

ZHULIAN®

ZHULIAN CORPORATION BERHAD

Company No. 199701000031 (415527-P)

(Incorporated in Malaysia)

**SUMMARY of
AGM MINUTES 2019**

Summary of the Minutes of the Twenty-Second Annual General Meeting (“22nd AGM”) of the Zhulian Corporation Berhad (“the Company”) held at Ballroom 1, Level 2, G Hotel, 168A, Persiaran Gurney, 10250 George Town, Penang on Wednesday, 8th May 2019 at 2.30 p.m.

The shareholders, corporate representatives, proxies and invitees who attended the 22nd AGM are set out in the Attendance List attached and shall form an integral part of these Minutes.

CHAIRMAN’S WELCOME ADDRESS

The Chairman, Tuan Haji Wan Mansoor Bin Wan Omar welcomed all those present for the 22nd AGM and thanked all present for their support. The Chairman introduced himself and the members of the Board of Directors and the Company Secretary to the shareholders.

The Chairman stated that the Company Secretary has confirmed that pursuant to Article 68 of the Company’s Constitution, the quorum is present. As the requisite quorum is being present, the Chairman commenced the formal business for the meeting and called the meeting to order.

PRESENTATION BY CHIEF EXECUTIVE OFFICER

The Chairman invited the Chief Executive Officer (“CEO”), Mr. Teoh Meng Keat to brief the overall Group’s performance for the financial year ended 30 November 2018 (“FY 2018”) and to share the Group’s strategic plans and future prospects.

NOTICE OF AGM

The Chairman informed that the Notice of AGM had been despatched to the shareholders’ together with the Circular dated 29 March 2019 and with the consent from the floor, the notice convening this Meeting shall be taken as read.

The Chairman also informed the floor that there are 9 Ordinary Resolutions and 1 Special Resolution to be tabled for approval by the shareholders in this meeting.

AGENDA 1- AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2018 TOGETHER WITH THE REPORTS OF THE DIRECTORS AND AUDITORS

The Audited Financial Statements of the Company and Group for the financial year ended 30 November 2018 together with the Directors’ and Auditors’ Reports thereon which were previously circulated to the shareholders of the Company were laid at the meeting for discussion.

With no questions from the floor, it was declared that the Audited Financial Statements of the Company and Group for the year ended 30 November 2018 were duly tabled and received by the shareholders of the Company.

The Company Secretary highlighted that in accordance with Paragraph 8.29A(1) of the Bursa Main Market Listing Requirements, all the ten (10) resolutions as set out in the notice of the Company’s 22nd AGM would be voted by poll.

She further informed that Agriteum Share Registrar Sdn. Bhd. (“Agriteum”) have been appointed as Poll Administrator to conduct the electronic polling and Value Creator Consultancy have been appointed as the Independent Scrutineer to verify the poll results.

The representative from Agriteum was then invited to brief on the e-polling procedures followed by a trial run of the e-polling to allow shareholders to familiarise with the voting process.

ORDINARY RESOLUTION 1 & 2
RE-ELECTION OF DIRECTOR-TUAN HAJI WAN MANSOOR BIN WAN OMAR AND RE-ELECTION OF DIRECTOR-MR TEOH MENG LEE RESPECTIVELY

The Company Secretary informed the meeting that Ordinary Resolutions 1 and 2 dealt with the re-election of two (2) Directors, namely Tuan Haji Wan Mansoor Bin Wan Omar and Mr. Teoh Meng Lee who retired pursuant to Article 94 of the Company's Articles of Association (Constitution) and being eligible, had offered themselves for re-election.

The motion for Ordinary Resolution 1 on the re-election of Tuan Haji Wan Mansoor Bin Wan Omar was put to vote by way of poll.

The results of the poll were tabulated and displayed on the screen with details as follows: -

	For		Against	
	No. of Shares	%	No. of Shares	%
Ordinary Resolution 1	369,951,447	99.9816	68,000	0.0184

Based on the polling results, the Chairman declared that Ordinary Resolution 1 be carried and that Tuan Haji Wan Mansoor Bin Wan Omar who retired pursuant to Article 94 of the Company's Articles of Association (Constitution) be re-elected as Director of the Company.

The motion for Ordinary Resolution 2 on the re-election of Mr. Teoh Meng Lee was put to vote by way of poll.

The results of the poll were tabulated and displayed on the screen with details as follows: -

	For		Against	
	No. of Shares	%	No. of Shares	%
Ordinary Resolution 2	363,567,625	99.9965	12,760	0.0035

ORDINARY RESOLUTION 3
RE-ELECTION OF DIRECTOR-MR OON HOCK CHYE

The Company Secretary informed the meeting that Ordinary Resolution 3 dealt with the re-election of Mr. Oon Hock Chye who retired pursuant to Article 101 of the Company's Articles of Association (Constitution) and being eligible, had offered himself for re-election.

The motion for Ordinary Resolution 3 on the re-election of Mr. Oon Hock Chye was put to vote by way of poll.

The results of the poll were tabulated and displayed on the screen with details as follows: -

	For		Against	
	No. of Shares	%	No. of Shares	%
Ordinary Resolution 3	369,841,381	99.9965	13,000	0.0035

Based on the polling results, the Chairman then declared that Ordinary Resolution 3 be carried and that Mr. Oon Hock Chye who retired pursuant to Article 101 of the Company's Articles of Association (Constitution) be re-elected as Director of the Company.

ORDINARY RESOLUTION 4
PAYMENT OF DIRECTORS' FEES AND BENEFITS PAYABLE UP TO AN AGGREGATE AMOUNT OF RM196,000 FOR THE FINANCIAL YEAR ENDING 30 NOVEMBER 2019

The Company Secretary informed that the next agenda of the meeting was to approve the Directors' Fees and benefits payable up to an aggregate amount of RM196,000 for the financial year ending 30 November 2019.

The motion for Ordinary Resolution 4 was put to vote by way of poll.

The results of the poll were tabulated and displayed on the screen with details as follows: -

	For		Against	
	No. of Shares	%	No. of Shares	%
Ordinary Resolution 4	369,883,750	99.9909	33,600	0.0091

Based on the polling results, the Chairman then declared that Ordinary Resolution 4 be carried and that the payment of Directors' Fees and benefits payable up to an aggregate amount of RM196,000 for the financial year ending 30 November 2019 be and are hereby approved.

ORDINARY RESOLUTION 5
RE-APPOINTMENT OF MESSRS KPMG PLT AS AUDITORS OF THE COMPANY AND TO AUTHORISE THE DIRECTORS TO FIX THEIR REMUNERATION

The Company Secretary informed that Ordinary Resolution 5 was to re-appoint Messrs KPMG PLT, the retiring Auditors as the Auditors of the Company and to authorise the Directors to fix their remuneration. The Auditors, Messrs KPMG PLT have indicated their willingness to continue in office.

The motion for Ordinary Resolution 5 was put to vote by way of poll.

The results of the poll were tabulated and displayed on the screen with details as follows: -

	For		Against	
	No. of Shares	%	No. of Shares	%
Ordinary Resolution 5	369,138,149	99.9909	33,500	0.0091

Based on the polling results, the Chairman then declared that Ordinary Resolution 5 be carried and that Messrs KPMG PLT be and are hereby re-appointed as Auditors of the Company at a remuneration to be determined by the Board of Directors.

SPECIAL BUSINESS
ORDINARY RESOLUTION 6
AUTHORITY TO ISSUE SHARES PURSUANT TO SECTION 76 OF THE COMPANIES ACT 2016

The meeting proceeded with the Special Business of the Agenda to obtain the approval from the shareholders to empower the Directors to issue additional shares up to an aggregate amount not exceeding 10% of the total number of issued share capital of the Company.

This resolution, when approved by the shareholders, would allow the Board a certain amount of flexibility, when the need arises, to issue additional shares subject to approval of all relevant regulatory bodies being obtained, where necessary.

The motion for Ordinary Resolution 6 was put to vote by way of poll.

The results of the poll were tabulated and displayed on the screen with details as follows: -

	For		Against	
	No. of Shares	%	No. of Shares	%
Ordinary Resolution 6	369,254,349	99.9949	19,000	0.0051

Based on the polling results, the Chairman then declared that Ordinary Resolution 6 be carried and that subject always to the Companies Act 2016 (“the Act”), the Articles of Association (Constitution) of the Company and the approvals of any relevant governmental/regulatory authorities, the Directors be and are hereby empowered pursuant to Section 76 of the Act, to allot and issue shares in the capital of the Company at any time until the conclusion of the next AGM and to such person or persons, upon such terms and conditions and for such purpose as the Directors may, in their absolute discretion deem fit, provided that the aggregate number of the shares issued pursuant to this resolution does not exceed ten (10) per centum of the issued share capital of the Company for the time being and that the Directors be and are also empowered to obtain the approval from Bursa Malaysia Securities Berhad for the listing of and quotation for the additional shares so issued.

ORDINARY RESOLUTIONS 7-9

RETENTION OF INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company Secretary informed that Ordinary Resolutions 7-9 dealt with the retention of Tuan Haji Wan Mansoor Bin Wan Omar, Mr. Tan Lip Gay and Mr. Diong Chin Teck as Independent Non-Executive Directors. The Board of Directors have recommended them who have served for more than nine (9) years as Independent Non-Executive Directors of the Company be retained and to continue in office. The details of the Board’s justifications and recommendations for retaining them are set out under the Corporate Governance Statement of the Annual Report 2018.

ORDINARY RESOLUTION 7

RETENTION OF INDEPENDENT NON-EXECUTIVE DIRECTOR

-TUAN HAJI WAN MANSOOR BIN WAN OMAR

The motion for Ordinary Resolution 7 on the retention of Tuan Haji Wan Mansoor Bin Wan Omar as Independent Non-Executive Director was put to vote by way of poll.

The results of the poll were tabulated and displayed on the screen with details as follows: -

Ordinary Resolution 7	No. of Shares [Tier 1]	No. of Shares [Tier 2]	Total Votes	%
For	288,716,735	81,205,712	369,922,447	99.9750
Against	-	92,600	92,600	0.0250

Based on the polling results, the Chairman then declared that Ordinary Resolution 7 be carried and that Tuan Haji Wan Mansoor Bin Wan Omar be retained as Independent Non-Executive Chairman of the Company.

ORDINARY RESOLUTION 8

RETENTION OF INDEPENDENT NON-EXECUTIVE DIRECTOR

-MR TAN LIP GAY

The motion for Ordinary Resolution 8 on the retention of Mr. Tan Lip Gay as Independent Non-Executive Director was put to vote by way of poll.

The results of the poll were tabulated and displayed on the screen with details as follows: -

Ordinary Resolution 8	No. of Shares [Tier 1]	No. of Shares [Tier 2]	Total Votes	%
For	288,716,735	80,450,711	369,167,446	99.9763
Against	-	87,500	87,500	0.0237

Based on the polling results, the Chairman then declared that Ordinary Resolution 8 be carried and that Mr. Tan Lip Gay be retained as Independent Non-Executive Director of the Company.

ORDINARY RESOLUTION 9
RETENTION OF INDEPENDENT NON-EXECUTIVE DIRECTOR
-MR DIONG CHIN TECK

The motion for Ordinary Resolution 9 on the retention of Mr. Diong Chin Teck as Senior Independent Non-Executive Director was put to vote by way of poll.

The results of the poll were tabulated and displayed on the screen with details as follows: -

Ordinary Resolution 8	No. of Shares [Tier 1]	No. of Shares [Tier 2]	Total Votes	%
For	288,716,735	80,435,714	369,152,449	99.9690
Against	-	114,500	114,500	0.0237

Based on the polling results, the Chairman then declared that Ordinary Resolution 9 be carried and that Mr. Diong Chin Teck be retained as Senior Independent Non-Executive Director of the Company.

SPECIAL RESOLUTION 10
PROPOSED ADOPTION OF NEW CONSTITUTION OF THE COMPANY

The Company Secretary stated that the proposed adoption of a new Constitution of the Company are mainly to provide clarity and consistency with the amendments that arise from the Companies Act 2016 as well as to ensure compliance with the amended Bursa Malaysia Securities Main Market Listing Requirements. The new Constitution as per Appendix I of the Circular to Shareholders dated 29 March 2019 has been duly circulated to the shareholders of the Company.

The motion for Ordinary Resolution 10 was put to vote by way of poll.

The results of the poll were tabulated and displayed on the screen with details as follows: -

	For		Against	
	No. of Shares	%	No. of Shares	%
Ordinary Resolution 10	370,011,189	99.9962	14,000	0.0038

Based on the polling results, the Chairman then declared that Special Resolution 10 be carried and that the existing Constitution of the Company be revoked with immediate effect and in place thereof, the proposed new Constitution of the Company as set out in the Circular to Shareholders dated 29 March 2019 be and is hereby adopted as the Company's Constitution and that the Directors of the Company be and are hereby authorised to assent to any modifications, variations and/or amendments as may be required by any relevant authorities, and to do all acts and things and take all such steps as may be considered necessary to give full effects to the foregoing.

ANY OTHER BUSINESS

It was noted that no notice of any other business for transaction had been received by the Company for the 22nd AGM.

CONCLUSION OF MEETING

There being no other matter to discuss, the meeting concluded at 3.00 pm with a vote of thanks to the Chair.

- 5) Are all the Group's products produced locally? If not, which other countries have manufacturing plants and what are the respective capacity utilization rates?

The Company's responses: -

The Group's products are mostly manufactured in-house with some externally sourced, there is no manufacturing plant outside of Malaysia. The manufacturing capacity of our core essential products, i.e. food & beverages and nutritional supplements, is at about 70% utilisation. Others averaged at about 45% utilisation with development underway to ensure continuous flow of new introductions in pipe lines.

Corporate Governance Matters

- 1) There is no woman director on the Company's Board. The Company has also not applied Practice 4.5 of Malaysian Code on Corporate Governance 2017 (MCCG) which stipulates that the Board discloses in its annual report the company's policies on gender diversity, its targets and measures to meet those targets.

Please explain.

The Company's responses: -

We acknowledged your remark about no woman director and shall be a consideration when select board member in future. We take note of your recommendation about Practice 4.5 of Malaysian Code on Corporate Governance 2017 and shall reinforce the write-up of "Workforce Diversity" section in future annual report. As presented during the closing of FY2019, gender diversity of workforce within the Group was at a healthy 48%/52% composition between male and female respectively.

- 2) We refer to the explanation in your Company's Corporate Governance Report in relation to Practice 12.3 of MCCG which stipulates that listed companies with a large number of shareholders or which have meetings in remote locations should leverage technology to facilitate:-
- Including voting in absentia; and
 - Remote shareholders' participation at General Meetings.

We wish to bring to the Board's attention that the Practice applies to all listed companies regardless of where the general meetings are held. The intention is to facilitate greater shareholder participation and therefore, it is important for the company to consider leveraging technology to facilitate electronic voting and remote shareholders participation. Shareholders can also exercise their voting rights without being physically present at General Meetings.

Please explain.

The Company's responses: -

Our 23rd AGM was conducted electronically in its entirety where shareholders are able to leverage on Remote Participation and Voting (RPV) facility.

- 3) 2 out of the Company's 3 independent directors (IDs) have exceeded the 12 year tenure as IDs. Tuan Haji Wan Mansoor bin Wan Omar and Mr. Tan Lip Gay are being proposed to be retained as IDs at the forthcoming AGM.

Considering that both of the aforesaid directors have exceeded the tenure of 12 years, will the Board be seeking shareholders' approval through a two-tier voting process as advocated by the MCCG?

The Company's responses: -

Yes, we sought the shareholders' approval for retention of long tenure independent directors through a two-tier voting process at our AGM