SEN YUE HOLDINGS LIMITED
(the "Company")
Registration Number 200105909M

(Incorporated in the Republic of Singapore)

MINUTES OF ANNUAL GENERAL MEETING

PLACE	:	3 Jalan Pesawat, Singapore 619361
DATE	:	Friday, 13 January 2023
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. Yap Meng Sing (Executive Chairman and Chief Executive Officer)

1. **QUORUM**

Having ascertained that a quorum was present, the Chairman called the annual general meeting ("**AGM**") to order at 10.00 a.m.

2. **INTRODUCTION**

The Chairman introduced the directors and professional present at the AGM.

3. **NOTICE**

The Notice of Meeting dated 29 December 2022, having been made available to the shareholders on SGXNET and the Company's website for the requisite period, was taken as read.

The Chairman informed the Meeting that he had been appointed as proxy by certain members to vote on their behalf in his capacity as Chairman of the Meeting and would be voting according to their instructions. All the proposed motions would require a simple majority of votes for them to be carried.

The Chairman also informed the Meeting that in accordance with Rule 730A(2) of the Section B: Rules of Catalist of the Listing Manual of the Singapore Exchange Securities Trading Limited ("**Catalist Rules**"), all motions tabled at this Meeting will be voted on by way of a poll pursuant to Regulation 59 of the Company's Constitution.

Since the poll voting process would take some time to complete, the Chairman directed that the poll on each resolution be conducted after all the motions had been formally proposed and seconded.

4. **QUERIES RELATING TO THE ITEMS ON THE NOTICE OF AGM**

The Company had received the following questions from Shareholders which are relevant to the resolutions to be tabled at the AGM after 5 January 2023. The Company's responses to the Shareholders' questions are as set out below:

1) I note only two resolutions on the AGM notice – should there also be resolutions on directors' fees and the re-appointment of auditors?

As mentioned in page 31 of Corporate Governance Report ("**CG Report**"), the Remuneration Committee has not recommended any directors' fees for the financial year ended 30 September 2021 ("**FY2021**") as the Company had been under judicial management ("**JM**") and professional fees were paid to the JM for their services.

Further, as mentioned in page 36 of the CG Report, the External Auditors have expressed that they will not be seeking re-appointment at the forthcoming AGM. Accordingly, no resolution was tabled for the re-appointment of the External Auditors.

As required under Rule 712(3) of the Catalist Rules, a change in the auditors of the Company must be specifically approved by shareholders of the Company via a general meeting. Accordingly, the appointment of new auditors will be done by way of an extraordinary general meeting, and take effect upon the approval of the shareholders at the extraordinary general meeting for the proposed change of auditors.

The Company is in the process of reaching out to various audit firms to replace the existing External Auditors as the auditors of the Company, and will seek approval from the shareholders for the change in auditors at an extraordinary general meeting to be convened. A circular setting out the reasons and rationale for the appointment of the new auditors, together with a notice of extraordinary general meeting will be dispatched to Shareholders in due course.

2) Can I assume that the absence of the re-appointment of auditors means they are not seeking re-election? If yes – is it not good corporate governance practice for the retiring auditors to provide the directors and shareholders with a negative assurance that there is nothing amiss in the company despite their decision not to seek re-appointment?

As addressed in question 1 above, the External Auditors will not be seeking re-appointment. Further, upon appointment of the new auditors of the Company, the Company will comply with Rule 712(3) of the Catalist Rules, and disclose, *inter alia*:

(a) a confirmation from the existing External Auditors as to whether they are aware of any professional reasons why the new auditors should not accept appointment as auditors of the Company, and if so, the reasons;

(b) a confirmation from the Company as to whether there were disagreements with the existing External Auditors on accounting treatments within the last 12 months, and if so, the details; and

(c) whether the Company is aware of any circumstances connected with the change of auditors that should be brought to the attention of the shareholders of the Company.

3) I note the impairment the corporate guarantee charge taken at Sen Yue Holdings. Unless SMC Industrial Pte Ltd ("**SMCI**") **had no means to pay the loan wouldn't the extra provision be a double count on a consolidated basis. Also, with the Scheme can the company confirm that this amount will be recovered once the scheme is completed?**

The corporate guarantee provided by the Company is not an impairment loss. As disclosed in Note 4, 27 and 31, the financial guarantee liabilities arising from the Company being a corporate guarantor for bank facilities extended to SMCI amounting to S$4.31 million was accrued based on the approved guarantee claims of SMCI for unsecured creditors with guarantee claims to have additional recovery for the shortfall equivalent to 50% of S$4.31 million through the Company under the approved schemes of arrangements ("**Schemes**").

As SMCI has accounted full liabilities due to its principal lenders, effectively, the Group will account the S$4.31 million as gain on debts settlement as a result of reduction in liabilities when the completion of the Schemes is highly probable or completed.

4) Finally, I note a request in the Cessation announcement of Mr Liew Nyok Wah that directors seek legal advice on whether Section 218 was breached. Can I confirm that as there was no mention of this in the corporate governance section that the directors are of the view that Section 218 was not breached?

The unresolved difference in opinion pertaining to potential breaches to Section 218 of the Securities and Futures Act 2001 highlighted by Mr Liew Nyok Wah through his announcement of cessation and his recommendation to the Board to seek legal advice on the same is beyond the scope of FY2021's CG Report. The CG Report presented in the Company's FY2021 Annual Report outlined the main corporate governance practices that were in place through the financial year ended 30 September 2021.

In response to Mr Liew Nyok Wah's allegation above, the judicial managers firmly disagreed and considered it irrelevant as announced by the Company on 4 October 2022. At this juncture, the Board is considering the matter raised by Mr Liew Nyok Wah and the JM's response, and will update shareholders if it determines any course of action should be taken.

There were no further questions received from the shareholders during the course of the AGM.

5. **(RESOLUTION 1) ADOPTION OF DIRECTORS' STATEMENT AND AUDITED FINANCIAL STATEMENTS**

The Chairman presented the first item on the agenda which was to receive and adopt the Directors' Statement and the Audited Financial Statements for the FY2021 together with Independent Auditors' Report thereon, being:

"That the Directors' Statement and the Audited Financial Statements for the FY2021 together with Independent Auditors' Report thereon be received and adopted."

The motion was duly proposed and seconded by members of the Company.

6. **(RESOLUTION 2) AUTHORITY TO ALLOT AND ISSUE SHARES**

As there were no further items of ordinary business arising, the Meeting proceeded to deal with the items of special business.

The next item on the agenda was to seek shareholders' approval to authorise the Directors to issue new shares and convertible securities of the Company pursuant to Section 161 of the Companies Act 1967 and Catalist Rule 806 of the Listing Manual. With the consent of the shareholders present, the proposed ordinary resolution 2 stated at pages 147 to 148 of the Notice of AGM was taken as read, being:

"That pursuant to Section 161 of the Companies Act and Rule 806 of Catalist Rules of the SGX-ST, authority be and is hereby given to the Directors of the Company:

(a) (i) allot and issue share in the capital of 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 person as the Directors 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 the Instruments made or granted by the Directors while this Resolution was in force,

provided that:

(1) the aggregate number of Shares to be issued pursuant to this Resolution (including Shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution) shall not exceed 100 percent 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 (including Shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution) shall not exceed 50 percent of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with the sub-paragraph (2) below);

(2) (subject to such manner of calculation and adjustments 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) in the capital of the Company at the time this Resolution is passed, after adjusting for:

(a) new shares arising from the conversion or exercise of convertible securities which were issued and outstanding or subsisting at the time this Resolution is passed;

(b) new shares arising from exercising share options or vesting of share awards which were issued and outstanding or subsisting at the time this Resolution is passed, 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;

Adjustments in accordance with sub paragraphs (2)(a) or (2)(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;

(3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Catalist Rules for the time being in force (unless such compliance has been waived by the SGX-ST), all applicable legal requirements under the Companies Act, and otherwise, the Company's Constitution for the time being; and

(4) unless revoked or varied by the Company in general meeting, such authority conferred shall continue to be in force until the conclusion of the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is earlier."

The motion was duly proposed and seconded by members of the Company.

7. **POLL RESULTS**

The Chairman informed that no notice was received in respect of any other business that may be properly transacted at the meeting.

As all the motions on the resolutions to be considered at the meeting had been duly proposed and seconded, the meeting proceeded to vote on the resolutions by poll pursuant to Regulation 59 of the Company's Constitution.

The scrutineer, BDO Corporate Services Pte. Ltd. briefed the members on the poll voting process. Members handed over the completed poll voting papers for counting.

The Chairman called the meeting back to order and the meeting resumed at 10.30 a.m. after the polling agent completed the counting of the votes.

The Chairman announced the results of the poll as follows:

	NO. OF SHARES FOR	**% FOR**	**NO. OF SHARES AGAINST**	**% AGAINST**
Resolution 1	2,125,987,446	99.9%	2,158,400	0.1%
Resolution 2	2,125,987,446	99.9%	2,158,400	0.1%

Based on the results of the poll, the Chairman declared all the motions carried.

8. **END OF MEETING**

There being no other business to transact, the Chairman declared the meeting closed at 10.35 a.m. and thanked everyone for their attendance.

CONFIRMED AS A TRUE RECORD OF PROCEEDINGS HELD

YAP MENG SING
CHAIRMAN