

**TOP GLOVE CORPORATION BERHAD**

(Company No. 474423-X)

(Incorporated in Malaysia)

EXTRACT OF THE MINUTES OF THE EXTRAORDINARY GENERAL MEETING OF THE COMPANY HELD AT TG GRAND BALLROOM 1, LEVEL 9, TOP GLOVE TOWER, 16, PERSIARAN SETIA DAGANG, SETIA ALAM, SEKSYEN U13, 40170 SHAH ALAM, SELANGOR DARUL EHSAN ON WEDNESDAY, 10 OCTOBER 2018 AT 10:00 A.M.

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<b>DIRECTORS PRESENT</b>	:	Tan Sri Dato' Seri Utama Arshad Bin Ayub ( <i>Chairman of the Meeting</i> ) Tan Sri Dr Lim Wee Chai ( <i>Chairman of the Board</i> ) Tan Sri Rainer Althoff Dato' Lee Kim Meow ( <i>Managing Director</i> ) Puan Sri Tong Siew Bee Dato' Lim Han Boon Datuk Noripah Binti Kamso Mr Lim Cheong Guan Ms Sharmila Sekarajasekaran Mr Simon Tay Seong Chee
<b>ABSENT WITH APOLOGIES</b>	:	Datuk Dr Norma Mansor Mr Lim Hooi Sin
<b>ABSENT</b>	:	Mr Low Chin Guan
<b>MEMBERS</b>	:	As per Attendance List
<b>CORPORATE REPRESENTATIVE</b>	:	As per Attendance List
<b>PROXYHOLDERS</b>	:	As per Attendance List
<b>BY INVITATION</b>	:	As per Attendance List
<b>IN ATTENDANCE</b>	:	Ms Chin Mun Yee ( <i>Company Secretary</i> )

**WELCOME ADDRESS**

Dato' Lee Kim Meow ("**Dato' KM Lee**"), the Managing Director of the Company welcomed all present to the Extraordinary General Meeting of the Company and introduced the Board of Directors and the Company Secretary of the Company to all present.

The Meeting was informed that Datuk Dr Norma Mansor, the Independent Non-Executive Director of the Company and Mr Lim Hooi Sin, the Executive Director of the Company had extended their sincere apologies for their absence from the Meeting due to their other business commitment.

The Meeting noted that this Meeting was called pursuant to the receipt by the Company of a notice under Section 311(3)(a) of the Companies Act 2016 from a member of the Company with a shareholding of more than 10% of the paid-up capital of the Company carrying the

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right of voting at meetings of members of the Company, excluding any paid-up capital held as treasury shares.

**CHAIRMAN**

With the consent from the shareholders present at the Meeting, Tan Sri Dr Lim Wee Chai, the Chairman of the Company handed over the chair for the Meeting to Tan Sri Dato' Seri Utama Arshad Bin Ayub, the Senior Independent Non-Executive Director of the Company.

Tan Sri Dato' Seri Utama Arshad Bin Ayub ("**Tan Sri Chairman**") then took over the chair from Tan Sri Dr Lim Wee Chai and chaired the Meeting. Tan Sri Chairman welcomed all present to the Extraordinary General Meeting of the Company and called the Meeting to order at 10:05 a.m.

**QUORUM**

The requisite quorum being present pursuant to Article 70 of the Company's Articles of Association, Tan Sri Chairman declared the Meeting duly convened.

The Meeting was informed that proxies have been received from 408 shareholders, representing 988,558,199 shares (77.22%) within the stipulated prescribed period of forty-eight (48) hours before the time for convening the Meeting.

The Meeting noted that the Company applied 3 October 2018 as the determinant date of the General Meeting Record of Depositors.

In compliance with Bursa Malaysia Securities Berhad Main Market Listing Requirements and pursuant to Article 74 of the Company's Articles of Association, the resolution set out in the Notice of the Meeting shall be voted by poll via electronic means to expedite verification and counting of votes.

The Meeting was informed that the Company's share registrar, Securities Services (Holdings) Sdn. Bhd. was appointed to act as the poll administrator and Commercial Quest Sdn. Bhd. was appointed to act as the independent scrutineer to verify the results of the poll.

The Meeting was further informed that the poll would be conducted upon completion of all deliberations on the resolution indicated in the Notice of Meeting dated 12 September 2018.

**NOTICE**

The Notice convening the Meeting having been circulated within the prescribed period, was with the permission of the Meeting, taken as read.

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**1.0 ORDINARY RESOLUTION**

**- THAT LOW CHIN GUAN (NRIC NO. 600223-10-6371) BE AND IS HEREBY REMOVED AS DIRECTOR OF THE COMPANY WITH IMMEDIATE EFFECT**

Tan Sri Chairman informed that the only item on the Agenda was to obtain the shareholders' approval on the removal of Mr Low Chin Guan as a Director of the Company with immediate effect.

Tan Sri Dr Lim Wee Chai was called upon to explain the reason for giving a notice of requisition pursuant to Section 311(3)(a) of the Companies Act 2016 dated 27 August 2018 for the removal of Mr Low Chin Guan as a Director of the Company.

The Meeting noted the following as briefed by Tan Sri Dr Lim Wee Chai:

- (i) Mr Low Chin Guan was appointed as a Director of the Company on 4 April 2018 upon the successful completion of the purchase of shares of Aspion Sdn Bhd ("**Aspion**") and its subsidiaries ("**the Aspion Group**") by Top Care Sdn Bhd from Adventa Capital Pte Ltd ("**ACPL**") where the Company was the guarantor ("**the SPA**"). Top Care Sdn Bhd is a wholly-owned subsidiary of the Company at all material times;
- (ii) After the completion of the SPA, the Company was given access to the Aspion Group's accounting system which revealed that certain representations made by Mr Low Chin Guan to Top Care Sdn Bhd and the Company prior to the SPA were false;
- (iii) As a Director of the Company and the Managing Director of the Aspion Group, Mr Low Chin Guan has a duty to disclose to the Board of Directors of the Company the true financial position of the Aspion Group. The disclosure of the true financial position of the Aspion Group would have a material impact on the Aspion Group's ability in meeting the Core Profit After Tax for the relevant period ending on 30 October 2018, the Core Profit After Tax for the relevant period ending on 30 October 2019, the 2018 Finessis Incentive, the 2019 Finessis Incentive and the 2020 Finessis Incentive;
- (iv) Certain matters have come to the Board's attention and based on the same, it was the view of the Board that Mr Low Chin Guan had not only failed to disclose the true financial position of the Aspion Group, Mr Low Chin Guan was also taking steps to continue concealing the true financial position of the Aspion Group to the Company until the recent discovery by Top Care Sdn Bhd and the Company. This amounted to a persistent breach of Mr Low Chin Guan's duty as a Director of the Company and Managing Director of the Aspion Group. This persistent breach was not capable of being remedied;
- (v) The Company and Top Care Sdn Bhd had taken legal action against Mr Low Chin Guan for amongst others, making fraudulent misrepresentations as to the financial performance of Aspion Group by way of Suit No: WA-22NCC-255-06/2018 at the High Court of Malaya at Kuala Lumpur;

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- (vi) By reason of the above, the fundamental trust and confidence placed upon Mr Low Chin Guan was no longer exist;
- (vii) It was therefore no longer tenable for Mr Low Chin Guan to continue to act as a Director of the Company; and
- (viii) Accordingly, Tan Sri Dr Lim Wee Chai had requested that Mr Low Chin Guan be removed as a Director of the Company immediately.

Tan Sri Chairman informed that the Company had on 9 October 2018 at 1:47 p.m. received a written representation from Mr Low Chin Guan.

Ms Chin Mun Yee, the Company Secretary of the Company thereafter, read the contents of the aforesaid written representation in its entirety as per "Annexure I" attached to this Minutes and the Meeting noted the same as briefed.

Tan Sri Chairman then invited the shareholders to raise questions relating to the removal of Mr Low Chin Guan as a Director of the Company.

Several questions were raised at the Meeting and were addressed by the Board as stipulated under "Annexure A" as attached.

The resolution was proposed by Mr. Leung Shing Fook, a shareholder and seconded by Mr. Ng Aik Pheng, a shareholder.

**2.0 POLLING PROCESS**

Tan Sri Chairman informed that the Meeting would be adjourned for electronic poll voting for the proposed resolution and declared that the registration for attendance at the Meeting be closed. The Company Secretary of the Company then briefed the Meeting on the procedure of the electronic polling process. The Meeting was adjourned at 11:30 a.m. for shareholders, proxy holders and corporate representative to cast their votes.

The results of the poll were verified by independent scrutineer from Commercial Quest Sdn. Bhd.

**3.0 ANNOUNCEMENT OF POLL RESULTS**

The Meeting resumed at 11:40 a.m. and Tan Sri Chairman announced the result of the poll as follows:

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Resolution	Vote in Favour		Vote Against	
	No. of Shares	%	No. of Shares	%
<b>Ordinary Resolution - Removal of Low Chin Guan as Director of the Company</b>	<b>898,756,285</b>	<b>89.09</b>	<b>110,088,117</b>	<b>10.91</b>

Based on the results of the poll voting, Tan Sri Chairman declared that the following resolution be **CARRIED**:

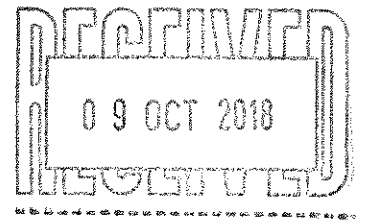
**ORDINARY RESOLUTION**

**"THAT** Low Chin Guan (NRIC No. 600223-10-6371) be and is hereby removed as Director of the Company with immediate effect."

**TERMINATION**

Tan Sri Chairman concluded the Meeting and thanked all present for their attendance. The Meeting was closed at 11:45 a.m. with a vote of thanks to Tan Sri Chairman.

Low Chin Guan  
22, Lorong Desa Maju, Taman Desa,  
58100 Kuala Lumpur



Annexure I

9<sup>th</sup> October 2018

**Top Glove Corporation Berhad**

Level 21, Top Glove Tower,  
16, Persiaran Setia Dagang,  
Setia Alam, Seksyen U13,  
40170 Shah Alam  
Selangor, Malaysia

*By Hand*

Dear Sirs,

**Re: Notice of Extraordinary General Meeting dated 12<sup>th</sup> September 2018 : Intended Removal of Low Chin Guan from the Board of Directors of Top Glove Corporation Berhad**

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1. I refer to the Notice of Extraordinary General Meeting of Top Glove Corporation Berhad ("Company") dated 12<sup>th</sup> September 2018, giving notice that an Extraordinary General Meeting ("EGM") will be held on 10<sup>th</sup> October 2018 at 10.00 a.m. to consider my removal as a director of the Company with immediate effect.
  
2. Pursuant to Section 207 of the Companies Act 2016, I hereby make the following written representation in relation to the resolution to remove me as a director, and request that the same be notified to the members of the Company and/or to be read out at the EGM:-
  - (i) I make this representation in my personal capacity and on behalf of Adventa Capital Pte Ltd. ("Adventa").
  
  - (ii) The Company and Top Care Sdn Bhd have unlawfully and/or in breach of the Share Purchase Agreement dated 12<sup>th</sup> January 2018 entered into with

Adventa Capital ("SPA"), removed Wong Chin Toh ("Wong"), Kwek Siew Leng ("Kwek") and I from Aspion Sdn Bhd's Board of Directors.

- (iii) This action to remove me from the Board of Directors of the Company, is unlawful and/or is a further breach of the SPA. I regret that the Company is proposing to take this course of action, which has serious ramifications for me, premised only on suspicions that I have been fraudulent. I am not guilty of any fraudulent conduct.
- (iv) In this regard, the Company and Top Care Sdn Bhd will be held responsible for all losses that have been suffered or may be suffered in future by Adventa Capital and the individuals who have been subject to litigation, including myself, arising from and/or in relation to the actions set out in paragraphs 2(ii) and 2(iii) above, including but not limited to the loss of the Finessis Incentive Payments pursuant to, amongst others, Schedule 2, Clause 2 of the SPA.
- (v) As a result of the actions of the Company and Top Care Sdn Bhd, Adventa Capital no longer considers itself under any further obligation under the Core PAT Shortfall clause pursuant to Schedule 3, Clause 2 of the SPA.
- (vi) For the record, the allegations levelled in public and the litigation against Adventa Capital, Wong, Kwek and I are denied and unfounded. The transaction was concluded between the parties with the involvement and assistance of their respective financial and legal advisors. This is nothing more than an attempt to obtain a reduction of an otherwise agreed purchase consideration under the SPA.

3. In view of the implications to the Company under the SPA, the Company owes its members a candid explanation for the actions taken by the Company, as set out above.
  
4. I reserve all my rights in the matter.

Yours sincerely,



.....  
Low Chin Guan,  
Director,  
Adventa Capital Pte Ltd.



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**QUERIES FROM THE MEMBERS**

Mr Wan Heng Wah, a shareholder and proxy enquired whether the Company has served any show cause letter to Mr Low Chin Guan ("**Mr Low**") and/or conduct any domestic inquiry in relation to the fraudulent misrepresentation made by Mr Low to Top Care Sdn Bhd other than removing him as a Director of the Company.

Mr Lim Cheong Guan ("**Mr CG Lim**"), the Executive Director of the Company replied that the removal of Mr Low as a Director of the Company was initiated by the shareholder of the Company and not by the Company.

Mr. Ng Aik Pheng ("**Mr. Ng**"), a shareholder opined that the Board should seek for an amicable solution in rectifying the material impact arising from the irregularities in Aspion Sdn Bhd group's ("**Aspion Group**") accounts rather than taking legal action against Mr Low which would be time consuming and costly to the Company. In addition, Mr. Ng Aik Pheng enquired on the reason for the late discovery of such irregularities after completion of the acquisition, given that the Company operates in the same industry as Aspion Group, in which the Board and Management should have sufficient knowledge and experience in identifying any discrepancy or issue.

Tan Sri Dr Lim Wee Chai ("**Tan Sri Lim**") replied that Aspion Group contributes approximately 5% of the total profit of Top Glove Corporation Bhd group of companies. Management took immediate corrective actions upon discovering irregularities in Aspion Group's accounts and took legal action against Mr Low in order to protect the interests of the Company and its shareholders. It is imperative for the Company to take legal action against Mr Low in upholding the core values of the Company i.e., honesty, integrity and transparency. The Board has a fiduciary duty and responsibility to update the shareholders of the Company on the progress of the aforesaid matter expeditiously and announcement would be made to Bursa Malaysia Securities Berhad via Bursa LINK on any material update on the aforesaid legal case from time to time.

Mr. Ng further enquired whether there is any adjustment/impairment needs to be performed in the financial results of the Company arising from the legal suits?

Mr. CG Lim replied that impairment test has been conducted of which the Company will release its unaudited 4QFY18 Financial Result on the next day after the Board meeting.

Mr. Lim Pin Yeong, a shareholder raised the following questions:

- 1) Whether proper financial and legal due diligence had been conducted prior to the acquisition of Aspion Group?

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- 2) Who are the professional parties involved in the due diligence process in terms of financial and legal aspects for the acquisition of Aspion Group?
- 3) What are the legal implications and responsibilities of the professional parties mentioned in question no. 2 above following the fraudulent misrepresentation of the financial position of Aspion Group?

Mr. CG Lim replied to questions nos. 1 and 2 as follows:

- Proper and thorough information/data due diligence had been conducted on the acquisition of Aspion Group by the relevant professional parties including Management. However, the vendor did not permit for an on-site due diligence to be conducted due to competitive reason since the Company operates in the same industry as Aspion Group and also thru the bidding process were the vendor will not be able to allow every bidder to perform on-site due diligence. Hence, no stock count was performed at Aspion Group's operation site. In return, a warranty of RM50 million and a profit guarantee of RM100.0 million was provided by Adventa Capital Pte Ltd ("**Adventa**") in case there is any discrepancy in the financial performance of Aspion Group. In view that the discrepancies were not due to unintended errors in the financial results of Aspion Group but fraudulent misrepresentation on the financial performance of Aspion Group, the Board had decided not to rely solely on the warranty by Adventa but to pursue legal action.
- The financial and legal due diligence was conducted by Messrs. KPMG PLT and Messrs. Christopher & Lee Ong, respectively whereas the adviser was Hong Leong Investment Bank Berhad.

Tan Sri Lim replied to question no. 3 as follows:

- The fraudulent misrepresentation and the attempt of window dressing of the financial performance of Aspion Group was unpredictable to all the parties involved in the acquisition of Aspion Group. Hence, the Board would work with the professional parties to resolve the aforesaid issue.

Mr. Ho Yueh Weng, a proxy raised the following questions:

- 1) Why did the Company bring an ex-parte Mareva injunction against Adventa and Mr Low?
- 2) As the lawsuits were filed in the Kuala Lumpur High Court and the High Court of Republic of Singapore, with an ex-parte Mareva injunction, what is the impact to the Company if the Company lost the lawsuits in either Malaysia or Singapore?

Tan Sri Lim replied to question nos. 1 and 2 as follows:

- The rationale for the ex-parte Mareva injunction is to freeze and prevent dissipation of assets by Aspion Group before the finalisation of the lawsuits.

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- Based on the advice of the legal counsel, the likelihood of the Company succeeding the lawsuits is high based on the concrete evidence gathered on the fraudulent misrepresentation of the financial performance of Aspion Group and details of which could be obtained from the court papers.

In this vein, Mr Simon Tay Seong Chee (“**Mr Simon**”), the Independent Non-Executive Director of the Company emphasised that the Board has a duty to uphold a sound governance in order to protect the interests of the Company and its shareholders and further urged the members to limit the discussions on the lawsuits in view that the lawsuits are still on-going. Given the nature of the lawsuits, it is implausible and untenable for the Board to continue working with Mr Low as a team. Hence, Mr Simon urged the shareholders to support the proposal on the removal of Mr Low from the Board in order for the Board and Management to continue and concentrate on its business operations.

Mr. Rien Hashim, a proxy raised the following questions:

- 1) As the fraudulent misrepresentation of the financial statements involved a public listed company, would the Board lodge a complaint to the Malaysian Institute of Accountant (“**MIA**“)?
- 2) Was Mr Low invited to attend this Meeting?

Mr. CG Lim replied to the question nos. 1 and 2 as follows:

- Adventa is a private company incorporated in Singapore and not listed in Bursa Malaysia Securities Berhad.
- Mr Low, being the Director and shareholder of the Company was invited to attend the Meeting.

Tan Sri Lim added that the Board would seek the advice of the legal counsels and the Company’s finance team whether to file a complaint to the MIA as proposed by Mr. Rien Hashim.