined later depending on, amongst others, the availability of internal generated funds, actual number of Shares to be purchased and other relevant cost factors. The actual number of Teo Seng Shares to be purchased and/or held, and the timing of such purchases will depend on, amongst others, the market conditions and sentiments of the stock market as well as the retained profits and financial resources available to the Company.



In the event of the Company purchases and holds its own Shares using external borrowings, the Board will ensure that the Company has sufficient funds to repay the external borrowings and that the repayment will not have a material effect on the cash flow of the Company.

#### **4. RATIONALE, POTENTIAL ADVANTAGES AND DISADVANTAGES OF THE PROPOSED RENEWAL OF AUTHORITY FOR SHARE BUY-BACK**

The Board is of the opinion that the Proposed Renewal of Authority for Share Buy-Back is expected to potentially benefit the Company and shareholders as follows:

- (a) if purchased shares are cancelled, the EPS of Teo Seng Group would be enhanced (all things being equal). This should have a positive impact on the market price of Teo Seng Shares which should benefit shareholders of Teo Seng.
- (b) if the Shares are bought back as Treasury Shares, it may provide the Company with an opportunity to sell the Purchased Shares at a higher price which should benefit the Company.
- (c) the Purchased Shares can be distributed as share dividends to the shareholders of the Company.

The Proposed Renewal of Authority for Share Buy-Back, if implemented, will reduce the financial resources of Teo Seng and may result in Teo Seng Group foregoing any good investment opportunities that may emerge in the future or reduce interest income that may derive from depositing the funds in interest bearing instruments. It may also result in a lower amount of cash reserve available for dividends to be declared to shareholders as funds are utilised to purchase Shares.

Save as disclosed above, the Proposed Renewal of Authority for Share Buy-Back is not expected to have any potential material disadvantage to the shareholders of the Company as well as the Group as it will be exercised only after due consideration of the financial resources of Teo Seng Group and of the resultant impact on the shareholders. The Directors in exercising any decision on the Proposed Renewal of Authority for Share Buy-Back will be mindful of the interest of the Company and that of its shareholders.

#### **5. FINANCIAL EFFECTS OF THE PROPOSED RENEWAL OF AUTHORITY FOR SHARE BUY-BACK**

Based on the assumption that the proposed purchase is carried out in full, the effect of the proposed purchase on the share capital, earnings and NA of Teo Seng are set out below:

##### **5.1 Issued and paid-up share capital**

The effects of the Proposed Renewal of Authority for Share Buy-Back on the share capital of Teo Seng will depend on the intention of the Board with the treatment of the Purchase Shares. If the Purchased Shares are cancelled, it will result in a reduction on the total issued and paid-up share capital of the Company as shown in the table below.

Conversely, if the Purchase Shares are retained as treasury shares, the Proposed Renewal of Authority for Share Buy-Back will not have any effect on the issued and paid-up share capital of Teo Seng. Nevertheless, certain rights attached to the Teo Seng Shares will be suspended while they are held as treasury shares.

The Proposed Renewal of Authority for Share Buy-Back will result in the reduction of the issued share capital of the Company if all Shares purchased are cancelled as shown below:

<b>Total Number of Issued Shares</b>	<b>No. of Shares</b>
Existing as per ROD dated 27 March 2025 (Including Treasury Shares)	600,016,350
Assuming cancellation of Shares purchased under the Proposed Renewal of Authority for Share Buy-Back	(51,524,061)
Assuming cancellation of the Treasury Shares held as per ROD dated 27 March 2025	(8,477,574)
Upon completion of the Proposed Renewal of Authority for Share Buy-Back	540,014,715

## **5.2 Earnings**

Assuming that the Purchase Shares under the Proposed Renewal of Authority for Share Buy-Back are cancelled, the Proposed Renewal of Authority for Share Buy-Back may increase the EPS of Teo Seng. In addition, on the assumption that the Purchased Shares are treated as Treasury Shares and subsequently resold, the earnings of Teo Seng Group may be affected depending on the actual selling price and number of Treasury Shares resold. In the event of the Purchased Shares are held as Treasury Shares, i.e. neither cancelled nor resold, the effective reduction in the issued and paid share capital of the Company pursuant to the Proposed Renewal of Authority for Share Buy-Back would generally, all else being equal, increase the consolidated EPS of the Group.

## **5.3 NA**

The Proposed Renewal of Authority for Share Buy-Back may increase or decrease the NA per share of Teo Seng Group depending on the acquisition cost in comparison to the NA per share of Teo Seng at the time that the purchase is made. Assuming Teo Seng Shares purchased are cancelled, the Proposed Renewal of Authority for Share Buy-Back will reduce the NA per share if the acquisition cost exceeds the NA per share at the time of purchase and conversely would increase the NA per share if the acquisition cost is less than the NA per share at the time of purchase.

If the Purchase Shares are kept as Treasury Shares, the NA per Teo Seng Share would decrease unless the cost per share of the Treasury Shares purchased is below the NA per share at the relevant point in time. This is due to the requirement for Treasury Shares to be carried at cost resulting in a decrease in the NA of the Company.

The Proposed Renewal of Authority for Share Buy-Back is likely to reduce the working capital of Teo Seng Group, the quantum of which will depend on the actual purchase price and number of shares that would be purchased pursuant to the Proposed Renewal of Authority for Share Buy-Back.

## **5.4 Dividend**

As the Proposed Renewal of Authority for Share Buy-Back must be made wholly out of the Company's retained profits, the Proposed Renewal of Authority for Share Buy-Back will reduce the amount available from these accounts for distribution of dividends to shareholders of the Company accordingly. Barring any unforeseen circumstances, the Proposed Renewal of Authority for Share Buy-Back is not expected to have any material impact on the policy of the Board in recommending dividends for the financial year ending 31 December 2025, which would depend on, amongst others, the profitability, cash flows position and financing requirement of the Teo Seng Group. On the other hand, the purchased Teo Seng Shares may be distributed as dividends to the shareholders of the Company, the Board so decides.

## 6. SUBSTANTIAL SHAREHOLDERS' AND DIRECTORS' SHAREHOLDINGS

### 6.1 Substantial shareholders' shareholdings

Assuming the Proposed Renewal of Authority for Share Buy-Back is carried out in full, the effects of such purchase on the shareholdings of the substantial shareholders (holding 5% or more in the share capital) in Teo Seng as per ROD dated 27 March 2025 are as follows: -

	As per ROD dated 27 March 2025				After Proposed Renewal of Authority for Share Buy-Back			
	Direct No. of Share	%@	Indirect No. of Shares	%@	Direct No. of Share	%*	Indirect No. of Shares	%*
AVSB	311,316,184	52.63	-	-	311,316,184	57.65	-	-
LH(M)SB	14,208,954	2.40	311,316,184 <sup>1</sup>	52.63	14,208,954	2.63	311,316,184 <sup>1</sup>	57.65
Unigold Capital Sdn. Bhd.	-	-	311,316,184 <sup>1</sup>	52.63	-	-	311,316,184 <sup>1</sup>	57.65
LHI	-	-	325,525,138 <sup>2</sup>	55.03	-	-	325,525,138 <sup>2</sup>	60.28
EGSB	-	-	325,525,138 <sup>3</sup>	55.03	-	-	325,525,138 <sup>3</sup>	60.28
CWL	-	-	325,525,138 <sup>4</sup>	55.03	-	-	325,525,138 <sup>4</sup>	60.28
Lau Joo Han	-	-	325,525,138 <sup>4</sup>	55.03	-	-	325,525,138 <sup>4</sup>	60.28
Datuk Lau Joo Hong	-	-	325,525,138 <sup>5</sup>	55.03	-	-	325,525,138 <sup>5</sup>	60.28
Lau Jui Peng	-	-	325,525,138 <sup>5</sup>	55.03	-	-	325,525,138 <sup>5</sup>	60.28
Lau Joo Heng	-	-	325,525,138 <sup>5</sup>	55.03	-	-	325,525,138 <sup>5</sup>	60.28
Na Hap Cheng	2,307,306	0.39	312,355,466 <sup>6&amp;7</sup>	52.80	2,307,306	0.43	312,355,466 <sup>6&amp;7</sup>	57.84
Na Yok Chee	2,144,006	0.36	314,035,168 <sup>6&amp;7</sup>	53.09	2,144,006	0.40	314,035,168 <sup>6&amp;7</sup>	58.15

Notes:

- @ Calculated based on the total number of Shares in issue net of 8,477,574 Teo Seng Shares held as Treasury Shares in the Company.
- \* Calculated based on the total number of Shares in issue net of 60,001,635 Teo Seng Shares assumed to be held as Treasury Shares and /or to be cancelled .
- 1. Deemed interested by virtue of its interest in AVSB and/or subsidiary pursuant to Section 8(4) of the Act.
- 2. Deemed interested by virtue of its interest in LH(M)SB pursuant to Section 8(4) of the Act.
- 3. Deemed interested by virtue of its interest in LHI pursuant to Section 8(4) of the Act.
- 4. Deemed interested by virtue of its interest in EGSB pursuant to Section 8(4) of the Act.
- 5. Deemed interested by virtue of his interest in CWL pursuant to Section 8(4) of the Act.
- 6. Deemed interested by virtue of his interest in Unigold Capital Sdn. Bhd. pursuant to Section 8(4) of the Act.
- 7. Deemed interested by virtue of his indirect equity interest in Teo Seng via his spouse and/or children pursuant to Section 59(1)(c) of the Act.

## 6.2 Directors' shareholdings

Assuming the Proposed Renewal of Authority for Share Buy-Back is carried out in full, the effects of such purchase on the shareholdings of the Directors in Teo Seng as per ROD dated 27 March 2025 are as follows: -

	As per ROD dated 27 March 2025			After Proposed Renewal of Authority for Share Buy-Back		
	Direct	% <sup>@</sup>	No. of Shares	Indirect	% <sup>@</sup>	No. of Shares
	No. of Shares	% <sup>@</sup>	No. of Shares	Direct	% <sup>*</sup>	No. of Shares
Lau Jui Peng	-	-	325,525,138 <sup>1</sup>	-	-	325,525,138 <sup>1</sup>
Nam Hiok Joo	2,932,444	0.50	-	2,932,444	0.54	-
Lim Ying Khoo	300	Negligible	-	300	Negligible	-
						60.28

*Notes:*

<sup>(a)</sup> Calculated based on the total number of Shares in issue net of 8,477,574 Teo Seng Shares held as Treasury Shares in the Company.

\* Calculated based on the total number of Shares in issue net of 60,001,635 Teo Seng Shares assumed to be held as Treasury Shares and/or to be cancelled.

1. Deemed interested by virtue of his interest in CWL pursuant to Section 8(4) of the Act.

## 7. IMPLICATION OF THE CODE

The Proposed Renewal of Authority for Share Buy-Back will not trigger the Mandatory General Offer required under the Code. The existing Directors, Substantial Shareholders and persons connected to them will not incur an obligation to undertake a Mandatory General Offer under the Code for the balance of the shares, which he/she does not already own as a result of the Proposed Renewal of Authority for Share Buy-Back, since their current shareholdings already exceeded 50% of the total number issued shares of the Company.

## 8. PURCHASE OF TEO SENG SHARES IN THE PRECEDING TWELVE (12) MONTHS

During the past twelve (12) months,

- i. a total of 4,301,313 Treasury Shares were distributed to the entitled shareholders of the Company as share dividend on 15 April 2024;
- ii. there was no cancellation of Treasury Shares; and
- iii. there were purchases of Treasury Shares, detailed as below:

Date of Purchase	No. of Share Repurchased	Lowest Price RM	Highest Price RM	Average Price RM	TOTAL Purchase Consideration RM
22 Nov 2024	112,800	2.300	2.330	2.332	263,070.58
25 Nov 2024	66,300	2.320	2.360	2.340	155,130.48
26 Nov 2024	65,700	2.380	2.390	2.398	157,539.98
27 Nov 2024	56,000	2.370	2.380	2.389	133,792.03
28 Nov 2024	90,500	2.360	2.370	2.376	214,999.21
29 Nov 2024	57,400	2.380	2.380	2.390	137,199.83
2 Dec 2024	100,000	2.370	2.380	2.385	238,521.75
3 Dec 2024	96,800	2.360	2.370	2.375	229,935.90
4 Dec 2024	150,000	2.340	2.360	2.360	354,016.25
9 Dec 2024	40,000	2.330	2.330	2.347	93,881.16
10 Dec 2024	40,000	2.330	2.330	2.347	93,881.16
11 Dec 2024	60,700	1.160	1.170	1.177	71,427.48
13 Dec 2024	200,000	1.130	1.160	1.150	229,984.70
16 Dec 2024	200,000	1.060	1.080	1.077	215,422.85
19 Dec 2024	93,100	1.090	1.090	1.095	101,915.89
20 Dec 2024	50,000	1.100	1.100	1.108	55,401.50
23 Dec 2024	50,000	1.100	1.100	1.108	55,401.50
26 Dec 2024	100,000	1.080	1.090	1.090	108,967.05
27 Dec 2024	50,000	1.080	1.080	1.088	54,394.20
30 Dec 2024	50,000	1.090	1.090	1.098	54,898.35
2 Jan 2025	44,400	1.080	1.080	1.088	48,302.10
3 Jan 2025	60,000	1.080	1.080	1.088	65,273.24
6 Jan 2025	50,000	1.080	1.080	1.088	54,394.20
7 Jan 2025	100,000	1.060	1.070	1.070	106,958.45
8 Jan 2025	100,000	1.060	1.070	1.070	106,958.45
9 Jan 2025	300,000	1.020	1.040	1.034	310,328.70
14 Jan 2025	50,000	1.020	1.020	1.027	51,372.30
15 Jan 2025	100,000	1.000	1.010	1.009	100,932.65
16 Jan 2025	26,200	1.000	1.000	1.007	26,392.06
18 Feb 2025	300,000	1.120	1.140	1.135	340,457.70

As per ROD dated 27 March 2025, a total of 8,477,574 Treasury Shares were held by the Company.

## 9. PUBLIC SHAREHOLDINGS SPREAD OF THE LISTED COMPANY

According to the Record of Depositors maintained by Bursa Malaysia Depository Sdn. Bhd. as at 27 March 2025, the public shareholding spread of Teo Seng is 38.21%. The public shareholding spread of Teo Seng would be reduced to approximately 32.31% assuming Teo Seng implements the Proposed Renewal of Authority for Share Buy-Back in full and that the Shares purchased are from public shareholders. In this regard, the Board undertakes to purchase Shares only to the extent that the public shareholding spread of Teo Seng shall not fall below 25% of the total number of issued shares of the Company at all times pursuant to the Proposed Renewal of Authority for Share Buy-Back, in accordance with Paragraph 12.14 of the Listing Requirements of Bursa Securities.

## 10. SHARE PRICES

The monthly highest and lowest prices of Teo Seng Shares traded on Bursa Malaysia for the past twelve (12) months ended 27 March 2025 are as follows:

	High (RM)	Low (RM)
<b>2024</b>		
April	1.970	1.600
May	1.910	1.650
June	1.790	1.660
July	2.000	1.710
August	2.170	1.720
September	2.400	1.930
October	2.670	2.120
November	2.580	2.230
December	1.200	1.060
<b>2025</b>		
January	1.090	0.990
February	1.240	1.010
March	1.100	0.975

The last transacted price of Teo Seng Shares on 27 March 2025, being the latest practicable date prior to the printing of this Circular/Statement was RM0.985.

## 11. INTERESTED DIRECTORS, SUBSTANTIAL SHAREHOLDERS AND PERSONS CONNECTED TO THEM

Save for the proportionate increase in the percentage shareholdings of the Directors and substantial shareholders of Teo Seng as a result of the decrease in the issued and paid-up share capital after the Proposed Renewal of Authority for Share Buy-Back, none of the Directors and/or substantial shareholders and/or person(s) connected to them, has any interest, directly or indirectly, in the Proposed Renewal of Authority for Share Buy-Back and the subsequent resale of treasury shares, if any.

## **12. DIRECTORS' RECOMMENDATION**

The Board having considered all aspects of the Proposed Renewal of Authority for Share Buy-Back is of the opinion that the terms and conditions of the Proposed Renewal of Authority for Share Buy-Back are fair and reasonable in the Company's best interest. As such, the Board recommends that the shareholders of Teo Seng vote in favour of the resolutions in relation to the Proposed Renewal of Authority for Share Buy-Back to be tabled at the forthcoming 19th AGM of the Company.

## **13. APPROVAL REQUIRED**

The Proposed Renewal of Authority for Share Buy-Back is subject to the approval of the shareholders of Teo Seng at the forthcoming 19th AGM.

## **14. AGM**

The ordinary resolution pertaining to the Proposed Renewal of Authority for Share Buy-Back is set out in the Notice of the 19th AGM of the Company contained in the Annual Report for the financial year ended 31 December 2024 of the Company, which is being sent to you together with this Circular/Statement. The 19th AGM of the Company is to be held at Teo Seng Capital Berhad Conference Room, First Floor, Lot PTD 25740, Batu 4, Jalan Air Hitam, 83700 Yong Peng, Johor on Wednesday, 28 May 2025 at 11.30 a.m.

If you are unable to attend and vote in person at the 19th AGM of the Company, you may send a proxy by completing, signing and returning the enclosed Proxy Form set out in Annual Report for the financial year ended 31 December 2024 of the Company, in accordance with the instructions printed thereon, as soon as possible, so as to arrive at the Company's Share Registrar, Tricor Investor & Issuing House Services Sdn. Bhd. at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, it can be deposited in the designated drop box at Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, to submit your electronic proxy form via TIIH Online website at <https://tiih.online> not later than 48 hours before the time set for holding the meeting. The lodging of the Proxy Form will not preclude you from attending and voting in person at the forthcoming 19th AGM of the Company should you wish to do so.

## **15. FURTHER INFORMATION**

You are requested to refer to the attached Appendix I for further information.

**1. DIRECTORS' RESPONSIBILITY STATEMENT**

The Circular/Statement has been seen and approved by the Board who collectively and individually accept full responsibility for the accuracy of the information contained in this Circular/Statement and confirm that after making all reasonable enquiries and to the best of their knowledge and belief, there are no other facts or omission of which would make any statement in this Circular/Statement misleading.

**2. MATERIAL LITIGATION**

Neither Teo Seng nor its subsidiary companies are engaged in any material litigation, claims or arbitration, either as a plaintiff or defendant, and the Directors of Teo Seng do not have any knowledge of any proceedings, pending or threatened against Teo Seng and/or its subsidiaries of any facts likely to give rise any proceedings which might adversely and materially affect the position or business of Teo Seng and its subsidiaries.

**3. MATERIAL CONTRACTS**

Save as disclosed below, there are no material contracts (not being contracts entered into in the ordinary course of business) which have been entered into by the Company or its subsidiaries during the two (2) years immediately preceding the date of this Circular/Statement:

- i. An exercised acceptance of Option to Purchase and amendment thereto dated 14 November 2023 whereby BH Fresh Food Pte. Ltd. ("the Vendor"), a wholly owned subsidiary of Premium Egg Products Pte. Ltd. which in turn is a wholly owned subsidiary of Teo Seng, disposes to Rachelle The Rabbit Meadery Pte. Ltd. ("the Purchaser"), a leasehold 2-storey JTC detached factory having its postal address known as 6 Chin Bee Crescent, Singapore 619892 for a total sale consideration of SGD8.50 million (equivalent to approximately RM29,408,300 based on SGD1 to RM3.4598).

**4. DOCUMENTS FOR INSPECTION**

Copies of the following documents are available for inspection at the registered office of Teo Seng at 201-203 Jalan Abdullah, 84000 Muar, Johor Darul Takzim during normal business hours on any working day from the date of this Circular/Statement up to and including the date of the forthcoming 19th AGM of the Company: -

- a. the Constitution of Teo Seng;
- b. the audited consolidated financial statements for the past two financial years ended 31 December 2024 and 31 December 2023; and
- c. the material contracts and agreements referred to in Section 3 above.