

MTQ CORPORATION LIMITED
(Incorporated in Singapore)
(Company Registration No. 196900057Z)

MINUTES OF 55TH ANNUAL GENERAL MEETING

PLACE : Carlton Hotel, Empress Ballroom 4, Level 2
76 Bras Basah Road, Singapore 189558

DATE : Tuesday, 30 July 2024

TIME : 10.00 a.m.

PRESENT : As set out in the attendance records maintained by the Company.

IN ATTENDANCE : As set out in the attendance records maintained by the Company.

CHAIRMAN : Mr Kuah Kok Kim

1. INTRODUCTION

- 1.1 As a quorum was present, the Chairman declared the meeting open at 10.00 a.m. and welcomed the shareholders to the Annual General Meeting (“**AGM**” or the “**Meeting**”). The Chairman then introduced the members of the Board present at the AGM. He also took the opportunity to inform shareholders about the various changes to the composition of the Board and Board Committees. The details of these changes were announced via SGXNET on 29 July 2024.
- 1.2 The Notice of AGM dated 28 June 2024 was taken as read.
- 1.3 The Chairman informed the Meeting that he had, in his capacity as Chairman of the Meeting, been appointed as a proxy by some shareholders and would be voting according to their specific instructions. Voting at this AGM would be conducted by electronic polling. RHT Governance, Risk & Compliance (Singapore) Pte Ltd and Boardroom Corporate & Advisory Services Pte. Ltd. had been appointed as Scrutineer and Polling Agent for the AGM respectively.
- 1.4 The Chairman then informed that the Group CEO, Mr Asif Salim Vorajee (“Mr Asif”) would deliver a presentation on the Group’s business affairs for the financial year ended 31 March 2024 (“FY2024”) followed by the “live” question and answer session during the tabling of the resolutions. The voting results for each resolution would be announced after each resolution was tabled.

2. PRESENTATION BY THE GROUP CEO

- 2.1 Mr Asif proceeded to deliver a presentation on the overview of the Group’s businesses and FY2024 financial performance. The presentation slides were released via SGXNET on 30 July 2024.
- 2.2 After the presentation, the proceeding was handed back to the Chairman.

3. QUESTIONS AND ANSWERS

- 3.1 Shareholders were informed that the responses to the questions received in advance of the AGM from shareholders had been published on SGXNet and the Company's corporate website on 29 July 2024.
- 3.2 The Board then proceeded to field questions from the shareholders that were present at the AGM. The questions relating to the resolutions raised by Shareholders at the AGM and the responses are summarised and attached as **Appendix 1**.

4. AGENDA ITEMS

- 4.1 There being no further questions from Shareholders, a video presentation introducing the steps to the casting of votes at the AGM was played. The Chairman then proceeded by proposing all the motions which had been tabled for approval at this AGM and put them to the vote by poll.

ORDINARY BUSINESS:

1. DIRECTORS' STATEMENT AND AUDITED FINANCIAL STATEMENTS – RESOLUTION 1

The motion to approve and adopt the Directors' Statement and the Audited Financial Statements for the financial year ended 31 March 2024 together with the Independent Auditor's Report was duly proposed by the Chairman.

The votes were counted and verified and the results of the votes for Resolution 1 were as follows:

Total number of shares represented by votes for and against the resolution	For		Against	
	Number of shares	As a % of total number of votes for and against the resolution	Number of shares	As a % of total number of votes for and against the resolution
108,988,004	108,939,066	99.96	48,938	0.04

Based on the results of the Poll, the Chairman declared Resolution 1 carried and it was RESOLVED:

"That the Directors' Statement and the Audited Financial Statements of the Company for the financial year ended 31 March 2024 together with the Independent Auditor's Report be received and adopted."

2. FINAL DIVIDEND – RESOLUTION 2

The motion to approve the payment of one-tier tax exempt final dividend of 0.50 Singapore cents per ordinary share for the financial year ended 31 March 2024 and the final dividend, if approved, would be paid on 22 August 2024, was duly proposed by the Chairman.

The votes were counted and verified and the results of the votes for Resolution 2 were as follows:

Total number of shares represented by votes for and against the resolution	For		Against	
	Number of shares	As a % of total number of votes for and against the resolution	Number of shares	As a % of total number of votes for and against the resolution
108,988,004	105,552,894	96.85	3,435,110	3.15

Based on the results of the Poll, the Chairman declared Resolution 2 carried and it was RESOLVED:

“That the payment of one-tier tax exempt final dividend of 0.50 Singapore cents per ordinary share for the financial year ended 31 March 2024 be approved.”

3. RE-ELECTION OF MR KUAH BOON WEE AS A DIRECTOR – RESOLUTION 3

Resolution 3 dealt with the re-election of Mr Kuah Boon Wee as a Director of the Company. Mr Kuah, who was retiring under Article 91 of the Company’s Constitution, had signified his consent to continue in office and would, upon re-election as a Director of the Company, be considered non-independent.

The motion in relation to Resolution 3 was duly proposed by the Chairman. The votes were counted and verified and the results of the votes for Resolution 3 were as follows:

Total number of shares represented by votes for and against the resolution	For		Against	
	Number of shares	As a % of total number of votes for and against the resolution	Number of shares	As a % of total number of votes for and against the resolution
108,683,927	108,521,304	99.85	162,623	0.15

Based on the results of the Poll, the Chairman declared Resolution 3 carried and it was RESOLVED:

“That Mr Kuah Boon Wee be re-elected as a Director of the Company.”

4. RE-ELECTION OF MR HO HAN SIONG CHRISTOPHER AS A DIRECTOR – RESOLUTION 4

Resolution 4 dealt with the re-election of Mr Ho Han Siong Christopher, who was retiring under Article 91 of the Company’s Constitution. Mr Ho had signified his consent to continue in office and would, upon re-election as a Director of the Company, remained as member of the Audit Committee and would be considered non-independent.

The motion in relation to Resolution 4 was duly proposed by the Chairman. The votes were counted and verified and the results of the votes for Resolution 4 were as follows:

Total number of shares represented by votes for and against the resolution	For		Against	
	Number of shares	As a % of total number of votes for and against the resolution	Number of shares	As a % of total number of votes for and against the resolution
108,685,127	108,366,817	99.71	318,310	0.29

Based on the results of the Poll, the Chairman declared Resolution 4 carried and it was RESOLVED:

“That Mr Ho Han Siong Christopher be re-elected as a Director of the Company.”

5. RE-ELECTION OF MR ADEL KHALIL EBRAHIM ALMOAYYED AS A DIRECTOR – RESOLUTION 5

Resolution 5 dealt with the re-election of Mr Adel Khalil Ebrahim Almoayyed, who was retiring under Article 97 of the Company’s Constitution. Mr Almoayyed had signified his consent to continue in office and would, upon re-election as a Director of the Company, be considered independent.

The motion in relation to Resolution 5 was duly proposed by the Chairman. The votes were counted and verified and the results of the votes for Resolution 5 were as follows:

Total number of shares represented by votes for and against the resolution	For		Against	
	Number of shares	As a % of total number of votes for and against the resolution	Number of shares	As a % of total number of votes for and against the resolution
108,348,241	107,999,469	99.68	348,772	0.32

Based on the results of the Poll, the Chairman declared Resolution 5 carried and it was RESOLVED:

“That Mr Adel Khalil Ebrahim Almoayyed be re-elected as a Director of the Company.”

6. RE-APPOINTMENT OF AUDITOR – RESOLUTION 6

The Chairman informed that the retiring auditor, Ernst & Young LLP, had expressed its willingness to continue in office.

The motion in relation to Resolution 6 was duly proposed by the Chairman. The votes were counted and verified and the results of the votes for Resolution 6 were as follows:

Total number of shares represented by votes for and against the resolution	For		Against	
	Number of shares	As a % of total number of votes for and against the resolution	Number of shares	As a % of total number of votes for and against the resolution
108,623,692	108,500,753	99.89	122,939	0.11

Based on the results of the Poll, the Chairman declared Resolution 6 carried and it was RESOLVED:

“That Ernst & Young LLP be re-appointed as Auditor of the Company until the conclusion of the next Annual General Meeting and that the Directors be authorised to fix its remuneration.”

7. ANY OTHER BUSINESS

As no notice of any other ordinary business has been received by the Company Secretary, the Meeting proceeded to deal with the special business of the Meeting.

SPECIAL BUSINESS:

8. DIRECTORS’ FEES – RESOLUTION 7

The Board had, subject to shareholders’ approval, recommended the payment of Directors’ fees of up to S\$370,000 to be paid quarterly in arrears for the financial year ending 31 March 2025.

The motion in relation to Resolution 7 was duly proposed by the Chairman. The votes were counted and verified and the results of the votes for Resolution 7 were as follows:

Total number of shares represented by votes for and against the resolution	For		Against	
	Number of shares	As a % of total number of votes for and against the resolution	Number of shares	As a % of total number of votes for and against the resolution
108,669,377	108,506,754	99.85	162,623	0.15

Based on the results of the Poll, the Chairman declared Resolution 7 carried and it was RESOLVED:

“That the Directors’ fees of up to S\$370,000 for the financial year ending 31 March 2025, to be paid quarterly in arrears, be approved for payment.”

9. AUTHORITY TO ISSUE SHARES – RESOLUTION 8

The motion in relation to Resolution 8 was to authorise the Directors to allot and issue shares pursuant to Section 161 of the Companies Act 1967 and Rule 806 of the Listing Manual of the Singapore Exchange Securities Trading Limited (“SGX-ST”).

The motion in relation to Resolution 8 was duly proposed by the Chairman. The votes were counted and verified and the results of the votes for Resolution 8 were as follows:

Total number of shares represented by votes for and against the resolution	For		Against	
	Number of shares	As a % of total number of votes for and against the resolution	Number of shares	As a % of total number of votes for and against the resolution
108,704,082	108,282,966	99.61	421,116	0.39

Based on the results of the Poll, the Chairman declared Resolution 8 carried and it was RESOLVED:

That pursuant to Section 161 of the Companies Act 1967 and Rule 806 of the Listing Manual of the SGX-ST, the Directors of the Company be authorised and empowered to:

- (a) (i) 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 Instruments 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 and subsidiary holdings) in the capital of the Company (as calculated in accordance with sub-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 shall not exceed twenty per centum (20%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) 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 and subsidiary holdings) 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 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 the options and awards were granted in compliance with the Listing Manual; and
 - (c) any subsequent bonus issue, consolidation or subdivision of shares;

provided such adjustment in sub-paragraph 2(a) and (b) above are 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 for the time being in force (unless such compliance has been waived by the SGX-ST) and the Company's Constitution; 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.

10. AUTHORITY TO ISSUE SHARES UNDER THE MTQ CORPORATION LIMITED SCRIP DIVIDEND SCHEME – RESOLUTION 9

The Meeting noted that Resolution 9 was to authorise the Directors to issue shares under The MTQ Corporation Limited Scrip Dividend Scheme.

The motion in relation to Resolution 9 was duly proposed by the Chairman. The votes were counted and verified and the results of the votes for Resolution 9 were as follows:

Total number of shares represented by votes for and against the resolution	For		Against	
	Number of shares	As a % of total number of votes for and against the resolution	Number of shares	As a % of total number of votes for and against the resolution
108,879,553	105,301,953	96.71	3,577,600	3.29

Based on the results of the Poll, the Chairman declared Resolution 9 carried and it was RESOLVED:

“That pursuant to Section 161 of the Companies Act 1967 and Rule 806 of the Listing Manual of the SGX-ST, the Directors of the Company be authorised and empowered to issue such number of shares in the Company as may be required to be issued pursuant to The MTQ Corporation Limited Scrip Dividend Scheme from time to time set out in the Circular to Shareholders dated 10 June 2004 and that such authority shall, unless revoked or varied by the Company in a general meeting, 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.”

11. PROPOSED RENEWAL OF SHARE BUYBACK MANDATE – RESOLUTION 10

As the Chairman was deemed to be interested in the item on the Agenda, the chair was handed over to the Lead Independent Director, Mr Nicholas Campbell Cocks.

The Meeting noted that Resolution 10 was to seek shareholders' approval for the renewal of the Share Buyback Mandate. The full details of the Share Buyback Mandate and the financial effects had been set out in the Appendix dated 28 June 2024 attached to the Annual Report.

As stated in the Appendix dated 28 June 2024, the Concert Party Group, comprising Kuah Kok Kim, Kuah Boon Wee, Kuah Boon Kiam and Kuah Boon Theng would abstain from recommending shareholders to vote in favour of this Resolution.

The motion in relation to Resolution 10 was duly proposed by the Lead Independent Director, Mr Cocks. The votes were counted and verified and the results of the votes for Resolution 10 were as follows:

Total number of shares represented by votes for and against the resolution	For		Against	
	Number of shares	As a % of total number of votes for and against the resolution	Number of shares	As a % of total number of votes for and against the resolution
41,513,175	41,317,488	99.53	195,687	0.47

Based on the results of the Poll, Mr Cocks declared Resolution 10 carried and it was RESOLVED:

“That for the purposes of Sections 76C and 76E of the Companies Act 1967, the Directors of the Company be and are hereby authorised to make purchases or otherwise acquire ordinary shares in the capital of the Company from time to time (whether by way of market purchases or off-market purchases on an equal access scheme) of up to ten per centum (10%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as ascertained as at the date of Annual General Meeting of the Company) at the price of up to but not exceeding the Maximum Price as defined in the Appendix to this Notice of Annual General Meeting dated 28 June 2024 (the “**Appendix**”), in accordance with the terms of the Share Buyback Mandate set out in the Appendix, and the Share Buyback Mandate shall, unless varied or revoked by the Company in a general meeting, continue in force until the conclusion of (i) the next Annual General Meeting of the Company, (ii) the date by which the next Annual General Meeting of the Company is required by law to be held, or (iii) the date on which Share Purchases are carried out to the full extent mandated, whichever is earliest.”

The chair was handed over to the Chairman.

CONCLUSION

There being no other business to transact, the Chairman declared the AGM of the Company closed at 10.59 a.m. and proceeded to convene the Extraordinary General Meeting.

CONFIRMED AS TRUE RECORD OF PROCEEDINGS HELD

Kuah Kok Kim
Chairman

Appendix 1

**MTQ CORPORATION LIMITED
(Incorporated in Singapore)**

Annual General Meeting (“AGM”) held on 30 July 2024

Responses to questions received from shareholders at the AGM.

Questions:

Shareholder complimented the Board for delivering a strong set of performance results in FY2024 as compared to the past financial years.

Could the Board provide more insights into the decision to establish a new facility in the UAE given that we already have a facility in Bahrain? What is the rationale for having two facilities in the Middle East? Did the Board consider having facility in the USA or Gulf of Mexico?

What is the expected capital expenditure for the UAE facility? Is there any possibility to expand our scope of services in this region?

Answer:

Due to practical constraints and local regulations, our Bahrain facility is unable to service the Abu Dhabi market. As a result, the establishment of a facility in the UAE has become necessary to cater specifically to the domestic market in Abu Dhabi.

It was noted that the local preference, particularly in the oil and gas industry, underscores the importance of having a physical presence in the UAE to effectively capture and serve this market. Moreover, our Bahrain facility is currently operating at full capacity, further justifying the need for expansion into the UAE.

Given our limited resources, it is essential for MTQ to be strategic and prudent in allocating these resources and focusing on regions where Management has demonstrated expertise. The total initial key capital expenditure required for the establishment of the UAE facility is approximately US\$20 million. It was also highlighted that any expansion of our service offerings will need to be carefully aligned with our available resources and capacity.

Questions:

Consequent to the disposal of the Binder Group, is there any recourse to the loan to the joint venture that was fully written off?

Noted that interest income remained very low. Is there a way to improve cash management at the Group level to increase interest income?

Revenue contribution from In-Line Valves has increased from S\$2.4m to S\$4.8m in FY2024. Is there any plan to grow this area?

Answer:

The Board acknowledged that, in hindsight, this investment presented significant challenges and fell short of expectation. Consequently, the Group decided to divest this investment to minimise ongoing losses when opportunities arose. The Group is now focusing its resources on opportunities that align more closely with our core strengths and strategic goals within the oilfield engineering segment. The joint venture was excluded from the disposal of the rest of Binder's business.

In discussing the cash management, the primary focus highlighted was on managing cash to reduce borrowings, thereby lowering net interest expenses.

In-Line Valve's business primarily serves the Abu Dhabi market. As part of the growth strategy for this segment, the Group plans to undertake valve manufacturing at the new Abu Dhabi facility once it becomes operational. This strategic move is expected to enhance the competitiveness of the business and position it more effectively in the Abu Dhabi market.

Question:

Shareholder welcomed the new CEO.

What is the Bahrain's current contribution to the Group's revenue and profit as compared to Singapore? After the UAE expansion, what is the projected increase in revenue and profit?

Answer:

As disclosed in the Annual Report, the revenue contributions from Singapore and Bahrain are approximately 50:50 and the profit contributions were consistent with the revenue contributions.

The UAE facility is expected to be ready in 2H2025. While the Board is unable to provide specific projections for increases in revenue and profit, it anticipates that the UAE facility will contribute positively to the Group's revenue and profit once it becomes fully operational, barring unforeseen circumstances.

Question:

The current dividend payout does not commensurate with the good results that was delivered for FY2024. FY2024 saw higher earnings, stronger cashflow, lower gearing ratio but the valuation of the Company's share price is still at record low. The Board should consider paying a reasonable dividend yield to improve the valuation of the Company's share price.

Answer:

The Board provided context, noting that the oil and gas industry has faced challenging operating conditions over the past five to six years, with only recent signs of recovery. Despite these conditions, MTQ has managed its financial position prudently and has continued to declare modest dividends in recent years. Given the need to conserve cash for the ongoing UAE expansion, the Board has proposed a more conservative dividend payout for this financial year.

Nevertheless, the Board acknowledged the shareholder's concern and assured that it will continue to reward shareholders as best as it can, while maintaining its prudent financial strategy.

Question:

Under what circumstance will the Board utilise the mandate on the scrip dividend scheme? Given the low share price now, the scrip dividend scheme will accord shareholders the opportunity to increase its shareholdings at an attractive price to shareholders.

Answer:

The Board clarified that there is no immediate intention to apply the scrip dividend scheme at this juncture. However, the Board is seeking shareholders' approval for a mandate that would allow the option of issuing scrip in lieu of cash dividends to be readily available, should market conditions change.

It was noted that the take-up rates for the scrip dividend was quite low in the past, indicating a preference among shareholders to receive cash dividends. Additionally, there were concerns raised about odd lots resulting from the scrip dividends scheme in the past, which the Board will take into consideration.

Question:

What is the number of treasury shares that the Company currently hold?

Up to what level will the Company exercise the share buyback mandate?

What does the Company intend to do with the shares purchased under the share buyback mandate?

Answer:

The Company currently holds 188,303 treasury shares.

There is currently no specific plan for the level at which the share buyback mandate will be exercised. We are seeking shareholders' approval for this mandate to enable us to exercise it as needed, based on market conditions and strategic considerations, with the aim of optimizing shareholder value.