

WORLD PRECISION MACHINERY LIMITED

(Incorporated in Singapore)
(Co. Reg. No.200409453N)

MINUTES OF EXTRAORDINARY GENERAL MEETING

PLACE	:	Via "Live" webcast
DATE	:	Tuesday, 22 December 2020
TIME	:	2.00 p.m.
PRESENT	:	Per the attendance list maintained by the Company.
IN ATTENDANCE	:	Per the attendance list maintained by the Company.
CHAIRMAN	:	Mr Shao Jianjun (" Chairman of the Meeting ")

INTRODUCTION AND QUORUM

Pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020 (as amended from time to time) (the "**Alternative Arrangements Order**"), it was noted that the Extraordinary General Meeting ("**EGM**" or "**Meeting**") is conducted via live webcast and shareholders of the Company were not allowed to attend the Meeting in person but were allowed to view the proceedings through a live webcast.

Pursuant to the Alternative Arrangements Order, the share registrar of the Company, B.A.C.S. Private Limited, had verified that at least 2 shareholders of the Company had attended the Meeting via live webcast. As a quorum of at least 2 shareholders were electronically present at the Meeting, the Chairman of the Meeting declared the Meeting open at 2.00 p.m. and introduced the Directors present.

NOTICE OF MEETING

The Chairman of the Meeting highlighted that no printed copies of the Notice of EGM and the circular to shareholders in relation to the proposed sale of Shenyang World High-End Equipment Manufacturing Co., Ltd (the "**Proposed Sale**"), which constitutes a major transaction and an interested person transaction under the Listing Manual (the "**Circular**") dated 7 December 2020 were despatched to shareholders in accordance with the provisions under the Alternative Arrangements Order. However, an electronic copy of each of the Notice of EGM, Circular and the proxy form had been made available on the Company's corporate website and SGXNET.

The Notice of the EGM was taken as read.

VOTING BY WAY OF POLL

As the live webcast would not provide for online voting, it was noted that a shareholder who had wish to exercise his/her/its voting rights at the Meeting should have appointed the Chairman of the Meeting as his/her/its proxy to vote on his/her/its behalf at the Meeting at least 48 hours before this Meeting. In appointing the Chairman of the Meeting as proxy, such shareholder (whether individual or corporate) must give specific instructions as to voting, or abstentions from voting, in the proxy form, failing which the appointment would be treated as invalid.

Shareholders who had held their shares through relevant intermediaries (including CPFIS Members or SRS investors) and who had wished to exercise their votes by appointing the Chairman of the Meeting as proxy should have approached their respective relevant intermediaries (including their respective CPF Agent Banks or SRS Approved Banks) to submit their voting instructions at least seven working days prior to the date of the Meeting.

The Chairman of the Meeting informed that he 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 complies with the requirement of the Listing Manual of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) that all listed companies would have to conduct voting by poll for all general meetings.

It was noted that B.A.C.S. Private Limited and Finova BPO Pte. Ltd. had been appointed as Polling Agent and Scrutineer respectively. The Scrutineer had checked the validity of the proxy forms received and prepared a report on the poll results which would be announced after each motion has been formally proposed at the Meeting.

QUESTIONS & ANSWERS

After addressing shareholders’ questions relating to the ordinary resolution to be tabled for approval at the meeting, which were substantial and relevant and submitted by shareholders no later than 2.00 p.m. on 19 December 2020 (“**Q&A Summary**”), the Chairman then proceeded with the agenda of the meeting. A copy of the Q&A Summary is annexed to these minutes as **Appendix I**.

THE PROPOSED SALE – ORDINARY RESOLUTION

The ordinary resolution was to seek shareholders’ approval of the Proposed Sale. The rationale of the Proposed Sale and the benefit to the Company were set out from pages 3 to 5 under item 2 of the Circular. The meeting noted the text of the resolution set out under the ordinary resolution in the Notice of EGM.

It was noted that the members of the Audit Committee were of the view that the Proposed Sale is on normal commercial terms and is not prejudicial to the interest of the Company and its minority shareholders.

Mr Wang Weiyao, a controlling shareholder of the Company and an Interested Person, and his associates shall abstain from voting on the ordinary Resolution relating to the Proposed Sale, as follows:

- (i) Wang Weiyao – 200,000 shares
- (ii) World Sharehold Limited – 295,391,000 shares

Following the proposal of the motion for the ordinary Resolution relating to the Proposed Sale by the Chairman of the Meeting, the following results of the poll verified by the Scrutineer were shown on the screen:

	Votes	%
No. of shares for:	66,863,800	100.00
No. of shares against:	0	0.00

Based on the results of the poll, the Chairman of the Meeting declared the motion carried and it was **RESOLVED**:

- “(a) approval be and is hereby given, for the purpose of Chapter 9 and Chapter 10 of the Listing Manual of the SGX-ST, for the sale of all the shareholding interest in Shenyang World High-End Equipment Manufacturing Co., Ltd (the “**Target Company**”), together with all of the factory buildings and land associated with such factory buildings owned by the Target Company, by

World Precise Machinery (Shenyang) Co., Ltd. (the “**Seller**”), a wholly-owned subsidiary of the Company, to World Agriculture (Shenyang) Co., Ltd. (the “**Buyer**”), for a consideration of RMB 263,143,415.97, in accordance with the terms and conditions of the sale and purchase agreement entered into between the Seller and the Buyer dated 4 September 2020 (“**SPA**”), the salient terms of which are set out in the Circular; and

- (b) the Directors of the Company and each of them be and are hereby authorised to take such steps, approve all matters, implement, execute, perfect or give effect to complete and do all such acts and things, including directing and authorising the Seller to do the same, for the purposes of giving effect to or facilitating the Proposed Sale with full power to assent to any condition, amendment, alteration, modification or variation (including to the SPA) as may be required or as they or he may in their/his absolute discretion consider necessary, desirable or expedient in the interests of the Company to complete the transactions contemplated in the Proposed Sale and to give effect to this Resolution.”

CONCLUSION

There being no other business to transact, the Chairman declared the EGM of the Company closed at 2.20 p.m. and thanked everyone for their attendance.

Confirmed as True Record of Proceedings held

Shao Jianjun
Chairman of the Meeting

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**EXTRAORDINARY GENERAL MEETING
- QUESTIONS AND ANSWERS**

All capitalised terms used herein, unless otherwise defined, shall have the meanings ascribed to them in the Company's Circular to shareholders dated 7 December 2020 in relation to the Proposed Sale of Shenyang World High-End Equipment Manufacturing Co., Ltd, which constitutes a major transaction and an interested person transaction under the Listing Manual.

Shareholder's question 1

The cash consideration to be received is quite considerable in proportion to the current market capitalisation of the company. I would like to know what are management's plans to make sure that the sale proceeds are effectively utilised in narrowing the gap between the current market capitalisation and NAV of the company.

Company's response to question 1

With reference to item 3.2 of the Circular, there are currently no specific plans for the use of the sale proceeds, but it is expected that the sale proceeds will eventually be utilised for capital expenditure, general working capital, payment of dividends and asset acquisitions as may be determined by the Board from time to time. The Company will make announcements in due course in the event there is material deployment of the sale proceeds.

Shareholder's question 2

Assuming the company is able to get all necessary approvals for the proposed sale I would like to know what is the latest date by which the cash proceeds would be in the company's bank accounts.

Company's response to question 2

With reference to item 4.2(d) of the Circular under Payment Terms, World Agriculture (Shenyang) Co., Ltd. (the "**Buyer**") shall transfer the full amount of the Sale Consideration to the bank account of World Precise Machinery (Shenyang) Co., Ltd. (the "**Seller**") within 6 months of the successful registration of the change in ownership of the Target Company, Shenyang World High-End Equipment Manufacturing Co., Ltd, from the Seller to the Buyer with the State Administration for Industry and Commerce ("**AIC**").

Shareholder's question 3

One of the conditions stated in circular on page 8 under "Termination" is that the sale and purchase agreement (the "SPA") may be terminated if the Seller and the Buyer are unable to complete the Proposed Sale within 3 months of the date of the SPA.

Is this condition still valid given that it has been more than 3 months since 4th September? and has the AIC registration been completed?

Company's response to question 3

Both parties, the Seller and Buyer, do not have any intention to terminate the Proposed Sale as the Company has obtained clearance of the circular from the Singapore Exchange Securities Trading Limited on 4 December 2020 and have mutually agreed to proceed with the completion of the AIC registration upon obtaining approval from the shareholders at the EGM.