



NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of AEI Corporation Ltd., will be convened and held by electronic means on Monday, 29 June 2020 at 9.00 a.m. (of which there will be a live webcast) for the following purposes:-

AS ORDINARY BUSINESS

- To receive and adopt the Audited Financial Statements of the Company for the financial year ended 31 December 2019 together with the Directors' Statement and Auditor's Report thereon. **(Resolution 1)**
- To approve the Directors' fees of S\$287,992 (2018: S\$263,926) for the financial year ended 31 December 2019. **(Resolution 2)**
- To re-elect Mr Teng Cheong Kwee, a Director retiring under Article 104 of the Constitution of the Company. **(Resolution 3)**
(See Explanatory Note 1)
- To re-elect Mr Wu Pingwei, a Director retiring under Article 104 of the Constitution of the Company. **(Resolution 4)**
(See Explanatory Note 2)
- To re-elect Mr Li Zhibo, a Director retiring under Article 108 of the Constitution of the Company. **(Resolution 5)**
(See Explanatory Note 2)
- To re-appoint Ernst & Young LLP as Auditors of the Company and to authorise the Directors to fix their remuneration. **(Resolution 6)**

AS SPECIAL BUSINESS

To consider, and if thought fit, to pass the following resolutions as Ordinary Resolutions with or without amendments:-

7. Authority to issue and allot shares

"(a) That pursuant to Section 161 of the Companies Act, Cap. 50, and the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST"), approval be and is hereby given to the Directors of the Company at any time to such persons and upon such terms and for such purposes as the Directors may in their absolute discretion deem fit, to:

- issue shares in the capital of the Company whether by way of rights, bonus or otherwise; and/or
- make or grant offers, agreements or options that might or would require shares to be issued or other transferable rights to subscribe for or purchase shares (collectively, "Instruments") including but not limited to the creation and issue of warrants, debentures or other instruments convertible into shares; and/or
- issue additional Instruments arising from adjustments made to the number of Instruments previously issued in the event of rights, bonus or capitalisation issues; and

(b) (notwithstanding the authority conferred by the shareholders may have ceased to be in force) issue shares in pursuance of any Instrument made or granted by the Directors while the authority was in force, provided always that:

- 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 50% of the total number of issued shares (excluding treasury shares and subsidiary holdings), of which the aggregate number of shares (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) to be issued other than on a pro rata basis to shareholders of the Company does not exceed 20% of the total number of issued shares (excluding treasury shares and subsidiary holdings), and for the purpose of this Resolution, the total number of issued shares (excluding treasury shares and subsidiary holdings) shall be the Company's total number of issued shares (excluding treasury shares) at the time this Resolution is passed, after adjusting for;
 - new shares arising from the conversion or exercise of convertible securities, or
 - new shares arising from exercising share options or vesting of share awards provided the options or awards were granted in compliance with Part VIII of Chapter 8 of the Listing Manual of the SGX-ST, and
 - any subsequent bonus issue, consolidation or subdivision of the Company's shares,
 and adjustments in accordance with (A) or (B) 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, and
- such authority shall, unless revoked or varied by the Company at a general meeting, continue in force until the conclusion of the next Annual General Meeting or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier. **(Resolution 7)**
(See Explanatory Note 3)

8. Authority to grant awards and issue shares under the AEI Performance Share Plan

"That approval be and is hereby given to the directors to grant awards in accordance with the provisions of the AEI Performance Share Plan (the "APSP") and to allot and issue from time to time such number of fully paid-up shares in the capital of the Company as may be required to be allotted and issued pursuant to the vesting of awards under the APSP, provided that the aggregate number of shares to be allotted and issued pursuant to the APSP, when added on to the number of shares issued and issuable in respect of all awards granted under any other share-based incentive schemes adopted by the Company and for the time being in force, shall not exceed fifteen per centum (15%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) on the day preceding the date on which the award shall be granted 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." **(Resolution 8)**
(See Explanatory Note 4)

9. The Proposed Adoption of the Share Buyback Mandate

"(a) That for the purposes of Sections 76C and 76E of the Companies Act, the exercise by the Directors of the Company of all the powers of the Company to purchase or otherwise acquire issued Shares each fully paid up not exceeding in aggregate the Maximum Limit (as hereafter defined), at such price or prices as may be determined by the Directors of the Company from time to time up to the Maximum Price (as hereafter defined), whether by way of:

- on-market purchase(s) ("Market Purchases") transacted through the SGX-ST or on another stock exchange on which the Shares are listed (as defined in Section 76E of the Companies Act); and/or
- off-market purchase(s) ("Off-Market Purchases") effected pursuant to an equal access scheme (as defined in Section 76C of the Companies Act) as may be determined or formulated by the Directors as they consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Companies Act and the Listing Manual of the SGX-ST; and

otherwise in accordance with all laws and regulations and rules of the SGX-ST as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (the "Share Buyback Mandate");

(b) The authority conferred on the Directors pursuant to the Share Buyback Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the date of passing of this Resolution and expiring on the earliest of:

- the date on which the next Annual General Meeting of the Company is held or required by law to be held, whichever is the earlier;
- the date on which the authority conferred by the Share Buyback Mandate is varied or revoked by Shareholders in a general meeting; or
- the date on which the purchases or acquisitions of Shares by the Company pursuant to the Share Buyback Mandate are carried out to the full extent mandated.

(c) In this Resolution:

"Maximum Limit" means that number of issued Shares representing 10% of the issued ordinary shares of the Company as at the date of the passing of this Resolution (excluding any treasury shares and subsidiary holdings which may be held by the Company from time to time); and

"Maximum Price" means that the purchase price (excluding brokerage, stamp duties, applicable goods and services tax and other related expenses) to be paid for a Share in the event of any Share Buyback shall be determined by the Directors, but in any event, shall not exceed the maximum price, which:

- in the case of a Market Purchase, shall mean 105% of the average of the closing market prices of the Shares over the last five (5) market days on which transactions in the Shares were recorded, immediately preceding the day of the Market Purchase, and deemed to be adjusted for any corporate action occurring after the relevant 5-market day period and the day on which the purchases are made; and
- in the case of an Off-Market Purchase, shall mean 120% of the average of the closing market prices of the Shares over the last five (5) market days on which transactions in the Shares were recorded, immediately preceding the day of making of the offer pursuant to the Off-Market Purchase,

and

(d) the Directors and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they and/or he may consider expedient, incidental, necessary or in the interests of the Company to give effect to the transactions contemplated and/or authorised by this Resolution." **(Resolution 9)**
(See Explanatory Note 5)

ANY OTHER BUSINESS

- To transact any other business that may normally be dealt with at an Annual General Meeting.

By Order of the Board

Lum Soh Ping
Foo Soon Soo
Company Secretaries
Singapore, 8 June 2020

EXPLANATORY NOTES ON SPECIAL BUSINESS TO BE TRANSACTED:-

- Mr Teng Cheong Kwee will, upon re-election as a Director of the Company, remain as a member of the Audit Committee. He will be considered independent for the purposes of Rule 704(8) of the Listing Manual of the Singapore Exchange Securities Trading Limited. He will also remain as the Chairman of the Nominating Committee and a member of the Remuneration Committee. Detailed information on Mr Teng as set out in Appendix 7.4.1 of the Listing Manual are found on pages 33 to 36 of the Company's Annual Report 2019.
- Detailed information on Mr Wu Pingwei and Mr Li Zibo as set out in Appendix 7.4.1 of the Listing Manual are found on pages 33 to 36 of the Company's Annual Report 2019.
- Resolution 7, if passed, will empower the Directors of the Company from the date of the above Meeting until the next Annual General Meeting to issue shares and convertible securities in the Company up to an amount not exceeding in aggregate 50% of the total number of issued shares (excluding treasury shares and subsidiary holdings) of the Company of which the total number of convertible securities issued other than on a pro rata basis to existing shareholders shall not exceed 20% of the total number of issued shares (excluding treasury shares and subsidiary holdings) of the Company at the time the resolution is passed, for such purposes as they consider would be in the interests of the Company. The total number of issued shares (excluding treasury shares and subsidiary holdings) of the Company for this purpose shall be the total number of issued shares (excluding treasury shares and subsidiary holdings) at the time this Resolution is passed (after adjusting for new shares arising from the conversion or exercise of convertible securities or share options which are outstanding or subsisting at the time this Resolution is passed and any subsequent bonus issues, consolidation or subdivision of the Company's shares). This authority will, unless revoked or varied at a general meeting, expire at the next Annual General Meeting of the Company.
- Resolution 8, if passed, will empower the Directors effective until the conclusion of the next Annual General Meeting of the Company is required by law or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to offer and grant awards under the APSP and to allot and issue shares in the capital of the Company pursuant APSP, provided that the aggregate number of shares issued and to be issued under the APSP when added on to the shares issued and issuable in respect of all awards granted under the Share Plan, does not exceed 15% of the total number of issued shares excluding treasury shares and subsidiary holdings in the capital of the Company on the day preceding the date on which the award shall be granted.
- Resolution 9, if passed, will authorise the Company to purchase or otherwise acquire Shares on the terms and subject to the conditions of the resolution. The rationale for, the authority and limitation on, the sources of funds to be used and the financial effects of the purchase or acquisition of Shares by the Company pursuant to the Share Buyback Mandate based on the audited accounts of the Company and the Group for the financial year ended 31 December 2018 are set out in greater detail in the Appendix enclosed together with the Annual Report.

Measures to Minimize Risk of Community Spread of 2019 Novel Coronavirus ("COVID-19")

On 3 April 2020, the Singapore Government announced the implementation of circuit breaker measures (enhanced safe distancing measures and closure of non-essential workplace premises) to curb the further spread of COVID-19.

The COVID-19 (Temporary Measures) Act 2020 was passed by Parliament on 7 April 2020 and the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020 was issued by the Minister for Law on 13 April 2020 which provide, among others, legal certainty to enable issuers to make alternative arrangements to hold general meetings where personal attendance is required under written law or legal instruments (such as a company's constitution). A joint statement was also issued on 13 April 2020 by the Accounting and Corporate Regulatory Authority, the Monetary Authority of Singapore and the Singapore Exchange Regulation providing guidance for listed and non-listed entities on the manner in which general meetings are to be conducted during the period when elevated safe distancing measures are in place.

In light of the above developments, the Company is arranging for a live webcast of the AGM proceedings (the "Live AGM Webcast") which will take place on 29 June 2020 at 9:00 a.m. Shareholders will be able to watch the AGM proceedings through the Live AGM Webcast, the Company will not accept any physical attendance by shareholders. Any shareholder seeking to attend the AGM physically in person will be turned away.

Shareholders will be able to participate in the AGM in following manner set out in the paragraphs below.

Live Webcast:

Shareholders (including investors holding shares through Central Provident Fund ("CPF") and Supplementary Retirement Scheme ("SRS")) may watch the AGM proceedings through the Live AGM Webcast by registering at https://zoom.us/webinar/register/WN_j9AZTKYQ5ikKje8z75vQ.

- (the "Registration Link") by 9:00 a.m. on 26 June 2020 (the "Registration Deadline") to enable the Company to verify their status.
- Following verification, authenticated shareholders will receive an email by 9:00 a.m. on 28 June 2020 containing a link to access the live audio-visual webcast of the AGM proceedings as well as a toll-free telephone number to access the live audio-only stream of the AGM proceedings.
- Shareholders must not forward the abovementioned link or telephone number to other persons who are not shareholders of the Company and who are not entitled to attend the AGM. This is also to avoid any technical disruptions or overload to the Live AGM Webcast.
- Shareholders who register by the Registration Deadline but do not receive an email response by 9:00 a.m. on 28 June 2020 may contact the Company by email to AGM2020@aei.com.sg.

Submission of Proxy Forms to Vote:

- Shareholders who wish to vote at the AGM may submit a proxy form to appoint the Chairman of the AGM to cast votes on their behalf.
- The proxy form (a copy of which is also attached hereto), duly completed and signed, must be submitted by:
 - mail to the Company's registered office at 15 Tuas South Street 13, Singapore 636936; or
 - email to AGM2020@aei.com.sg,

by no later than 9:00 a.m. on 27 June 2020, being 48 hours before the time fixed for the AGM.
- CPF or SRS investors who wish to vote should approach their respective CPF Agent Bank or SRS Operators to submit their votes at least seven (7) working days before the AGM (i.e. by 9:00 a.m. on 17 June 2020) in order to allow sufficient time for their respective relevant intermediaries to in turn submit a proxy form to appoint the Chairman of the AGM to vote on their behalf by the cut-off date.
- Please note that shareholders will not be able to vote through the live webcast and can only vote with their proxy forms which are required to be submitted in accordance with the foregoing paragraphs.**

Submission of Questions:

- Shareholders may email questions relating to the items on the agenda of the AGM to AGM2020@aei.com.sg stating their names and identification number for verification. All questions must be submitted by 9:00 a.m. on 22 June 2020.
- The Company will endeavour to address the substantial and relevant questions at or before the AGM. The responses to such questions from shareholders, together with the minutes of the AGM, will be posted on the SGXNet and the Company's website within one month after the date of the AGM.

Personal data privacy:

By submitting an instrument appointing a proxy(ies) and /or representative(s) to attend, speak and vote at the Annual General Meeting and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing, administration and analysis by the Company (or its agents) of proxies and representatives appointed for the Annual General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Annual General meeting (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, take-over rules, regulations and/or guidelines (collectively, the "Purposes"), and (ii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.