

D.B.E. GURNEY RESOURCES BERHAD

(Company No. 535763-A)

[Incorporated in Malaysia]

MINUTES OF THE EXTRAORDINARY GENERAL MEETING (EGM) OF THE COMPANY HELD AT INTAN 1, THE ORIENT STAR RESORT LUMUT, LOT 203 & 366, JALAN ISKANDAR SHAH, 32200 LUMUT, PERAK DARUL RIDZUAN ON MONDAY, 25TH NOVEMBER 2019 AT 10.30 A.M.

Present : **Board of Directors**
Dato' Doh Tee Leong (*Non- Independent Non-Executive Chairman*)
Dato' Ding Seng Huat (*Group Managing Director*)
Dato' Doh Jee Ming (*Executive Director*)
YM Ungku A Razak bin Ungku A Rahman (*Independent Non-Executive Director*)
Looi Sze Shing (*Independent Non-Executive Director*)
Sandeep Singh A/L Gurbachan Singh (*Independent Non-Executive Director*)
Mohamad Ali bin Ariffin (*Independent Non-Executive Director*)

Shareholders/Proxy Holders
As per Attendance List attached

In Attendance : Jesslyn Ong Bee Fang (*Company Secretary*)

1. CHAIRMAN

Dato' Doh Tee Leong, the Chairman of the Meeting took the Chair and welcomed all members to the Meeting.

2. QUORUM

Upon confirmation by the Secretary of the presence of a quorum, the Chairman called the Meeting to order and proceeded to business.

3. NOTICE OF MEETING

The Notice of the Meeting dated 6 November 2019, with the consents of the members, was taken as read.

4. ORDINARY RESOLUTION

PROPOSED DISPOSAL OF 51% EQUITY INTEREST IN D.B.E. POULTRY SDN. BHD., D.B.E. BREEDING SDN. BHD., D.B.E. HATCHERY SDN. BHD., D.B.E. MARKETING SDN. BHD., D.B.E. FOOD PROCESSING INDUSTRIES SDN. BHD., AND D.B.E. GURNEY CHICKEN SDN. BHD. TO DATO' DING SENG HUAT FOR A TOTAL CASH CONSIDERATION OF RM32,583,608 ("PROPOSED DISPOSAL")

The agenda of EGM was in respect of the proposed disposal of 51% equity interest in DBE subsidiary companies, namely D.B.E. Poultry Sdn Bhd, D.B.E. Breeding Sdn Bhd, D.B.E. Hatchery Sdn Bhd, D.B.E. Marketing Sdn Bhd, D.B.E. Food Processing Industries Sdn Bhd and D.B.E. Gurney Chicken Sdn Bhd to Dato' Ding Seng Huat, who is a Director of the Company for a total cash consideration of RM32,583,608.

The Chairman informed the Meeting that a Circular to Shareholders dated 6 November 2019 together with the Independent Advice Letter from Mercury Securities Sdn Bhd in relation to the Proposed Disposal had been circulated to all the members for information and consideration.

The Meeting was requested to consider the Ordinary Resolution on the Proposed Disposal, as duly set out in the notice of EGM dated 6 November 2019.

Shareholders were briefed that the Group's revenue from its poultry segment had decreased in the past 5 years and the Group had continued to record losses for the past 10 years. The property development segment of the Group had been the sole profit contributor to the Group for FYE 31 December 2018 and FPE 30 June 2019 with a recorded profit before tax of RM4.52 million for the FYE 31 December 2018 and RM4.39 million for the 6 months FPE 30 June 2019, respectively.

As such and coupled with the continued challenging operating environment of poultry related business moving forward, the Board believed that the offer by Dato' Ding Seng Huat to acquire a stake in the poultry business of DBE was seen as an opportunity for the Group to exit from its loss-making poultry business as well as stemming further potential losses to the Group and also to re-focus the Group's resources to expand its property development business.

On a proposal by Ms. Heng Pei Sian and seconded by Ms Liew See See, the following motion was put to the Meeting for a vote by way of poll:-

"THAT approval be and is hereby given to the Company to dispose of 51% equity interest in D.B.E. Poultry Sdn. Bhd., D.B.E. Breeding Sdn. Bhd., D.B.E. Hatchery Sdn. Bhd., D.B.E. Marketing Sdn. Bhd., D.B.E. Food Processing Industries Sdn. Bhd., and D.B.E. Gurney Chicken Sdn. Bhd. (collectively, the "Disposal Companies") to Dato' Ding Seng Huat ("DDSH") for a total cash consideration of RM32,583,608 in accordance with the terms and conditions contained in the conditional share sale agreement dated 2 October 2019 entered into between the Company and DDSH ("SSA"), as well as the terms and conditions in respect of the call option and the put option (as detailed under Section 2.4 of the Circular to Shareholders) in accordance to the SSA;

THAT the Board of Directors of DBE ("Board") be and is hereby authorised to use the proceeds from the Proposed Disposal as set out in Section 2.8 of the Circular to Shareholders dated 6 November 2019 and the Board be and is hereby authorised to revise the use of proceeds from the Proposed Disposal in the manner as it deems fit and in the best interests of the Company;

AND THAT the Board be and is hereby authorised and empowered to take all such steps and enter into all deeds, agreements, arrangements, undertakings, transfers and indemnities as it may deem fit, necessary, expedient and/or appropriate and in the best interests of the Company in order to implement, finalise, complete and give full effect to the Proposed Disposal and the terms and conditions of the SSA with full powers to assent to any conditions, modifications, variations and/or amendments as may be required by any relevant authorities as the Board deems fit, appropriate and in the best interests of the Company."

Dato' Ding Seng Huat being the interested director in the Proposed Disposal and the persons connected with him would all abstain from voting in this motion.

5. ADJOURNMENT OF MEETING AND DECLARATION OF POLLING RESULTS

The Meeting then adjourned until the counting of the votes had been completed and the results of the poll validated by the Independent Scrutineers, i.e LEOU ASSOCIATES PLT. The Meeting resumed after adjournment of approximately 20 minutes. The Chairman then announced that the Ordinary Resolution was CARRIED by way of poll at the EGM with the following results:

- 1,129,081,733 shares (representing 100.0% present and voting) voted **IN FAVOUR** of the Proposed Disposal.

6. TERMINATION OF MEETING

There being no other business, the Chairman declared the Meeting closed at 11.10 a.m and thanked the members for their attendance.

CONFIRMED AS A CORRECT RECORD



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DATO' DOH TEE LEONG
CHAIRMAN