

KENCANA AGRI LIMITED
Registration No. 200717793E
(Incorporated in Singapore)

MINUTES OF 2021 ANNUAL GENERAL MEETING

Date and Time : Thursday, 29 April 2021 at 2:00 p.m.

Place : Held by electronic means

Present : See Attendance List

Mr Henry Maknawi (“Chairman”) presided over the meeting and he then called the meeting to order at 2:00 p.m. after ascertaining that a quorum was present.

Chairman welcomed the shareholders to the Company’s Annual General Meeting (“AGM”). He informed the meeting that a copy of the Company’s Notice of AGM together with the Annual Report had been circulated to the shareholders on 13 April 2021. The Notice was also published in the newspaper. The Notice of the AGM, with the consent of the shareholders, was taken as read.

Chairman then requested Mr Albert Maknawi (“Albert”), the Chief Executive Officer of the Company, to assist him in reading all the resolutions to be proposed at this meeting.

The meeting was informed that Boardroom Corporate & Advisory Services Pte Ltd and Drew Corp Services Pte Ltd had been appointed as the Polling Agent and Scrutineer respectively. The voting results have been verified by the Scrutineer and confirmed to be in order.

The meeting was further informed that all the Ordinary Resolutions tabled at the AGM would be proposed by the Chairman of the Company.

Albert shared an overview of the Group’s performance in FY2020 and an update of the Group’s business for FY2021.

The financial performance of the Group has improved as compared to FY2019 and recorded a net profit of US\$4 million for FY2020. This was mainly due to higher average selling price of CPO, lower cost of sale and other operating costs, lower interest expense and lower share of losses from the joint venture and offset by foreign exchange loss as a result of IDR depreciating against USD.

The Group’s gross profit margin increased from 21.5% for FY2019 to 27.0% for FY2020.

Despite the decrease in the FFB produced from nucleus due to the adverse weather condition, OER had improved to 21.6% for FY2020 as compared to 21.0% in FY2019.

Overall, the Group’s revenue remained constant with FY2019, with a slight increase of 0.2% for FY2020. This was due to the higher average selling price of CPO, which was an increase of 19.3% for FY2020 as compared to FY2019.

On the balance sheet, non-current assets decreased in FY2020 as a result of the amortization of bearer plants, property, plant and equipment. Current liabilities decreased mainly due to reprofiling of loans and the decrease in advances from customers.

In FY2020, the Group entered into a Conditional Share Sale and Purchase Agreement with a related party, PT Kencana Energi Lestari Tbk, on the disposal of 78.5% equity interest in a subsidiary, PT Cahaya Permata Gemilang. The Group targets to complete the proposed disposal in 2H2021.

For FY2021, the Management remains focused on improving the liquidity position of the Group in order to support the productivity and quality of the core-plantation assets. The Group is also looking at the disposal of non-strategic plantation assets.

On the impact of Covid-19 on the Group, Albert updated that there were 39 confirmed cases, 20 from the head office and 19 from plantation offices. The infected employees are safe and this will not have any impact on the Group's operation.

Albert concluded his presentation and proceeded with the Ordinary Business to be transacted at this Meeting.

ORDINARY BUSINESSES

RESOLUTION 1 – TO RECEIVE AND ADOPT THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

With the consent of the shareholders, the Directors' Statements and Audited Financial Statements of the Company for the financial year ended 31 December 2020 was taken as read.

Voting has already been done in advance by proxy and the results have been verified by the scrutineers. Albert read out the results of the votes and declared the resolution duly passed.

	No. of Shares	Percentage (%)
Votes in favour of the Resolution	225,323,590	99.97%
Votes against the Resolution	66,750	0.03%

It was resolved that the Directors' Statement and Audited Financial Statements of the Company for the year ended 31 December 2020 together with the Auditors' Report thereon be and are hereby received and adopted.

RESOLUTION 2 – TO RE-ELECT HENRY MAKNAWI WHO IS RETIRING IN ACCORDANCE WITH ARTICLE 91 OF THE CONSTITUTION OF THE COMPANY

The meeting was informed that Henry Maknawi shall retire in accordance with the Constitution of the Company and that he was eligible and offered himself for re-election.

Voting has already been done in advance by proxy and the results have been verified by the scrutineers. Albert read out the results of the votes and declared the resolution duly passed.

	No. of Shares	Percentage (%)
Votes in favour of the Resolution	225,323,590	99.97%
Votes against the Resolution	66,750	0.03%

It was resolved that Henry Maknawi be and is hereby re-elected as Director of the Company in accordance with Article 91 of the Company's Constitution.

RESOLUTION 3 – TO RE-ELECT ALBERT MAKNAWI WHO IS RETIRING IN ACCORDANCE WITH ARTICLE 97 OF THE CONSTITUTION OF THE COMPANY

The meeting was informed that Albert Maknawi shall retire in accordance with the Constitution of the Company and that he was eligible and offered himself for re-election.

Voting has already been done in advance by proxy and the results have been verified by the scrutineers. Albert read out the results of the votes and declared the resolution duly passed.

	No. of Shares	Percentage (%)
Votes in favour of the Resolution	225,323,590	99.97%
Votes against the Resolution	66,750	0.03%

It was resolved that Albert Maknawi be and is hereby re-elected as Director of the Company in accordance with Article 97 of the Company's Constitution.

RESOLUTION 4 – TO RE-ELECT SIM IDRUS MUNANDAR WHO IS RETIRING IN ACCORDANCE WITH ARTICLE 91 OF THE CONSTITUTION OF THE COMPANY

The meeting was informed that Sim Idrus Munandar shall retire in accordance with the Constitution of the Company and that he was eligible and offered himself for re-election.

Voting has already been done in advance by proxy and the results have been verified by the scrutineers. Albert read out the results of the votes and declared the resolution duly passed.

	No. of Shares	Percentage (%)
Votes in favour of the Resolution	225,323,590	99.97%
Votes against the Resolution	66,750	0.03%

It was resolved that Sim Idrus Munandar be and is hereby re-elected as Director of the Company in accordance with Article 91 of the Company's Constitution.

RESOLUTION 5 – TO APPROVE THE CONTINUED APPOINTMENT OF MR SIM IDRUS MUNANDAR AS AN INDEPENDENT DIRECTOR FOR PURPOSE OF RULE 210(5)(d)(iii)(A) OF THE LISTING MANUAL OF THE SGX-ST

The meeting was informed that Resolution 5 on the Agenda was to approve the continued appointment of Mr Sim Idrus Munandar as an Independent Director.

Rule 210(5)(d)(iii)(A) of the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST") requires the continued appointment of an independent director who has been a director for an aggregate period of more than nine years to be sought and approved in separate resolutions by (A) all shareholders; and (B) all shareholders, excluding Directors, Chief Executive and their associates. Accordingly, the Company is seeking for the continued appointment of Mr Sim Idrus Munandar under the two tier-voting.

Voting has already been done in advance by proxy and the results have been verified by the scrutineers. Albert read out the results of the votes and declared the resolution duly passed.

	No. of Shares	Percentage (%)
Votes in favour of the Resolution	225,323,590	99.97%
Votes against the Resolution	66,750	0.03%

It was resolved that contingent upon the passing of Ordinary Resolution 4 above, and in accordance with Rule 210(5)(d)(iii) of the Listing Manual of the SGX-ST which will take effect on 1 January 2022: (a) the continued appointment of Mr Sim Idrus Munandar as an Independent Director be and is hereby approved; and (b) the authority conferred by this resolution shall continue in force until the earlier of

the retirement or resignation of Mr Sim Idrus Munandar as a director or the conclusion of the third Annual General Meeting of the Company following the passing of this resolution.

RESOLUTION 6 – TO APPROVE THE CONTINUED APPOINTMENT OF MR SIM IDRUS MUNANDAR AS AN INDEPENDENT DIRECTOR FOR PURPOSE OF RULE 210(5)(d)(iii)(B) OF THE LISTING MANUAL OF THE SGX-ST

The proposed Resolution 6 is in relation to the second tier voting on the continued appointment of Mr Sim Idrus Munandar as an independent director by all shareholders, excluding the Directors, the Chief Executive Officer and their associates.

Voting has already been done in advance by proxy and the results have been verified by the scrutineers. Albert read out the results of the votes and declared the resolution duly passed.

	No. of Shares	Percentage (%)
Votes in favour of the Resolution	62,922,106	99.89%
Votes against the Resolution	66,750	0.11%

It was resolved that contingent upon the passing of Ordinary Resolution 5 above, and in accordance with Rule 210(5)(d)(iii) of the SGX-ST which will take effect on 1 January 2022: (a) the continued appointment of Mr Sim Idrus Munandar as an Independent Director be and is hereby approved; and (b) the authority conferred by this resolution shall continue in force until the earlier of the retirement or resignation of Mr Sim Idrus Munandar as a director or the conclusion of the third Annual General Meeting of the Company following the passing of this resolution.

RESOLUTION 7 – TO APPROVE THE CONTINUED APPOINTMENT OF TENGKU ALWIN AZIZ AS AN INDEPENDENT DIRECTOR FOR PURPOSE OF RULE 210(5)(d)(iii)(A) OF THE LISTING MANUAL OF THE SGX-ST

The meeting was informed that Resolution 7 on the Agenda was to approve the continued appointment of Tengku Alwin Aziz as an Independent Director.

Rule 210(5)(d)(iii)(A) of the Listing Manual of the Singapore Exchange Securities Trading Limited (“SGX-ST”) requires the continued appointment of an independent director who has been a director for an aggregate period of more than nine years to be sought and approved in separate resolutions by (A) all shareholders; and (B) all shareholders, excluding Directors, Chief Executive and their associates. Accordingly, the Company is seeking for the continued appointment of Tengku Alwin Aziz under the two tier-voting.

Voting has already been done in advance by proxy and the results have been verified by the scrutineers. Albert read out the results of the votes and declared the resolution duly passed.

	No. of Shares	Percentage (%)
Votes in favour of the Resolution	225,323,590	99.97%
Votes against the Resolution	66,750	0.03%

It was resolved that in accordance with Rule 210(5)(d)(iii) of the Listing Manual of the SGX-ST which will take effect on 1 January 2022: (a) the continued appointment of Tengku Alwin Aziz as an Independent Director be and is hereby approved; and (b) the authority conferred by this resolution shall continue in force until the earlier of the retirement or resignation of Tengku Alwin Aziz as a director or the conclusion of the third Annual General Meeting of the Company following the passing of this resolution.

RESOLUTION 8 – TO APPROVE THE CONTINUED APPOINTMENT OF TENGKU ALWIN AZIZ AS AN INDEPENDENT DIRECTOR FOR PURPOSE OF RULE 210(5)(d)(iii)(B) OF THE LISTING MANUAL OF THE SGX-ST

The proposed Resolution 8 is in relation to the second tier voting on the continued appointment of Tengku Alwin Aziz as an independent director by all shareholders, excluding the Directors, the Chief Executive Officer and their associates.

Voting has already been done in advance by proxy and the results have been verified by the scrutineers. Albert read out the results of the votes and declared the resolution duly passed.

	No. of Shares	Percentage (%)
Votes in favour of the Resolution	62,922,106	99.89%
Votes against the Resolution	66,750	0.11%

It was resolved that contingent upon the passing of Ordinary Resolution 7 above, and in accordance with Rule 210(5)(d)(iii) of the SGX-ST which will take effect on 1 January 2022: (a) the continued appointment of Tengku Alwin Aziz as an Independent Director be and is hereby approved; and (b) the authority conferred by this resolution shall continue in force until the earlier of the retirement or resignation of Tengku Alwin Aziz as a director or the conclusion of the third Annual General Meeting of the Company following the passing of this resolution.

RESOLUTION 9 – TO APPROVE THE CONTINUED APPOINTMENT OF MR SOH YEW HOCK AS AN INDEPENDENT DIRECTOR FOR PURPOSE OF RULE 210(5)(d)(iii)(A) OF THE LISTING MANUAL OF THE SGX-ST

The meeting was informed that Resolution 9 on the Agenda was to approve the continued appointment of Mr Soh Yew Hock as an Independent Director.

Rule 210(5)(d)(iii)(A) of the Listing Manual of the Singapore Exchange Securities Trading Limited (“SGX-ST”) requires the continued appointment of an independent director who has been a director for an aggregate period of more than nine years to be sought and approved in separate resolutions by (A) all shareholders; and (B) all shareholders, excluding Directors, Chief Executive and their associates. Accordingly, the Company is seeking for the continued appointment of Mr Soh Yew Hock under the two tier-voting.

Voting has already been done in advance by proxy and the results have been verified by the scrutineers. Albert read out the results of the votes and declared the resolution duly passed.

	No. of Shares	Percentage (%)
Votes in favour of the Resolution	225,323,590	99.97%
Votes against the Resolution	66,750	0.03%

It was resolved that in accordance with Rule 210(5)(d)(iii) of the Listing Manual of the SGX-ST which will take effect on 1 January 2022: (a) the continued appointment of Mr Soh Yew Hock as an Independent Director be and is hereby approved; and (b) the authority conferred by this resolution shall continue in force until the earlier of the retirement or resignation of Mr Soh Yew Hock as a director or the conclusion of the third Annual General Meeting of the Company following the passing of this resolution.

RESOLUTION 10 – TO APPROVE THE CONTINUED APPOINTMENT OF MR SOH YEW HOCK AS AN INDEPENDENT DIRECTOR FOR PURPOSE OF RULE 210(5)(d)(iii)(B) OF THE LISTING MANUAL OF THE SGX-ST

The proposed Resolution 10 is in relation to the second tier voting on the continued appointment of Mr Soh Yew Hock as an independent director by all shareholders, excluding the Directors, the Chief Executive Officer and their associates.

Voting has already been done in advance by proxy and the results have been verified by the scrutineers. Albert read out the results of the votes and declared the resolution duly passed.

	No. of Shares	Percentage (%)
Votes in favour of the Resolution	62,922,106	99.89%
Votes against the Resolution	66,750	0.11%

It was resolved that contingent upon the passing of Ordinary Resolution 9 above, and in accordance with Rule 210(5)(d)(iii) of the SGX-ST which will take effect on 1 January 2022: (a) the continued appointment of Mr Soh Yew Hock as an Independent Director be and is hereby approved; and (b) the authority conferred by this resolution shall continue in force until the earlier of the retirement or resignation of Mr Soh Yew Hock as a director or the conclusion of the third Annual General Meeting of the Company following the passing of this resolution.

RESOLUTION 11 – TO APPROVE THE DIRECTORS’ FEES FOR THE YEAR ENDED 31 DECEMBER 2020

Albert stated that Directors’ fees of S\$207,900 for the financial year ended 31 December 2020 has been proposed for shareholders’ approval.

Voting has already been done in advance by proxy and the results have been verified by the scrutineers. Albert read out the results of the votes and declared the resolution duly passed.

	No. of Shares	Percentage (%)
Votes in favour of the Resolution	225,323,590	99.97%
Votes against the Resolution	66,750	0.03%

It was resolved that the Directors’ fees of S\$207,900 for the year ending 31 December 2020, be and is hereby approved.

RESOLUTION 12 – TO RE-APPOINT RSM CHIO LIM LLP AS AUDITORS OF THE COMPANY AND TO AUTHORISE THE DIRECTORS TO FIX THEIR REMUNERATION

The shareholders were informed that item 12 on the agenda pertained to the re-appointment of auditors of the Company for the ensuing year.

Voting has already been done in advance by proxy and the results have been verified by the scrutineers. Albert read out the results of the votes and declared the resolution duly passed.

	No. of Shares	Percentage (%)
Votes in favour of the Resolution	225,323,590	99.97%
Votes against the Resolution	66,750	0.03%

It was resolved that Messrs RSM Chio Lim LLP be and they are hereby re-appointed as Auditors of the Company, to hold office until the conclusion of the next Annual General Meeting and that the Directors be and are hereby authorised to fix their remuneration.

SPECIAL BUSINESS

RESOLUTION 13 - PROPOSED SHARE ISSUE MANDATE

Albert explained that pursuant to Section 161 of the Companies Act, Cap. 50 and the listing rules of the Singapore Exchange Securities Trading Limited (SGX-ST), shareholders' approval was required for the directors to issue further shares in the Company. He stated that proposed Ordinary Resolution 6 was to seek shareholders' approval to authorize the issue of such shares.

Ordinary Resolution 13 referred to in the Notice convening the Annual General Meeting dated 13 April 2021 was taken as read.

Voting has already been done in advance by proxy and the results have been verified by the scrutineers. Albert read out the results of the votes and declared the resolution duly passed.

	No. of Shares	Percentage (%)
Votes in favour of the Resolution	225,323,590	99.97%
Votes against the Resolution	66,750	0.03%

It was resolved that pursuant to Section 161 of the Companies Act, Cap. 50. and the listing rules of the Singapore Exchange Securities Trading Limited ("SGX-ST"), the Directors of the Company be authorized and empowered to:

- (a) (i) allot and issue shares in 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) options, 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 of the Company may in their absolute discretion deem fit; and
- (b) (notwithstanding 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 of the Company while this Resolution was in force,

provided that:

- (1) the aggregate number of shares (including shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution) to be issued pursuant to this Resolution shall not exceed fifty per centum (50%) of the total number of issued shares (excluding treasury shares) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of shares and Instruments to be issued other than on a pro rata basis to existing shareholders of the Company shall not exceed twenty per centum (20%) of the total number of issued shares (excluding treasury shares) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below);
- (2) (subject to such 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 total number of issued shares (excluding treasury shares) shall be based on the total number of issued shares (excluding treasury shares) in the capital of the Company at the time of the passing of this Resolution, after adjusting for:
- (a) new shares arising from the conversion or exercise of any convertible securities;

(b) new shares arising from exercising share options or vesting of share awards, provided that such share options or share awards were granted in compliance with Part VIII of Chapter 8 of the listing rules of the SGX-ST;

(c) any subsequent bonus issue, consolidation or subdivision of shares;

and, in sub-paragraph (1) above and this sub-paragraph (2), “subsidiary holdings” has the meaning given to it in the listing rules of the SGX-ST;

Adjustments in accordance with sub-paragraph (2)(a) or sub-paragraph (2)(b) above 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.

(3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the listing rules of 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

(4) unless revoked or varied by the Company in a general meeting, such authority 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 earlier.

RESOLUTION 14 - PROPOSED RENEWAL OF A SHAREHOLDERS’ MANDATE FOR INTERESTED PERSON TRANSACTIONS

Last but not least, the meeting was informed that shareholders’ approval was required to renew the general mandate for interested person transactions.

Ordinary Resolution 14 referred to in the Notice convening the Annual General Meeting dated 13 April 2021 was taken as read.

Voting has already been done in advance by proxy and the results have been verified by the scrutineers. Albert read out the results of the votes and declared the resolution duly passed.

	No. of Shares	Percentage (%)
Votes in favour of the Resolution	163,794,724	99.96%
Votes against the Resolution	66,750	0.04%

It was resolved that:-

(a) approval be and is hereby given for the Company, its subsidiaries and associated companies or any of them to enter into any of the transactions falling within the categories of interested person transactions set out in Section 2.1.2 of the Appendix to the Annual Report dated 13 April 2021 (the “Appendix”), with any party who is of the class or classes of interested persons described in Section 2.2 of the Appendix, provided that such transactions are made on normal commercial terms in accordance with the review procedures for interested person transactions as set out in Section 2.5 of the Appendix (the “IPT Mandate”);

(b) the IPT Mandate shall, unless revoked or varied by the Company in general meeting, continue to be in force until the conclusion of the next Annual General Meeting of the Company;

(c) the Audit & Risk Committee of the Company be and is hereby authorised to take such action as it deems proper in respect of procedures and/or to modify or implement such procedures as may be necessary to take into consideration any amendment to Chapter 9 of the Listing Manual which may be prescribed by Singapore Exchange Securities Trading Limited from time to time; and

- (d) the Directors of the Company and each of them be and are hereby authorised and empowered to complete and to do all such acts and things, and to approve, modify, ratify and execute such documents, acts and things as they, he or she may consider necessary, desirable or expedient to give effect to the abovementioned resolutions.”

TERMINATION OF MEETING

There being no other business, the Meeting ended at 2:25p.m. with a vote of thanks to the Chair.

CONFIRMED AS A TRUE RECORD OF MINUTES

HENRY MAKNAWI
Chairman