PEC LTD.
(Incorporated in Singapore)
(the "**Company**")
(Registration No: 198200079M)

MINUTES OF THE ANNUAL GENERAL MEETING OF THE COMPANY (THE "MEETING") HELD AT 14 INTERNATIONAL BUSINESS PARK, SINGAPORE 609922 ON THURSDAY, 27 OCTOBER 2022 AT 3.00 P.M.

PLACE	:	14 International Business Park, Singapore 609922
PRESENT	:	As set out in the attendance records maintained by the Company Secretary
IN ATTENDANCE	:	As set out in the attendance records maintained by the Company Secretary
CHAIRMAN	:	Ms Edna Ko

1. INTRODUCTION

Mr Yoong Koon Teck ("**Mr Yoong**"), the Associate Director, Corporate Services, of the Company, welcomed the shareholders and those who were present at the Meeting.

2. PRESENTATION BY GROUP CHIEF EXECUTIVE OFFICER

Mr Robert Dompeling ("**Mr Dompeling**"), the Group Chief Executive Officer of the Company, took the shareholders through a presentation which included a brief introduction of the Company, Market Outlook, the Company's Capabilities and Expansion Plans.

Following the presentation by Mr Dompeling, the meeting was handed over to Mr Yoong.

3. VOTING BY WAY OF POLL AND APPOINTMENT OF SCRUTINEER AND POLLING AGENT

Mr Yoong informed the shareholders that all motions at the Meeting would be voted by way of poll as required by the SGX Listing Rules.

Mr Yoong introduced the scrutineer, Agile 8 Advisory Pte. Ltd., and the polling agent, Complete Corporate Services Pte Ltd, to the Meeting. Mr Yoong then invited the representative of Complete Corporate Services Pte. Ltd. to brief shareholders on the poll voting process.

4. OPENING ADDRESS BY CHAIRMAN

Ms Edna Ko, chairman of the Board of Directors ("**Board**") ("**Ms Ko**" or the "**Chairman**"), took the chair of the Meeting and on behalf of the Board, extended a warm welcome to those present at the AGM.

Having ascertained that a quorum was present, the Chairman declared the Meeting open and introduced the board of directors of the Company, management team of the Company and representative from Rajah & Tann Singapore LLP.

5. NOTICE OF MEETING

The Chairman informed shareholders that all pertinent information relating to the proposed resolutions at the Meeting was set out in the Notice of AGM dated 12 October 2022. Furthermore, the Notice of AGM, the Company's Annual Report for the financial year ended 30 June 2022 and the Proxy Form have been published via the SGX's website and the Company's corporate website.

With the permission of the shareholders, the Notice of AGM dated 12 October 2022 was taken as read.

6. VOTING BY POLL

The Chairman informed the shareholders that the Chairman had been appointed as the proxy by some shareholders and will be voting in accordance with shareholder's instructions. It was noted that the Chairman will be voting both for and/or against certain motions in accordance with the wishes of shareholders who had appointed the Chairman as proxy.

7. QUESTIONS AND ANSWERS

As set out in the Notice of AGM, shareholders who had any questions in relation to the resolutions set out in the Notice of AGM were to send their questions in advance to the Company by 3:00 p.m. on 19 October 2022.

The Chairman informed that up until the said cut-off date and time, the Company had received questions from the shareholders and had published its responses to all substantial and relevant questions received from the shareholders on the SGX's website and the Company's corporate website.

The Chairman then proceeded with the agenda of the Meeting.

ROUTINE BUSINESS

8. RESOLUTION 1:
DIRECTORS' STATEMENT AND AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022

The Chairman informed the Meeting that the first item on the agenda was to receive and adopt the Directors' Statement and the Audited Financial Statements of the Company for the financial year ended 30 June 2022 ("**FY2022**") together with the Auditors' Report thereon ("**Annual Report**").

The Chairman then invited questions from the shareholders on the proposed resolution.

(a) Mr Manohar P Sabnani ("**Mr Manohar**") raised his concerns about the write-down of S$27,169,675 on the Financial Assets and Contract Assets which included an additional specific impairment of about S$22 million. Mr Manohar enquired on the nature of the Financial Assets and Contract Assets and requested a breakdown of the figure.

Mr Manohar asked the reasons why this write-down surfaced in this financial year instead of the previous years as he believed that the Company had a consistent policy of writing down receivables and doubtful debts for every financial year. He commented that the impact of the write-down would have been softened had it been spread out over the past few years.

Mr Manohar acknowledged that the Company's gross profit increased from S$87,480,607 for the financial year ended 30 June 2021 to S$124,635,270 for FY2022, but also expressed his concerns as the profit for FY2022 was greatly reduced because of such a significant write-down.

In response, Mr Dompeling said that the debtor company (the "**Client**") suffered a setback during the Covid-19 period. He explained that that the Client was not in a position to generate the cash flows needed to repay the debt.

Mr Dompeling mentioned that PEC has always been diligent in complying with accounting standards. He shared that the debt has not been written off because the Company is still in touch with the Client, and PEC has not yet resorted to legal actions because the Client recognises its obligation to pay the outstanding amount and they still want to work with the Company for future projects.

Mr Dompeling added that the Board was determined to settle the issue.

(b) In response to Mr Manohar's query on whether the management has any hope to write-back any of the impairments, Mr Dompeling stated that the management was working very hard to do so.

(c) Mr Manohar stated that he understood that the impairment was not the fault of any particular member of the management team. He noted that the Company had performed well in its previous financial years and was of the opinion that it was concerning that the Company entangled itself in such a contract. He enquired whether the situation was unavoidable or if the Company expected more of such impairments in the future.

Mr Dompeling stated that the Company maintains transparency to the shareholders whilst working with clients but the impact of Covid-19 was unfortunate. Mr Dompeling opined that the current market for the Client is favorable.

(d) In response to Mr Manohar's request for the name of the Client, Mr Dompeling mentioned that the Company cannot disclose the Client's name due to the sensitivity of the information.

Mr Manohar noted that the market capitalization of the Company was considered low at approximately S$150 million and the enterprise value was also considered low at S$35 million. He asked what the management and shareholders could do together to raise the valuation of the Company.

Mr Dompeling agreed with Mr Manohar and mentioned that the PEC stock are under value.

(e) Mr Manohar stated that the Company could do more apart from merely increasing the revenue. He noted that one of the figures that the market looks at is the Company's Return on Equity ("**ROE**") which is currently 5.8%, which was low as well. Mr Manohar recommended for management to deposit cash into fixed deposits to take advantage of the higher interest

rates. He remarked that the Development Bank of Singapore ("**DBS**") may offer the Company a fixed deposit account with interest rates of 3 to 3.5%. Mr Manohar was of the view that the Company had too much cash on the balance sheet. As a result, he believed that the ROE was being dragged down because the returns on cash was low. He encouraged the management to utilize the cash that the Company has on hand.

In response, Mr Dompeling informed the shareholders that the Board had been actively coming up with plans to expand the business and listed the new fabrication facilities to be built at Port Khalifa in Abu Dhabi as an example, details of which were provided in Mr Dompeling's presentation.

Mr Manohar enquired about the Capital Expenditure required to complete the plans.

Mr Dompeling mentioned that there will be additional need for cranes and equipment. He also mentioned that the Company foresees new projects coming onstream in the Middle East. Mr Dompeling informed the shareholders that the Company will have to spend on these projects and explained that it will be costly to rent equipment for their projects and it is financially more prudent to have our own equipment and invest in modularisation.

(f) Mr Manohar recommended that management declare higher dividends in the future to reduce the excess cash that the Company holds.

Mr Manohar reemphasized the need to put excess cash in fixed deposit accounts with banks such as Oversea-Chinese Banking Corporation ("**OCBC**") to take advantage of favorable interest rates. He then asked if the management is planning to do so.

In response to Mr Manohar's suggestion for fixed deposits and increasing dividends payout, Ms Edna Ko added that with the increase in current interest rates, the Company had put money into fixed deposits.

(g) Mr Tan Eng Keong ("**Mr Tan**") raised his concerns regarding the impairment of receivables from the Client that has not paid its debt to the Company. Mr Tan wondered if there was any reason why the client has not fulfilled its debt to the Company. Mr Tan also wanted to know the lessons that the Company and management have learned to avoid such a scenario in the future.

Mr Dompeling informed the shareholders that the Board had multiple discussions to come up with solutions to settle with the Client. Mr Dompeling stated that the Client had been making partial payments and the Management had made frequent trips to meet the Client.

Mr David Wong Cheong Fook, Lead Independent Director of the Company, ("**Mr David Wong**") added that most oil and gas companies experienced difficulties during the pandemic. Mr David Wong revealed that the Client's business has improved and the circumstances have become much better for them now. He stated that the Company continues to receive partial payments from time to time. The Company intends to maintain relations with the Client and is continuing its effort to recover the outstanding receivables.

Mr David Wong also explained that accounting standards require an impairment to be made when a debt has been long overdue. Mr David Wong assured the shareholders that the management has been working very hard to ensure that the Client satisfies their debt to the Company.

As no further questions were raised and at the request of the Chairman, Mr Ou Yang Yan Te proposed and Mr Ong Poh Seng and Mr Tan Swee Chin seconded the following motion:-

"That the Directors' Statement and Audited Financial Statements of the Company for the financial year ended 30 June 2022 and the Auditors' Report thereon, be hereby received and adopted."

The Chairman proceeded to put the motion to vote by way of electronic polling.

The results of the Resolution 1 were as follows:

	Total votes	Percentage of total votes (%)
For the resolution	174,437,215	99.99
Against the resolution	11,800	0.01

As approval by a majority of the shareholders present in person or by proxy had been obtained at the Meeting, the Chairman declared Resolution 1 carried as an Ordinary Resolution.

9. RESOLUTION 2:
TAX EXEMPT ONE-TIER FINAL DIVIDEND AND SPECIAL DIVIDEND

The Chairman informed the Meeting that the next item on the agenda was to approve the payment of a Tax Exempt One-Tier Final Dividend of 2.5 cents per ordinary share and a Special Dividend of 1.0 cent per ordinary share for the financial year ended 30 June 2022 and that such dividends, if approved, would be payable on 24 November 2022.

The Chairman then invited questions from the shareholders on the proposed resolution.

As no questions were raised and at the request of the Chairman, Mr Ong Poh Seng and Mr Tan Swee Chin proposed and Ms Phua Mui Keng Bernadette seconded the following motion:-

"That a Tax Exempt One-Tier Final Dividend of 2.5 cents per ordinary share and a Special Dividend of 1.0 cent per ordinary share for the financial year ended 30 June 2022, as recommended by the Directors, be hereby approved and that such dividends be payable on 24 November 2022."

The Chairman proceeded to put the motion to vote by way of electronic polling.

The results of the Resolution 2 were as follows:

	Total votes	Percentage of total votes (%)
For the resolution	174,482,462	99.99
Against the resolution	10,800	0.01

As approval by a majority of the shareholders present in person or by proxy had been obtained at the Meeting, the Chairman declared Resolution 2 carried as an Ordinary Resolution.

10. RESOLUTION 3:
RE-ELECTION OF MS EDNA KO POH THIM

The Chairman informed the Meeting that as the next item on the agenda was related to her own re-election as a Director, she would pass the Chair to her fellow Director, Mr Wong Peng. The Chairman informed that detailed information on the retiring directors can be found on pages 20 to 22 and 128 to 131 of the Annual report.

Mr Wong Peng informed the Meeting that Ms Ko, who is the Executive Chairman of the Company, was to retire at this Meeting pursuant to Article 114 of the Company's Constitution at this AGM and, being eligible, had offered herself for re-election.

Mr Wong Peng then invited questions from the shareholders on the proposed resolution.

As no questions were raised and at the request of Mr Wong Peng, Mr Sim Chor Chye proposed and Mr Teo Geok Ping seconded the following motion:-

"That Ms Edna Ko Poh Thim who retires by rotation pursuant to Article 114 of the Constitution of the Company, and being eligible for re-election, be hereby re-elected as a Director of the Company."

Mr Wong Peng proceeded to put the motion to vote by way of electronic polling.

The results of the Resolution 3 were as follows:

	Total votes	Percentage of total votes (%)
For the resolution	130,796,471	94.18
Against the resolution	8,086,521	5.82

As approval by a majority of the shareholders present in person or by proxy had been obtained at the Meeting, Mr Wong Peng declared Resolution 3 carried as an Ordinary Resolution.

11. RESOLUTION 4:
RE-ELECTION OF MR DAVID WONG CHEONG FOOK

The Chairman informed the Meeting that the next item on the agenda was to seek shareholders' approval for the re-election of Mr David Wong, the Lead Independent Director of the Company, who was due to retire by rotation at this Meeting pursuant to Article 114 of the Company's Constitution, and being eligible, had offered himself for re-election. The Chairman informed the Meeting that upon re-election, Mr David Wong would remain as the Chairman of the Audit and Risk Management Committee and a member of the Remuneration Committee and the Nominating Committee of the Company.

The Chairman then invited questions from the shareholders on the proposed resolution.

(a) Mr Tan raised a concern regarding the tenure of Mr David Wong. According to SGX Listing Manual Rule 210(5)(d)(iii), a director will not be independent if he has been a director for an

aggregate period of more than 9 years unless his continued appointment as an independent director has been sought and approved in separate resolutions by (A) all shareholders; and (B) shareholders, excluding the directors and the chief executive officer of the issuer, and associates of such directors and chief executive officer. Mr Tan referred to Rule 210(5)(d)(iii) and stated that Mr David Wong would be completing his 9th years as a director in January 2023. He asked the management what their plans were prior to Mr David Wong completing the 9 years tenure.

In response to Mr Tan's query, Ms Joy Tan, the Chairman of the Nominating Committee, noted that the Nominating Committee evaluates the independence of the independent directors, plans for board succession and looks at other pertinent issues affecting the independence of the independent directors and the tenure of their service. Ms Joy Tan stated that the Nominating Committee will consider and deliberate on the query raised by Mr Tan.

As no further questions were raised and at the request of the Chairman, Mr Ou Yang Yan Te proposed and Mr Ong Poh Seng and Mr Tan Swee Chin seconded the following motion:-

"That Mr David Wong Cheong Fook who retires by rotation pursuant to Article 114 of the Constitution of the Company, and being eligible for re-election, be hereby re-elected as a Director of the Company."

The Chairman proceeded to put the motion to vote by way of electronic polling.

The results of the Resolution 4 were as follows:

	Total votes	Percentage of total votes (%)
For the resolution	166,257,378	95.35
Against the resolution	8,111,458	4.65

As approval by a majority of the shareholders present in person or by proxy had been obtained at the Meeting, the Chairman declared Resolution 4 carried as an Ordinary Resolution.

12. RESOLUTION 5:
RE-ELECTION OF MR NGAN WAN SING WINSTON

The Chairman informed the Meeting that the next item on the agenda was to seek shareholders' approval for the re-election of Mr Ngan Wan Sing Winston ("**Mr Winston Ngan**"), an Independent Director of the Company who was appointed on 1 August 2022 and was due to retire pursuant to Article 118 of the Company's Constitution, and being eligible, had offered himself for re-election. The Chairman informed the Meeting that Mr Winston Ngan is also a member of the Audit and Risk Management Committee, Remuneration Committee and the Nominating Committee of the Company.

The Chairman then invited questions from the shareholders on the proposed resolution.

As no questions were raised and at the request of the Chairman, Mr Ou Yang Yan Te proposed and Mr Sim Chor Chye seconded the following motion:-

"That Mr Winston Ngan who retires by rotation pursuant to Article 118 of the Constitution of the Company, and being eligible for re-election, be hereby re-elected as a Director of the Company."

The Chairman proceeded to put the motion to vote by way of electronic polling.

The results of the Resolution 5 were as follows:

	Total votes	Percentage of total votes (%)
For the resolution	166,155,570	95.35
Against the resolution	8,110,458	4.65

As approval by a majority of the shareholders present in person or by proxy had been obtained at the Meeting, the Chairman declared Resolution 5 carried as an Ordinary Resolution.

13. RESOLUTION 6:
DIRECTORS' FEES FOR THE FINANCIAL YEAR ENDING 30 JUNE 2023

The Chairman informed the Meeting that the next item on the agenda was to approve the payment of Directors' fees for the financial year ending 30 June 2023.

The Chairman then invited questions from the shareholders on the proposed resolution.

As no questions were raised and at the request of the Chairman, Mr Ou Yang Yan Te proposed and Ms Phua Mui Keng Bernadette seconded the following motion:-

"That a sum of S$285,000 be paid by way of fees to the Directors for the financial year ending 30 June 2023 and that such fees be paid quarterly in arrears."

The Chairman proceeded to put the motion to vote by way of electronic polling.

The results of the Resolution 6 were as follows:

	Total votes	Percentage of total votes (%)
For the resolution	162,094,780	99.99
Against the resolution	11,800	0.01

As approval by a majority of the shareholders present in person or by proxy had been obtained at the Meeting, the Chairman declared Resolution 6 carried as an Ordinary Resolution.

14. RESOLUTION 7:
RE-APPOINTMENT OF AUDITORS

The Chairman informed the Meeting that the next item on the agenda was the re-appointment of Messrs Ernst & Young LLP as Auditors and to authorize the Directors to fix their remuneration. Messrs Ernst & Young LLP had expressed its willingness to seek re-appointment at this Meeting.

The Chairman then invited questions from the shareholders on the proposed resolution.

As no questions were raised and at the request of the Chairman, Ms Phua Mui Keng Bernadette proposed and Mr Sim Chor Chye seconded the following motion:-

"That Messrs Ernst & Young LLP be hereby re-appointed as Auditors of the Company to hold office until the conclusion of the next Annual General Meeting at a remuneration to be determined by the Directors."

The Chairman proceeded to put the motion to vote by way of electronic polling.

The results of the Resolution 7 were as follows:

	Total votes	Percentage of total votes (%)
For the resolution	166,628,158	99.99
Against the resolution	10,800	0.01

As approval by a majority of the shareholders present in person or by proxy had been obtained at the Meeting, the Chairman declared Resolution 7 carried as an Ordinary Resolution.

15. ANY OTHER ROUTINE BUSINESS

As there were no further routine business, the Meeting proceeded with the Special Business.

SPECIAL BUSINESS

The Chairman then proceeded to deal with the Special Business on the Agenda.

16. RESOLUTION 8:
SHARE ISSUE MANDATE

The Chairman informed the Meeting that the first item of Special Business was to seek shareholders' approval to authorise and empower the Directors to allot and issue shares in the capital of the Company.

The Chairman then invited questions from the shareholders on the proposed resolution.

As no questions were raised and at the request of the Chairman, Mr Sim Chor Chye proposed and Mr Yoong seconded the following motion:-

"That the Ordinary Resolution 8 as set out in item 9 of the Notice convening this Meeting dated 12 October 2022, be approved."

The Chairman proceeded to put the motion to vote by way of electronic polling.

The results of the Resolution 8 were as follows:

	Total votes	Percentage of total votes (%)
For the resolution	152,276,290	87.37
Against the resolution	22,012,946	12.63

As approval by a majority of the shareholders present in person or by proxy had been obtained at the Meeting, the Chairman declared Resolution 8 carried as an Ordinary Resolution.

17. RESOLUTION 9:
RENEWAL OF THE SHARE PURCHASE MANDATE

The Chairman informed the Meeting that the second item of Special Business was to seek shareholders' approval to renew the Share Purchase Mandate.

The Chairman then invited questions from the shareholders on the proposed resolution.

As no questions were raised and at the request of the Chairman, Mr Ou Yang Yan Te proposed and Mr Yoong seconded the following motion:-

"That the Ordinary Resolution 9 as set out in item 10 of the Notice convening the Meeting dated 12 October 2022, be approved."

The Chairman proceeded to put the motion to vote by way of electronic polling.

The results of the Resolution 9 were as follows:

	Total votes	Percentage of total votes (%)
For the resolution	174,278,436	99.96
Against the resolution	70,800	0.04

As approval by a majority of the shareholders present in person or by proxy had been obtained at the Meeting, the Chairman declared Resolution 9 carried as an Ordinary Resolution.

18. RESOLUTION 10:
AUTHORITY TO GRANT SHARE AWARDS AND ISSUE SHARES UNDER THE PEC PERFORMANCE SHARE PLAN

The Chairman informed the Meeting that the last item of Special Business was to seek shareholders' approval to authorise and empower the Directors to grant awards in accordance with the provisions of the PEC Performance Share Plan and to allot and issue shares under the PEC Performance Share Plan.,

The Chairman then invited questions from the shareholders on the proposed resolution.

As no questions were raised and at the request of the Chairman, Mr Sim Chor Chye proposed and Mr Ou Yang Yan Te seconded the following motion:-

"That the Ordinary Resolution 10 as set out in item 11 of the Notice convening the Meeting dated 12 October 2022, be approved."

The Chairman proceeded to put the motion to vote by way of electronic polling.

The results of the Resolution 10 were as follows:

	Total votes	Percentage of total votes (%)
For the resolution	128,250,602	93.53
Against the resolution	8,866,046	6.47

As approval by a majority of the shareholders present in person or by proxy had been obtained at the Meeting, the Chairman declared Resolution 10 carried as an Ordinary Resolution.

19. TERMINATION

There being no further business, the Meeting concluded at 4.15 p.m. and was declared closed by the Chairman.

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EDNA KO POH THIM
CHAIRMAN OF THE BOARD