



SPINDEX INDUSTRIES LIMITED
(Registration No. 198701451M)
(the "Company")

MINUTES OF ANNUAL GENERAL MEETING

PLACE : 8 Boon Lay Way #10-03, 8@TradeHub 21 Singapore 609964

DATE : Wednesday, 25 October 2023

TIME : 3.00 p.m.

IN ATTENDANCE : Per the attendance list maintained by the Company.

CHAIRMAN OF MEETING : Mr Nicholas Tan Heok Ting ("**Mr Nicholas Tan**")

[These Minutes should be read with the **Appendix** which records the discussions, questions posed, and answers given during the Meeting.]

1. INTRODUCTION & QUORUM

Mr Nicholas Tan, the Managing Director of the Company, informed that he was appointed as the Chairman of the Meeting at the request of Mr Tan Choo Pie @ Tan Chang Chai and it was agreed by the Board of Directors. He welcomed the shareholders and all those who are present at the Company's Annual General Meeting ("**AGM**" or "**Meeting**").

As a quorum of at least 2 shareholders were present at the Meeting, the Chairman of the Meeting declared the Meeting open and introduced the Board of Directors present.

2. NOTICE OF MEETING

The Chairman of the Meeting noted that copies of the Company's Annual Report for the financial year ended 30 June 2023, the Appendix to the Annual Report 2023 in relation to the proposed renewal of the share purchase mandate, the Notice of AGM, and the Proxy Form had been sent to Shareholders and the same were made available on the Company's corporate website and the SGXNET.

The Notice of the AGM was taken as read.

3. VOTING BY WAY OF A POLL

The Chairman of the Meeting informed that he, in his capacity as the Chairman of the Meeting, had been appointed as proxy on behalf of the shareholders who had directed him to vote for and against certain motions for the Meeting. All resolutions at the Meeting would be voted by way of poll which also complied with the requirement of the listing manual of Singapore Exchange Securities Trading Limited ("**SGX-ST**") that all listed companies would have to conduct voting by poll for all general meetings.

The Chairman further informed that to facilitate the proceedings of the Meeting, polls would be carried out after all the items of business to be transacted at the Meeting, have been concluded.

It was noted that Messrs Drew Corp Services Pte Ltd and Messrs Boardroom Corporate & Advisory Services Pte Ltd ("**Boardroom**") had been appointed as the Scrutineer and the polling agent respectively.

4. QUESTIONS AND ANSWERS

The Meeting noted that the Company had addressed all substantial and relevant questions submitted by shareholders by 3.00 p.m. on 18 October 2023 in an announcement released to SGX-ST via SGXNET and published on the Company's corporate website on 20 October 2023.

The Chairman of the Meeting then proceeded with the agenda of the Meeting.

ROUTINE BUSINESS

**5. RESOLUTION 1:
DIRECTORS' STATEMENT AND AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023**

The first item on the agenda was to receive the directors' statement and the audited financial statements of the Company for the financial year ended 30 June 2023 ("**FY2023**") together with the report of the auditors therein.

The Chairman invited the members to raise any queries that they may have on the financial statements. Substantial and relevant comments or queries put forth by the members at the Meeting were answered by the Board and Management of the Company (please see **Appendix**).

As there were no further questions on the financial statements, the following motion was proposed by the Chairman of the Meeting:

"THAT the Audited Financial Statements of the Company for the financial year ended 30 June 2023, together with the Directors' Statement and the Auditors' Report thereon, be hereby received and adopted."

The Chairman highlighted that the poll on the motion would be conducted after all motions on the agenda have been dealt with.

**6. RESOLUTION 2:
TAX EXEMPT (ONE-TIER) FINAL DIVIDEND OF 0.50 CENTS PER ORDINARY SHARE FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023**

The second item on the agenda was to approve the payment of a tax exempt (one-tier) final dividend of 0.50 cents per ordinary share for FY2023 and that such dividend, if approved, would be paid on 17 November 2023.

As there were no questions, the following motion was proposed by the Chairman of the Meeting:

"THAT the payment of a Tax Exempt (One-Tier) Final Dividend of 0.50 cents per ordinary share for the financial year ended 30 June 2023, be hereby approved."

The Chairman highlighted that the poll on the motion would be conducted after all motions on the agenda have been dealt with.

**7. RESOLUTIONS 3 AND 4:
RE-ELECTION OF DIRECTORS**

**7.1 RESOLUTION 3:
RE-ELECTION OF MR PETER TAN BOON HENG AS A DIRECTOR**

The third item on the agenda was to re-elect Mr Peter Tan Boon Heng as a Director of the Company.

It was noted that Mr Peter Tan Boon Heng, upon re-election, would remain as the Lead Independent Director of the Company, the Chairman of the Audit Committee as well as a Member of the Remuneration and Nominating Committees of the Company.

The following motion was proposed by the Chairman of the Meeting:

"THAT Mr Peter Tan Boon Heng be re-elected as a Director of the Company."

The Chairman highlighted that the poll on the motion would be conducted after all motions on the agenda have been dealt with.

**7.2 RESOLUTION 4:
RE-ELECTION OF MR HOON TAI MENG AS A DIRECTOR**

The fourth item on the agenda was to re-elect Mr Hoon Tai Meng as a Director of the Company.

It was noted that Mr Hoon Tai Meng, upon re-election, would remain as an Independent Director of the Company, the Chairman of the Remuneration and Nominating Committees as well as a Member of the Audit Committee of the Company.

The following motion was proposed by the Chairman of the Meeting:

"THAT Mr Hoon Tai Meng be re-elected as a Director of the Company."

The Chairman highlighted that the poll on the motion would be conducted after all motions on the agenda have been dealt with.

**8. RESOLUTION 5:
DIRECTORS' FEES FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023**

The Chairman of the Meeting proceeded to the next item on the agenda, which was to approve the payment of S\$215,160/- as Directors' fees for the financial year ended 30 June 2023, as recommended by the Board.

The following motion was proposed by a member of the Company:

"THAT the Directors' fees amounting to S\$215,160/- for the financial year ended 30 June 2023 be approved."

The Chairman highlighted that the poll on the motion would be conducted after all motions on the agenda have been dealt with.

**9. RESOLUTION 6:
RE-APPOINTMENT OF MESSRS ERNST & YOUNG LLP AS AUDITOR OF THE COMPANY**

The next item on the agenda was to approve the re-appointment of Messrs Ernst & Young LLP as Auditor of the Company and to authorise the Directors of the Company to fix their remuneration. Messrs Ernst & Young LLP had expressed their willingness to continue in office.

The following motion was proposed by the Chairman of the Meeting:

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

The Chairman highlighted that the poll on the motion would be conducted after all motions on the agenda have been dealt with.

10. OTHER ROUTINE BUSINESS

As no further items of routine business were received, the Chairman of the Meeting proceeded to deal with the items of special business.

SPECIAL BUSINESS

RESOLUTION 7:

11. SHARE ISSUE MANDATE

The first item of special business on the agenda was to seek shareholders' approval to authorise and empower the Directors of the Company to allot and issue shares in the capital of the Company and/or Instruments (as defined in the Notice of AGM).

The following motion was proposed by the Chairman of the Meeting:

"THAT pursuant to Section 161 of the Companies Act, 1967 (the "**Companies Act**") and Rule 806 of the Listing Manual of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") and notwithstanding the provisions of the Constitution of the Company, authority be and is hereby given to the Directors of the Company to:

- a. (i) allot and issue shares in the capital of the Company (whether by way of rights, bonus or otherwise); and/or
- (ii) make or grant offers, agreements or options that may 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 (collectively, "**Instruments**"),

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:

- (i) 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 fifty per cent. (50%) of the total number of issued shares excluding subsidiary holdings (as defined in the Listing Manual of the SGX-ST) and treasury shares of the Company (as calculated in accordance with sub-paragraph (ii) below), of which the aggregate number of shares to be granted other than on a pro-rata basis to shareholders of the Company with registered addresses in Singapore (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed ten per cent. (10%) of the total number of shares excluding subsidiary holdings (as defined in the Listing Manual of the SGX-ST) and treasury shares of the Company (as calculated in accordance with sub-paragraph (ii) below);

- (ii) for the purpose of determining the aggregate number of shares that may be issued under subparagraph (i) above, the percentage of the total number of shares excluding subsidiary holdings (as defined in the Listing Manual of the SGX-ST) and treasury shares of the Company shall be calculated based on the total number of issued shares excluding subsidiary holdings (as defined in the Listing Manual of the SGX-ST) and treasury shares 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 exercise of share options or vesting of share awards outstanding or subsisting at the time of the passing of this Resolution, provided the options or awards were granted in compliance with Part VIII of Chapter 8 of the Listing Manual of the SGX-ST; and
 - (c) any subsequent bonus issue, consolidation or subdivision of shares;
- (iii) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the Constitution for the time being of the Company; and
- (iv) 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."

The Chairman highlighted that the poll on the motion would be conducted after all motions on the agenda have been dealt with.

**12. RESOLUTION 8:
THE PROPOSED RENEWAL OF THE SHARE PURCHASE MANDATE**

The second item of special business on the agenda was to seek shareholders' approval of the proposed renewal of the share purchase mandate (as defined in the Notice of AGM).

The following motion was proposed by the Chairman of the Meeting:

"THAT:

- (a) for the purposes of Sections 76C and 76E of the Companies Act, 1967 (the "**Companies Act**"), the exercise by the Directors of the Company (the "**Directors**") of all the powers of the Company to purchase or otherwise acquire issued ordinary shares in the capital of the Company (the "**Shares**") not exceeding in aggregate the Maximum Percentage (as hereafter defined), at such price or prices as may be determined by the Directors from time to time up to but not exceeding the Maximum Price (as hereafter defined), whether by way of:
 - i. on-market purchases ("**Market Purchases**") transacted through the Singapore Exchange Securities Trading Limited's ("**SGX-ST**") trading system and/or any other securities exchange on which the Shares may for the time being be listed and quoted (the "**Other Exchange**"), through one or more duly licensed dealers appointed by the Company for the purpose; and/or
 - ii. off-market purchases ("**Off-Market Purchases**"), otherwise than on a securities exchange, made in accordance with an equal access scheme as defined in Section 76C of the Companies Act,

and otherwise in accordance with all other laws and regulations, including but not limited to the provisions of the Companies Act, the memorandum and articles of association of the Company and the listing rules of the SGX-ST or, as the case may be, the Other Exchange, as may for the time being

- be applicable, be and is hereby authorised and approved generally and unconditionally (the "**Share Purchase Mandate**");
- (b) unless revoked or varied 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 conclusion of the next annual general meeting of the Company;
 - (ii) the date by which the next annual general meeting of the Company is required to be held; and
 - (iii) the date on which the purchases or acquisitions of Shares by the Company pursuant to the Share Purchase Mandate are carried out to the full extent mandated;
- (c) in this Resolution:
- "Average Closing Price"** means the average of the closing market prices of the Shares over the last five (5) Market Days on which the Shares are transacted on the SGX-ST or, as the case may be, such securities exchange on which the Shares are listed or quoted, immediately preceding the date of the Market Purchase by the Company or, as the case may be, the date of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted, in accordance with the Listing Manual, for any corporate action that occurs during the relevant five-day period and the day on which the purchases are made;
- "date of the making of the offer"** means the date on which the Company announces its intention to make an offer for the purchase or acquisition of Shares from Shareholders, stating therein the purchase price (which shall not be more than the Maximum Price for an Off-Market Purchase calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase;
- "Market Day"** means a day on which the SGX-ST is open for trading in securities;
- "Maximum Percentage"** means that number of issued Shares representing 10% of the issued Shares as at the date of the passing of this Resolution; and
- "Maximum Price"** in relation to a Share to be purchased or acquired, means the purchase price (excluding related brokerage, commission, applicable goods and services tax, stamp duties, clearance fees and other related expenses) which shall not exceed:
- (i) in the case of a Market Purchase, 105% of the Average Closing Price of the Shares; and
 - (ii) in the case of an Off-Market Purchase, 120% of the Average Closing Price of the Shares
- (d) any Share that is purchased or otherwise acquired by the Company pursuant to the Share Purchase Mandate shall, at the discretion of the Directors of the Company, either be cancelled or held as a treasury share and dealt with in accordance with the Companies Act; and
- (e) the Directors of the Company and/or any of them be and are and/or is hereby authorised and empowered to complete and do all such acts and things (including, without limitation, executing such documents as may be required and approving any amendments, alterations or modifications to any documents) as they and/or he may consider desirable, expedient or necessary to give effect to the transactions contemplated and/or authorised by this Resolution and/or the Share Purchase Mandate."

13. POLLING

The Meeting proceeded with the conduct of the poll for Resolutions 1 to 8. The Chairman of the Meeting informed that he, as Chairman of the Meeting, held valid proxies in respect of the certain motions from eligible shareholders and would be voting in accordance with their instructions.

He invited the representative from Boardroom to explain the polling procedures to the members.

After due time had been given for the poll voting slips to be completed and returned, the Meeting was adjourned at 4.30 p.m. to enable the scrutineers to count the votes.

14. POLLING RESULTS

The Meeting resumed at 4.45 p.m. and the Chairman announced the results of the poll for the following resolutions:

Resolution number and details	Total number of shares represented by votes for and against the relevant resolution	For		Against	
		Number of shares	As a percentage of total number of votes for and against the resolution (%)	Number of shares	As a percentage of total number of votes for and against the resolution (%)
Routine Business					
Ordinary Resolution 1 Adoption of Directors' Report and Audited Financial Statements for the financial year ended 30 June 2023	86,558,412	86,558,412	100%	0	0%
Ordinary Resolution 2 Payment of proposed final dividend of 0.50 cents per ordinary share tax exempt (one-tier)	86,558,412	86,517,512	99.95%	40,900	0.05%
Ordinary Resolution 3 Re-election of Mr Peter Tan Boon Heng as a Director	86,558,412	86,558,412	100%	0	0%

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Resolution number and details	Total number of shares represented by votes for and against the relevant resolution	For		Against	
		Number of shares	As a percentage of total number of votes for and against the resolution (%)	Number of shares	As a percentage of total number of votes for and against the resolution (%)
Ordinary Resolution 4 Re-election of Mr Hoon Tai Meng as a Director	86,558,412	86,558,412	100%	0	0%
Ordinary Resolution 5 Approval of Directors' fees amounting to S\$215,160 for the financial year ended 30 June 2023	86,558,412	86,558,412	100%	0	0%
Ordinary Resolution 6 Re-appointment of Messrs Ernst & Young LLP as Auditor	86,558,412	86,558,412	100%	0	0%
Special Businesses					
Ordinary Resolution 7 Authority for Directors to allot and issue new shares pursuant to Section 161 of the Companies Act 1967	86,558,412	86,541,412	99.98%	17,000	0.02%
Ordinary Resolution 8 Renewal of Share Purchase Mandate	86,558,412	86,533,412	99.97%	25,000	0.03%

15. TERMINATION

There being no further business, the Meeting concluded at 4.45 p.m. and was declared closed by the Chairman of the Meeting.

BY ORDER OF THE BOARD
NICHOLAS TAN HEOK TING
CHAIRMAN OF THE MEETING

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**APPENDIX TO THE MINUTES OF THE 36TH ANNUAL GENERAL MEETING (“AGM”)
HELD ON 25 OCTOBER 2023**

SUMMARY OF RESPONSES TO THE SUBSTANTIAL AND RELEVANT COMMENTS OR QUERIES
FROM SHAREHOLDERS AT THE AGM OF THE COMPANY

1.	Question	With reference to the Chairman’s Statements in the Company’s Annual report 2023, what are the challenges the company faces and what are the acquisition plans and potential effects of the new acquisitions?
	Company’s response	Navigating the dynamic market poses a challenge due to its unpredictable nature. The Company continues to explore various verticals within the supply chain to provide more value to its customers and also horizontals to broaden its scope to other industries. However, the timeframe and extent of investment is not firmed up yet.
2	Question	With reference to the balance sheet in the Company’s Annual report 2023, would the Company’s net cash position be sufficient for the Company’s capital expenditures (CAPEX) and operations?
	Company’s response	It is challenging to assess the sufficiency of the cash due to ongoing economic uncertainties and difficulty in securing loans. The need for working capital and affordability was emphasized, where the cash position is not excessive. The strategy of minimizing high-interest loans and managing customer payments effectively to maintain cash flow.
3.	Question	What is the rationale behind the significant reduction of dividend payment from 3.50 cents (for FY2022) to 0.50 cents as well as the Independent Directors' perspective in relation to this?
	Company’s response	<p>The Company does not have a fixed dividend policy. However, in determining the dividend, the Company considers a longer term view of its cash flow needs, and also the larger macroeconomic environment. Since the COVID-19 pandemic, there were three successive drops in revenue and the Company takes a conservative approach to the speed and extent of any economic recovery. The Company has also referred to other companies which have taken a conservative approach during challenging periods.</p> <p>The Independent Directors had taken several considerations into account, which included (but was not limited to), needs of its stakeholders and shareholders, forward looking sentiments and understanding management’s assessment of the company’s strategic cash needs. The decision to cut dividends was influenced by the quarterly financial results and the uncertain market conditions, which the Independent Directors had concurred with management.</p>
4.	Question	Will the Chairman of the Remuneration Committee reduce directors’ pay in times of reduced profits?

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	Company's response	The pay structure is already inbuilt and disclosed in the Annual Report annually.
5.	Question	What is the main reason for the company's low visibility in the forward looking statement?
	Company's response	The Company has shared that there are several factors which has made the market more volatile, such as the war in Ukraine, poor economic sentiments in China, and geopolitical issues within major economies like USA and China. Further factors such as persistent inflation, rising input costs and lower purchasing ability also make visibility less certain moving forward. The company takes a conservative approach on its prospects in the near future.
6.	Question	With reference to the significant drop in revenue in the China segment, are the manufacturing customers mainly Chinese customers or Western customers?
	Company's response	Due to several cross shareholdings between foreign brands vs China shareholders, the company structures its customers by its market location rather than the ultimate shareholder.
7.	Question	Is the overcapacity in China, as mentioned, a result of both decreased demand and relocations of manufacturing facilities?
	Company's response	Overcapacity is influenced by an amalgamation of various factors, including reduced demand, relocation and geopolitical issues. In addition, there was significant front loading during the COVID-19 period which has contributed to a supply glut.
8.	Question	With the low dividend distribution, are there considerations of privatising the company and what are the benefits of keeping the company public at this point?
	Company's response	There are currently no offers that management has received to take the Company private.
9.	Question	What are the lessons learnt from investments in China and questioned future strategies given market volatility and demand uncertainties?
	Company's response	Although the Company did not expect the market to deteriorate so quickly, they considered and determined market conditions as one of the risk factors before making the investment. The Company acknowledged the importance of decision-making factors such as market conditions, customer requirements, and geopolitical considerations before making any investments.
10.	Question	How has material costs been affected during this slowdown?

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	Company's response	Material prices have dropped in the last year but has stabilized and there are trends of a slight uptick of 1-2% recently.
11.	Question	Is there a fixed dividend policy in place or a fixed percentage of profits which allocated dividend?
	Company's response	The Company does not have a fixed dividend policy. However, over the past few years, dividends have consistently ranged from 20% to 25%. The Board had several considerations before declaring payment of dividends, which included working capital needs, investment needs and the Company's position on the future of the economy or the market demand.