

UMS HOLDINGS LIMITED
(Company Registration No.:200100340R)
(Incorporated in Singapore)
(the “Company”)

MINUTES OF ANNUAL GENERAL MEETING

PLACE : Empress Ballroom 5, Level 2, Carlton Hotel Singapore, 76 Bras Basah Road, Singapore 189558

DATE : Wednesday, 26 April 2023

TIME : 10.00 a.m.

CHAIRMAN : Mr Luong Andy

PRESENT : **Directors**
Mr Loh Meng Chong, Stanley
Mr Chay Yiowmin
Ms Gn Jong Yuh, Gwendolyn
Datuk Phang Ah Tong

Shareholders
Please see Attendance List.

QUORUM

At 10.00 am, the Chairman welcomed all shareholders present at the Annual General Meeting (“**AGM**” or “**Meeting**”) of the Company and introduced the members of the Board to those present at the meeting.

The Chairman informed that he had requested the Lead Independent Director, Mr Chay Yiowmin (“**Mr Chay**”) to assist him with the proceedings of the AGM.

As a quorum was present, on behalf of the Chairman, Mr Chay called the AGM to order.

NOTICE

Mr Chay informed the Meeting that Notice of AGM had been sent to members by electronic means via publication on the Company’s website and SGXNet. Pertinent information relating to the proposed Resolutions tabled for the AGM were set out in the Notice of AGM issued on 10 April 2023. As such, the Notice convening the Meeting was taken as read.

Mr Chay informed the Meeting that the Company had responded to those questions received from the Securities Investors Association (Singapore) through an announcement published on SGXNet after trading hours on 20 April 2023.

The Meeting was informed that several shareholders had appointed the Chairman as their proxy and he will be voting on the resolutions according to their instructions.

In compliance with Rule 730A of the Listing Manual, on behalf of Chairman, Mr Chay informed that all resolutions tabled at the Meeting would be voted by way of poll. S C Teo & Co. was appointed as scrutineers for the poll, and the poll would be conducted in a paperless manner using a wireless hand-held device. Complete Corporate Services Pte Ltd was appointed as the polling agent. The poll procedures were explained to the shareholders. A trial test of the polling was conducted to familiarise the shareholders on the process.

ORDINARY BUSINESS:**1. RESOLUTION 1 – DIRECTORS’ STATEMENT AND AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 AND THE AUDITORS’ REPORT THEREON**

The Meeting proceeded to receive and adopt the Directors’ Statement and the Audited Financial Statements for the financial year ended 31 December 2022 (“**FY2022**”) and the Auditors’ Report thereon.

Mr Chay invited shareholders to raise questions on the aforesaid resolution.

Ms Law Lan Hua (“**Ms Law**”) referred to page 83 of the annual report and noted that earnings per share of the Group had increased from Singapore cents 7.96 to 14.71 for the financial year ended 31 December 2022 and page 3 of the annual report that the outlook of the Company for the next 6 months will be softer. Mr Luong Andy (“**Mr Luong**”) replied that despite softer outlook for the next 6 months, the Company would continue to perform well and remain profitable. Mr Luong shared that the Company is making new investments in Malaysia although the semiconductor segment is currently experiencing a slowdown especially due to softening demand. However, he is optimistic that the semiconductor market will rebound in Q4FY2023.

In response to Ms Law’s enquiry regarding the pioneer tax status, Mr Luong informed that the application for the reinstatement of its pioneer tax status for one of its Malaysia subsidiaries, Ultimate Manufacturing Solutions (M) Sdn. Bhd. had been approved by Malaysian Investment Development Board (MIDA) for another 5 years.

Having noted that the Company had commenced the First Article Inspection (FAI) for the new customer, Mr Ting Kian Wei (“**Mr Ting**”) enquired on whether the Company would manufacture a series of semiconductor components or the integrated system for the new customer. Mr Luong responded that the Company is currently in the process of establishing new production capacity for the factory of the new customer but no official announcement has been made. Mr Luong added that the Company would continue to support its existing customers while simultaneously exploring strategies for diversifying its customer base.

Mr Ting further enquired whether the Company would produce system integration components as new product. Mr Luong replied that the Company would invest in manufacturing any new products that would generate profit to the Company. Mr Ting also enquired on whether the 3D printing machine would affect the products that the Company currently manufacture and whether the Company would consider manufacturing 3D printing machine. Mr Luong replied negatively after taking into consideration the current market demand for the 3D printing machine.

Mr Ting requested the Management to provide the description of the new factory in Penang in terms of its efficiency and advancement in its machinery. Mr Luong replied that the new factory would be equipped with more advanced and high-tech machines, which would be operational and ready to accept and take orders in Q3FY2023.

Ms Chua Ser Khoon (“**Ms Chua**”) enquired about the labour shortage issue and whether the labour cost for the financial year ending 31 December 2023 will be significant to the Company. Mr Luong replied that labour shortage issue has been resolved as the Company has hired 500 foreign workers for the new factory in Penang, however, the labour cost have increased due to inflation. In response to Ms Chua’s further enquiry on the utility cost of the Company, Mr Luong informed that the utility cost in Singapore has gone up from 40% to 50%. However, to alleviate the electricity burden, the Company has implemented solar panel operations in both its factories in Malaysia and Singapore. In addition, the Company had also made some price adjustments of the customers due to the increase in raw materials and labour cost.

Ms Chua sought clarification from Management on the services provided by Sure Achieve Consultant Pte. Ltd. ("**Sure Achieve**") to the Company as a result of the increase in the aggregate transacted value of the interested party transactions ("**IPT**") between the Group and Sure Achieve. Mr Chay explained that the amount paid to Sure Achieve was related to the marketing consultancy fee. Ms Gn Jong Yuh Gwendolyn ("**Ms Gn**") added that the Audit Committee has reviewed the service rendered by Sure Achieve as well as the amount paid on quarterly basis. Ms Gn highlighted that the Management is satisfied with the works performed by Sure Achieve.

Ms Chua sought confirmation from the Management for outsourcing the marketing works to Sure Achieve was due to the Company does not have its own marketing department. Mr Luong explained that partnering with a marketing agency provides the business access to a slew of marketing experts who possess a deep understanding of where to concentrate efforts. He added that investing in outsourcing marketing could help to launch new strategies across different channels, leading to additional business growth.

Mr Sia Kiam Tiak ("**Mr Sia**") requested the Management to provide a forecast for the Group's aerospace business and share their perspective on the market outlook for aerospace business. Mr Luong informed that the projected demand for aerospace business is lower compare to semiconductor business due to long-haul nature of aerospace business, which provides relatively low margin returns to the Company. The Company would focus more on the business which could generate higher revenue with higher profit margin to the Company.

Throughout the questions and answers session, questions raised by the shareholders of the Company were either addressed by the Board of Directors of the Company or the Management of the Company. There being no further question, the motion:

Resolution 1

"THAT the Directors' Statement and the Audited Financial Statements for the financial year ended 31 December 2022 together with the Auditors' Report thereon be received and adopted."

was proposed by Mr Ho Weng Keong and seconded by Mr Lin Ming Zheng and put to a poll. The results of Resolution 1 taken on a poll, were as follows:

Total no. of Ordinary Shares Cast	No. of Ordinary Shares FOR	% 'For'	No. of Ordinary Shares AGAINST	% 'Against'
203,235,405	203,214,105	99.99	21,300	0.01

The motion was declared carried.

2. RESOLUTION 2 - FINAL DIVIDEND OF 2.0 CENTS PER ORDINARY SHARE

The Directors recommended the payment of a final dividend of 2.0 cents per ordinary share in respect of the financial year ended 31 December 2022. The dividend, if approved, would be paid on 8 May 2023.

The Chairman of the Meeting invited shareholders to raise questions on the aforesaid resolution.

Mr Yew Soon Tieh ("**Mr Yew**") enquired whether the Company would continue paying the quarterly dividend for the financial year ending 31 December 2023. Mr Loh Meng Chong, Stanley ("**Mr Loh**") replied affirmatively and added that the dividend policy of the Company was stated in page 36 of the annual report.

In response to Mr Yew’s enquiry on the possibility of increasing the amount of the total dividend payout for the financial year ending 31 December 2023, Mr Loh replied that the amount of dividend would mainly depend on the Group’s earnings and financial position, results of operation, capital expenditure requirements, future expansion and investment plans, profit after tax position, other funding requirements, and other factors. Mr Loh added that the Company has also rewarded long-term shareholders by issuing bonus shares in previous years.

Mr Yew enquired on the sources of revenue of the Group and whether there are any customers and factory establishments in China. Mr Luong replied that the Group’s key customer is from United States of America and the Company currently had no operation and factory in China. Mr Chay added that the shareholders could refer to page 114 of the annual report of the Company for information on the revenue based on the geographical segments.

Mr Yew enquired the Management to furnish a copy of the Minutes of Annual General Meeting (“AGM”) to his residential address. The Company Secretary informed that the Minutes of AGM would be make available on the Company’s website and SGXNet within 1 month from the date of the AGM.

Mr Tan Buck Lim (“**Mr Tan**”) enquired on whether the Company would consider to increase the amount of the dividend payout as the earnings per share of the Group has been increased from Singapore cents 7.96 to 14.71 in FY2022. Mr Luong explained that due to the Company’s investment in the newly established factory in Penang, the amount of dividend payout would need to be aligned with the cashflow of the Company. Nevertheless, he highlighted that the primary objective of the Company is to drive profitability within the Company to maximize shareholders’ value.

Throughout the questions and answers session, questions raised by the shareholders of the Company were either addressed by the Board of Directors of the Company or the Management of the Company. There being no further question, the motion:

Resolution 2

“THAT a final tax-exempt (one-tier) dividend of 2.0 cents per ordinary share in respect of the financial year ended 31 December 2022 be approved for payment.”

was proposed by Mr Yeo Siew Wee @ Yeo Siew Eng and seconded by Mr Yeo Wei Huang and put to a poll. The results of Resolution 2 taken on a poll, were as follows:

Total no. of Ordinary Shares Cast	No. of Ordinary Shares FOR	% ‘For’	No. of Ordinary Shares AGAINST	% ‘Against’
203,535,446	203,416,646	99.94	118,800	0.06

The motion was declared carried.

3. RESOLUTION 3 - RE-ELECTION OF DIRECTOR: MR LOH MENG CHONG, STANLEY

Mr Loh Meng Chong, Stanley who was retiring as a Director of the Company pursuant to Regulation 89 of the Constitution of the Company, had consented to continue in office. Upon being duly re-elected, Mr Luong will remain as the Executive Director of the Company.

The Chairman of the Meeting invited shareholders to raise questions on the aforesaid resolution.

There being no question, the motion:

Resolution 3

“THAT Mr Loh Meng Chong, Stanley be and is hereby re-elected as a Director of the Company.”

was proposed by Mr Ho Weng Keong and seconded by Mr Choo Soo Yong and put to a poll. The results of Resolution 3 taken on a poll, were as follows:

Total no. of Ordinary Shares Cast	No. of Ordinary Shares FOR	% 'For'	No. of Ordinary Shares AGAINST	% 'Against'
203,565,146	196,554,155	96.56	7,010,991	3.44

The motion was declared carried.

4. RESOLUTION 4 - RE-ELECTION OF DIRECTOR: DATUK PHANG AH TONG

Datuk Phang Ah Tong (“**Datuk Phang**”) who was retiring as a Director of the Company pursuant to Regulation 89 of the Constitution of the Company, had consented to continue in office. Upon being duly re-elected, Datuk Phang will remain as the Chairman of the Nominating Committee and a member of the Audit Committee and the Remuneration Committee. Datuk Phang will be considered independent for the purpose of Rule 704(7) of the Listing Manual of the SGX-ST.

The Chairman of the Meeting invited shareholders to raise questions on the aforesaid resolution.

There being no question, the motion:

Resolution 4

“THAT Datuk Phang Ah Tong be and is hereby re-elected as a Director of the Company.”

was proposed by Ms Fang Chiu Peng and seconded by Ms Loo Susie and put to a poll. The results of Resolution 4 taken on a poll, were as follows:

Total no. of Ordinary Shares Cast	No. of Ordinary Shares FOR	% 'For'	No. of Ordinary Shares AGAINST	% 'Against'
203,352,396	191,195,743	94.02	12,156,653	5.98

The motion was declared carried.

5. RESOLUTION 5 - DIRECTORS' FEES FOR THE FINANCIAL YEAR ENDING 31 DECEMBER 2023

The Board had recommended Directors' fees of up to S\$265,000 for the financial year ending 31 December 2023, to be paid quarterly in arrears.

The Chairman of the Meeting invited shareholders to raise questions on the aforesaid resolution.

There being no further question, the motion:

Resolution 5

“THAT the Directors’ fees of S\$265,000 for the financial year ending 31 December 2023, to be paid quarterly in arrears, be approved for payment.”

was proposed by Mr Chua Chee Keng and seconded by Ms Liew Wan Dorin and put to a poll. The results of Resolution 5 taken on a poll, were as follows:

Total no. of Ordinary Shares Cast	No. of Ordinary Shares FOR	% ‘For’	No. of Ordinary Shares AGAINST	% ‘Against’
202,839,084	202,685,834	99.92	153,250	0.08

The motion was declared carried.

6. RESOLUTION 6 - RE-APPOINTMENT OF AUDITORS

The Meeting was informed that Resolution 6 on the agenda was to re-appoint Auditors and to authorize the Directors to fix their remuneration. The retiring auditors, Moore Stephens LLP had expressed their willingness to accept re-appointment.

The Chairman of the Meeting invited shareholders to raise questions on the aforesaid resolution.

On the question raised by the shareholder, Mr Yew Soon Tieh (“**Mr Yew**”) on the rotation of the External Auditors. Mr Neo Keng Jin, who is currently the audit engagement partner of the Company clarified that there is no mandatory requirement to rotate the audit firm every year. However, the audit partner is required to be rotated every five years pursuant to the Listing Rule 713 of the SGX-ST.

Throughout the questions and answers session, questions raised by the shareholders of the Company were either addressed by the Board of Directors of the Company or the Management of the Company. There being no further questions. the motion:

Resolution 6

“THAT Moore Stephens LLP be re-appointed as Auditors of the Company to hold office until the conclusion of the next Annual General Meeting and that the Directors be authorized to fix their remuneration.”

was proposed by Mr Hum Wai Cheng and seconded by Mr Leong Seng Kei @ Tan Beng Guan and put to a poll. The results of Resolution 6 taken on a poll, were as follows:

Total no. of Ordinary Shares Cast	No. of Ordinary Shares FOR	% ‘For’	No. of Ordinary Shares AGAINST	% ‘Against’
203,711,548	203,559,036	99.93	152,512	0.07

The motion was declared carried.

7. ANY OTHER ORDINARY BUSINESS

There being no other ordinary business to transact, the Meeting proceeded to deal with the Special Business outlined in the Notice convening the AGM.

SPECIAL BUSINESS:

8. RESOLUTION 7 - AUTHORITY TO ISSUE SHARES IN THE CAPITAL OF THE COMPANY PURSUANT TO SECTION 161 OF THE COMPANIES ACT 1967 AND RULE 806 OF THE LISTING MANUAL OF THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED

The Meeting was informed that Resolution 7 on the Agenda was to authorise the Directors to issue and allot shares pursuant to Section 161 of the Companies Act 1967.

The Chairman of the Meeting invited shareholders to raise questions on the aforesaid resolution.

Mr Yew Soon Tieh (“**Mr Yew**”) enquired on whether the Company currently has in place share buyback mandate. The Company Secretary replied negatively.

Throughout the questions and answers session, question raised by the shareholders of the Company was addressed by the Company Secretary. There being no further questions. the motion:

Resolution 7

“THAT the Directors be authorised to issue and allot shares pursuant to Section 161 of the Companies Act 1967.”

was proposed by Mr Leong Seng Kei @ Tan Beng Guan and seconded by Mr Ho Weng Keong and put to a poll. The results of Resolution 7 taken on a poll, were as follows:

Total no. of Ordinary Shares Cast	No. of Ordinary Shares FOR	% ‘For’	No. of Ordinary Shares AGAINST	% ‘Against’
203,565,298	165,948,625	81.52	37,616,673	18.48

The motion was declared carried.

The full text of **Resolution 7** is reproduced as follow::

“That authority be and is hereby given to the Directors of the Company to:

- (a) (i) issue shares in the capital of the Company (“shares”) whether by way of rights, bonus or otherwise; and/or
- (ii) make or grant offers, agreements or options (collectively “Instruments”) that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into shares,

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; and

- (b) (notwithstanding that the authority conferred by this Resolution may have ceased to be in force) issue shares in pursuance of any Instrument made or granted by the Directors while this Resolution was 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 Instruments made or granted pursuant to this Resolution) does not exceed 50 per cent of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with paragraph (2) below), of which 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 Instruments made or granted pursuant to this Resolution) does not exceed 20 per cent of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with paragraph (2) below);
- (2) (subject to such manner of calculation as may be prescribed by the Singapore Exchange Securities Trading Limited ("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 or share options or vesting of share awards, provided the options or awards were granted in compliance with Part VIII of Chapter 8; and
- (ii) any subsequent bonus issue, consolidation or subdivision of shares;
- adjustments in accordance with (2)(i) is 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 passing of this Resolution.
- (3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual of the SGX-ST from the time being in force (unless such compliance has been waived by the SGX-ST), all applicable legal requirements under the Companies Act and otherwise, and the Constitution for the time being of the Company; and
- (4) (unless revoked or varied by the Company in General Meeting), the authority conferred by this Resolution shall continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier."

CONCLUSION

There being no other business, on behalf of the Chairman, Mr Chay declared the Meeting closed at 10.56 a.m. and thanked everyone for their attendance.

CONFIRMED AS TRUE RECORD OF PROCEEDINGS HELD

LUONG ANDY
CHAIRMAN