

AVARGA LIMITED
(Company Registration No. 196700346M)
(Incorporated in the Republic of Singapore)
(the “**Company**”)

Minutes of the Fifty-Third Annual General Meeting of the Company (“AGM” or the “Meeting”)

Date : Friday, 26 June 2020

Time : 2:30 p.m.

Place : Held by electronic means

Present : Directors

Mr Tong Kooi Ong – Executive Chairman
Mr Tong Ian – Executive Director and Chief Executive Officer (“**TI**”)
Mr Gary Ho Kuat Foong – Lead Independent Director
Ms Ng Shin Ein – Independent Non-Executive Director
Dato’ Seri Kalimullah bin Masheerul Hassan – Independent Non-Executive Director
Ms Chan Lay Hoon – Non-Independent Non-Executive Director
Mr Loh Chen Peng – Independent Non-Executive Director

Key Management Personnel

Mr Khoo Hsien Meng Kevin – President Investments and Power Generation
Ms Ng Lee Huang – Managing Director, UPP Pulp & Paper (M) Sdn. Bhd.
Mr Koh Wan Kai – Executive Officer
Ms Tai Lai Yeen – Group Finance Manager

In Attendance/By Invitation

As per attendance sheets maintained by the Company

Shareholders

As per attendance sheets maintained by the Company

Chairman : Mr Tong Kooi Ong (the “**Chairman**” or “**TKO**”) | Resolutions 1, 2, 3, 4, 6, 7 and 8
Mr Gary Ho Kuat Foong (“**GH**”) | Resolutions 5, 9 and 10

WELCOME ADDRESS

The Chairman welcomed the shareholders of the Company who had joined the Meeting. He informed that due to the Covid-19 situation and the safe distancing measures, the Meeting had to be conducted by electronic means through webcast and audio-only stream.

The Chairman introduced the Company’s Board members and key management personnel, who were all present at the Meeting.

PRESENTATION

Prior to proceeding with the business of the Meeting, the Chairman invited TI to give a presentation.

TI informed that the Company had compiled shareholder questions prior to the Meeting and would be addressed through the presentation. Additional questions following the Meeting can be sent to the company email.

TI then proceeded to give the presentation covering the following topics, as detailed in the (1) transcript of the responses to substantial and relevant questions received from shareholders for the AGM; and (2) presentation slides; which were released on the SGXNet on 26 June 2020. Shareholders may also find the recording of the Meeting and the expanded slide deck of the presentation on the Company's website:

- (1) Questions received from shareholders;
- (2) Financing activities of the Group;
- (3) Net Cash/(Debt) of the Company;
- (4) Business of the Group;
- (5) Dividend policy of the Company;
- (6) Response of the Group to Covid-19;
- (7) Impact of Covid-19 to the Group; and
- (8) Outlook of the Group.

The Meeting was handed back to the Chairman thereafter.

QUORUM

With the presence of the requisite quorum, the Chairman called the Meeting to order.

NOTICE OF MEETING

The notice convening the Meeting was taken as read.

The Chairman informed that the Company had received proxy forms from shareholders appointing Chairman of the Meeting as their proxy to vote on their behalf on the resolutions tabled at the Meeting.

POLLING PROCESS

The Chairman informed that all proposed resolutions at the Meeting be voted by way of poll and Ardent Business Advisory Pte. Ltd. had been appointed as scrutineer for the Meeting (the "**Scrutineer**"). The Scrutineer had independently checked and verified the validity of the proxy forms and votes received by the Company before the Meeting. Results of the poll for each resolution would be announced during the Meeting.

MEETING AGENDA

RESOLUTION 1

Directors' Statement and Audited Financial Statements for the Financial Year Ended 31 December 2019 together with the Auditors' Report thereon

The Meeting proceeded to receive and consider the Directors' Statement and audited financial statements for the financial year ended 31 December 2019 together with the Auditors' Report thereon.

The following ordinary resolution was proposed by the Chairman:

"That the Directors' Statement and audited financial statements of the Company for the financial year ended 31 December 2019 together with the Auditors' Report thereon be hereby received and adopted."

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The results of the poll for the motion were as follows:

Votes	No. of Votes	Percentage
For	522,839,225	100.00%
Against	0	0.00%

By all votes received in favour of the resolution, the Chairman declared the resolution duly carried.

RESOLUTION 2**Payment of Final Dividend of 0.50 cent per Share for the Financial Year Ended 31 December 2019**

The following ordinary resolution was proposed by the Chairman:

“That the final dividend of 0.50 cent per share, be paid for the financial year ended 31 December 2019, be hereby approved.”

The results of the poll for the motion were as follows:

Votes	No. of Votes	Percentage
For	522,839,225	100.00%
Against	0	0.00%

By all votes received in favour of the resolution, the Chairman declared the resolution duly carried.

RESOLUTION 3**Payment of Directors' Fees of up to S\$500,000/- for the Financial Year Ending 31 December 2020**

The following ordinary resolution was proposed by the Chairman:

“That the payment of directors' fees of up to S\$500,000/- for the financial year ending 31 December 2020 be hereby approved.”

The results of the poll for the motion were as follows:

Votes	No. of Votes	Percentage
For	522,839,225	100.00%
Against	0	0.00%

By all votes received in favour of the resolution, the Chairman declared the resolution duly carried.

RESOLUTION 4**Re-election of Mr Loh Chen Peng, who is retiring pursuant to Regulation 114 of the Company's Constitution**

The following ordinary resolution was proposed by the Chairman:

“That Mr Loh Chen Peng, who retires under regulation 114 of the Company's constitution, be hereby re-elected director of the Company.”

The results of the poll for the motion were as follows:

Votes	No. of Votes	Percentage
For	522,737,025	99.98%
Against	102,200	0.02%

By a majority votes received in favour of the resolution, the Chairman declared the resolution duly carried.

RESOLUTION 5

**Re-election of Mr Tong Kooi Ong,
who is retiring pursuant to Regulation 103 of the Company's Constitution**

As this agenda item dealt with the re-election of the Chairman, TKO accordingly passed the chair to GH.

GH proposed:

"That Mr Tong Kooi Ong, who retires under regulation 103 of the Company's constitution, be hereby re-elected director of the Company."

The results of the poll for the motion were as follows:

Votes	No. of Votes	Percentage
For	522,737,025	99.98%
Against	102,200	0.02%

By a majority votes received in favour of the resolution, GH declared the resolution duly carried.

GH then handed the chair back to TKO to continue with the proceedings of the Meeting.

RESOLUTION 6

**Re-election of Mr Tong Ian,
who is retiring pursuant to Regulation 103 of the Company's Constitution**

The Chairman thanked GH and proceeded to the next agenda item.

The Chairman proposed:

"That Mr Tong Ian, who retires under regulation 103 of the Company's constitution, be hereby re-elected director of the Company."

The results of the poll for the motion were as follows:

Votes	No. of Votes	Percentage
For	522,737,025	99.98%
Against	102,200	0.02%

By a majority votes received in favour of the resolution, the Chairman declared the resolution duly carried.

RESOLUTION 7

Re-Appointment of Nexia TS Public Accounting Corporation as Auditors of the Company

The Chairman informed that Nexia TS Public Accounting Corporation had expressed their willingness to continue in office.

Thereupon, the Chairman proposed:

"That Nexia TS Public Accounting Corporation be hereby re-appointed as auditors of the Company for the financial year ending 31 December 2020 at a fee to be agreed upon with the directors and to hold office until the conclusion of the next annual general meeting."

The results of the poll for the motion were as follows:

Votes	No. of Votes	Percentage
For	522,839,225	100.00%
Against	0	0.00%

By all votes received in favour of the resolution, the Chairman declared the resolution duly carried.

RESOLUTION 8

Authority to Issue and Allot Shares

The following ordinary resolution was proposed by the Chairman:

“That pursuant to Section 161 of the Companies Act, Chapter 50 (the “Act”) and the rules, guidelines and measures issued by the Singapore Exchange Securities Trading Limited (the “SGX-ST”), the Directors of the Company be and are hereby authorised and empowered to issue:

- (i) shares in the capital of the Company (“shares”);*
- (ii) convertible securities;*
- (iii) additional convertible securities issued pursuant to adjustments; or*
- (iv) shares arising from the conversion of the securities in (ii) and (iii) above,*

(whether by way of rights, bonus or otherwise in pursuance of any offer, agreement or option made or granted by the Directors during the continuance of this authority or thereafter) at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit (notwithstanding the authority conferred by this Resolution may have ceased to be in force), provided that:

- (1) the aggregate number of shares to be issued pursuant to this Resolution (including shares to be issued in pursuance of convertible securities made or granted pursuant to this Resolution) does not exceed one hundred per cent. (100%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company as calculated in accordance with sub-paragraph (2) below (“Issued Shares”), provided that the aggregate number of shares to be issued other than on a pro rata basis to shareholders of the Company (including shares to be issued in pursuance of convertible securities made or granted pursuant to this Resolution) does not exceed twenty per cent. (20%) of the total number of Issued Shares;*
- (2) (subject to such manner of calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of shares that may be issued under sub-paragraph (1) above, the percentage of Issued Shares shall be based on the total number of Issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company at the time this Resolution is passed, after adjusting for:*
 - (i) new shares arising from the conversion or exercise of any convertible securities;*
 - (ii) (where applicable) new shares arising from exercising share options or vesting of share awards, provided the options or awards were granted in compliance with the Listing Manual; and*
 - (iii) any subsequent bonus issue, consolidation or subdivision of shares.*

Adjustments in accordance with the abovementioned (i) or (ii) are only to be made in respect of new shares arising from convertible securities, share options or share awards which were issued and outstanding or subsisting at the time of the passing of this Resolution; and

- (3) *in exercising the authority conferred by this Resolution, the Company shall comply with the rules, guidelines and measures issued by the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the Constitution of the Company; and (unless revoked or varied by the Company in General Meeting), in respect of sub-paragraph (1) above the authority conferred by this Resolution shall continue in force until the conclusion of the next Annual General Meeting of the Company (“AGM”) or the date by which the next AGM of the Company is required by law to be held, whichever is earlier.”*

The results of the poll for the motion were as follows:

Votes	No. of Votes	Percentage
For	519,422,725	99.35%
Against	3,416,500	0.65%

By a majority votes received in favour of the resolution, the Chairman declared the resolution duly carried.

RESOLUTION 9

Authority to Issue Shares under the Avarga Group Employees’ Share Option Scheme 2018 (“Avarga Group ESOS 2018”)

As the Chairman was regarded an interested party to resolutions 9 and 10, the chair was passed to GH.

The following ordinary resolution was proposed by GH:

“That the Directors be authorised and empowered to issue from time to time such number of shares in the capital of the Company as may be required to be issued pursuant to the exercise of options granted by the Company under the Avarga Group ESOS 2018, whether granted during the subsistence of this authority or otherwise, provided always that the aggregate number of additional ordinary shares to be issued pursuant to the Avarga Group ESOS 2018 and such other share-based incentive scheme shall not exceed fifteen per cent. (15%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company from time to time and that such authority shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is earlier.”

The results of the poll for the motion were as follows:

Votes	No. of Votes	Percentage
For	224,058,725	98.50%
Against	3,416,500	1.50%

By a majority votes received in favour of the resolution, GH declared the resolution duly carried.

RESOLUTION 10

Proposed Renewal of Share Buy-Back Mandate

The following ordinary resolution was proposed by GH:

- (a) *That for the purposes of Sections 76C and 76E of the Act, the exercise by the Directors of all the powers of the Company to purchase or otherwise acquire issued ordinary shares of the Company (the “Shares”) not exceeding in aggregate the Prescribed Limit (as hereinafter defined), at such price or prices as may be determined by the Directors from time to time up to the Maximum Price (as hereinafter defined), whether by way of:*

- (i) on-market purchases (each an “**On-Market Share Purchase**”) on the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”); and/or
- (ii) off-market purchases (each an “**Off-Market Share Purchase**”) effected in accordance with any equal access scheme(s) as may be determined or formulated by the Directors as they may consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Act,

and otherwise in accordance with all other laws and regulations and rules of the SGX-ST as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (the “**Share Purchase Mandate**”);

- (b) unless varied or revoked by the Company in general meeting, the authority conferred on the Directors pursuant to the Share Purchase Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the date of the passing of this Resolution and expiring on the earliest of:

- (i) the date on which the next AGM of the Company is held;
- (ii) the date by which the next AGM of the Company is required by law to be held; and
- (iii) the date on which the purchase of Shares by the Company pursuant to the Share Purchase Mandate is carried out to the full extent mandated;

- (c) in this Resolution:

“**Prescribed Limit**” means 10% of the total number of issued Shares as at the date of the passing of this Resolution (excluding any Shares which are held as treasury shares or subsidiary holdings as at that date); and

“**Maximum Price**” in relation to a Share to be purchased, means an amount (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses) not exceeding:

- (i) in the case of an On-Market Share Purchase, 105% of the Average Closing Price; and
- (ii) in the case of an Off-Market Share Purchase, 120% of the Average Closing Price,

where:

“**Average Closing Price**” means the average of the closing market prices of a Share over the last 5 Market Days (“**Market Day**” being a day on which the SGX-ST is open for securities trading), on which transactions in the Shares were recorded, before the day on which the On-Market Share Purchase was made or before the date of the Company’s announcement of an offer for the Off-Market Share Purchase, as the case may be, and deemed to be adjusted for any corporate action that occurs during the above-mentioned relevant 5 Market Days and the day on which the On-Market Share Purchase was made; and

- (d) the Directors of the Company and/or each of them be and are/is hereby authorised to complete and do all such acts and things as they and/or he may consider necessary, desirable necessary, expedient, incidental or in the interests of the Company to give effect to the transactions contemplated and/or authorised by this Resolution.”

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The results of the poll for the motion were as follows:

Votes	No. of Votes	Percentage
For	227,475,225	100.00%
Against	0	0.00%

By all votes received in favour of the resolution, GH declared the resolution duly carried.

GH then handed the chair back to TKO to continue with the proceedings of the Meeting.

CONCLUSION

There being no other ordinary business to be transacted, the Chairman declared the Meeting closed at 3.02 p.m. and thanked the shareholders for their attendance.

Signed as true records
of the proceedings thereat

TONG KOOI ONG
Chairman