



AZTECH GLOBAL LTD.

(Company Registration No.: 200909384G)
(Incorporated in the Republic of Singapore on 27 May 2009)

Minutes of the Annual General Meeting on 16 April 2024

VENUE	:	Raffles City Convention Centre, Bras Basah Room (Level 4), 80 Bras Basah Road, Singapore 189560
DATE & TIME	:	Tuesday, 16 April 2024 at 10.00 a.m.
PRESENT	:	<u>Board of Directors</u> Mr Michael Mun Hong Yew Mr Jeremy Mun Weng Hung Mr Larry Tan Jwee Meng Ms Jeann Low Ngiap Jong Mr Tan Teik Seng Mr Christopher Huang Junli <u>Shareholders and Proxy Holders</u> As set out in the attendance records maintained by the Company
IN ATTENDANCE	:	<u>Company Secretary</u> Ms Pavani Nagarajah <u>Financial Controller</u> Ms Annie Qian <u>Auditor</u> Mr Ng Kian Hui, BDO LLP Mr Steve Chin, BDO LLP <u>External Lawyer</u> Ms Cynthia Goh, Rajah & Tann Singapore LLP <u>Independent Scrutineer</u> Mr Louis Lee, CACS Corporate Advisory Pte. Ltd.
CHAIRMAN OF THE MEETING	:	Mr Michael Mun Hong Yew

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A. WELCOME

- (1) The Chairman of the Annual General Meeting (hereinafter, the “**Meeting**”) of Aztech Global Ltd (hereinafter, the “**Company**”, and where reference is made to the Company and its subsidiaries, the “**Group**”) welcomed all attendees to the Meeting.
- (2) The Chairman, having been advised that a quorum was present, commenced the Meeting at 10.00 a.m.
- (3) The Chairman introduced himself, the members of the Company’s Board of Directors, the Company Secretary and the Financial Controller. The Chairman also stated that the Group’s independent auditor, BDO LLP, and external lawyer from Rajah & Tann Singapore LLP were present at the Meeting.
- (4) The Chairman invited Mr Jeremy Mun Weng Hung, Executive Director and Chief Operating Officer, to make a presentation on the Group’s business and operations. The presentation slides were published on the Company’s corporate website and SGXNet after the AGM on 16 April 2024.
- (5) The Chairman then invited Ms Pavani Nagarajah, the Company Secretary, to proceed with the Meeting.

B. MEETING PROCEDURE

- (6) The Company Secretary stated that all resolutions at the Meeting would be put to vote by poll and invited Mr Louis Lee of CACS Corporate Advisory Pte. Ltd., the independent scrutineer, to explain the poll voting procedure.
- (7) The Company Secretary stated that the Chairman had been appointed as proxy by some shareholders to vote on their behalf and the Chairman would vote or abstain in accordance with the directions stated in the proxy forms submitted not less than 72 hours before the commencement of the Meeting.
- (8) The Notice of Annual General Meeting dated 1 April 2024, which had been sent to shareholders by post and published on SGXNet and the Company’s corporate website, was taken as read.

C. RESOLUTIONS

Resolution 1:

“To adopt the Audited Financial Statements for the financial year ended 31 December 2023 (“FY2023”) together with the Directors’ Statement and Auditors’ Report thereon”

Upon the Company Secretary’s invitation to the shareholders and appointed proxies present to ask questions, the following questions were asked and replies given:

Question 1

- (9) A shareholder asked why the Group was expanding its operations in Malaysia rather than in China and how the Group plans to ramp up the factory utilisation rate in Malaysia.
- (10) Mr Michael Mun responded that some customers had, for diversification reasons, requested that the Group shift the manufacturing of products to locations outside China, hence the Group’s decision to manufacture these products in Malaysia. Mr Michael Mun added that the Group was monitoring the capacity utilisation in its operations in Malaysia and would look into increasing capacity if the need arises.

Question 2

- (11) A shareholder asked if the products which the Group produced in China were subject to tariffs imposed by the USA and how the utilisation rate of the Group’s manufacturing facilities in China had been impacted by the aforementioned shift in manufacturing location.
- (12) Mr Michael Mun responded that not all of the products the Group manufactured in China were subject to tariffs imposed by the USA and the tariffs imposed to date have varied in quantum. Furthermore, the Group continued to manufacture products in China for its customers from regions outside of the USA, for instance, the European Union and Japan. Mr Michael Mun added that the Group was continuing its efforts to secure project wins from new customers who were keen on their products being manufactured in the Group’s China factory.

Question 3

- (13) A shareholder noted the Group’s forex exposure in 2022 and enquired about the Group’s approach towards hedging as well as the risks the Group might face in the event of forex volatility.
- (14) Mr Michael Mun responded that due to the current geopolitical risks that the world was facing, such as tensions in the Middle East and Ukraine, forex risks, in particular, risks associated with the US dollar, would always be present. Mr Michael Mun explained that the Group had implemented stringent policies for

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hedging to address its forex exposure and the Group was in a better position to manage the risks, albeit there would always be some exposure as the Group deals with several different currencies.

Question 4

- (15) A shareholder asked if the appreciation of the US dollar was good for the Group.
- (16) Mr Michael Mun responded that the Group's reporting currency was the Singapore dollar and emphasised that the Group was not a forex trading company and would thus not speculate about forex rates.

Question 5

- (17) A shareholder asked if the Group undertook hedging.
- (18) Mr Michael Mun responded that the Group undertakes hedging based on its operational requirements. Mr Michael Mun added that the Group exercises prudence in undertaking hedging and avoids any long-term financial instruments given the difficulty in predicting currency fluctuations.

Question 6

- (19) The shareholder enquired whether the Group had multiple ongoing projects with its largest customer.
- (20) Mr Michael Mun stated that the Group's account with its largest customer had grown through both new projects and expansion of current projects.

Question 7

- (21) A shareholder enquired about the customer concentration risk and requested an indication of how strong the Group's hold on its biggest customer was. The shareholder also suggested the Group provide more relevant information on its website and tailor its website to better suit industrial customers.
- (22) Mr Michael Mun explained that the non-disclosure agreements the Group had entered into with its customers often contained restrictions and its customers typically preferred that the Group refrain from disclosing details. Mr Michael Mun stated that it was the Group's objective to stay competitive and to provide the best service to entice all customers to remain with the Group for the long term.

With regards to the shareholder's suggestions on the Group's website, Mr Michael Mun thanked the shareholder and stated that he would pass the suggestions on to the marketing team.

Question 8

- (23) A shareholder congratulated the Group on its good results, enquired about the aggregate value of the major contracts secured by the Group in 2024 and asked

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if the Group could provide a forecast for 2024 and compare the same with 2023.

- (24) Mr Michael Mun responded that the Group was not in a position to provide forecasts or projections as it was not the Group's policy to do so.

Question 9

- (25) A shareholder enquired if the strengthening of the US dollar would be advantageous for the Company.
- (26) Mr Michael Mun responded that the Group, as a provider of manufacturing services rather than a forex trader, did not aim to make money through currency exchange and would have to manage all forex risks carefully.

Question 10

- (27) A shareholder asked whether the Company was exposed to any risks due to de-dollarisation.
- (28) Mr Michael Mun responded that Group would continue to monitor the US dollar closely but any de-dollarisation and associated risks would be beyond the Group's control.

Question 11

- (29) A shareholder asked about the Group's cash and cash equivalents and a comparison of the respective figures for the financial year ended 2022 ("FY2022") and FY2023.
- (30) Ms Annie Qian responded that the cash and cash equivalents for FY2022 and FY2023 were approximately \$196 million and \$231.4 million respectively. Ms Annie Qian also explained that the 'Other Investments' referred to in the financial statements comprised treasury bills and structured deposits of around \$30.3 million in FY2022 and treasury bills of around \$40.6 million in FY2023.

Question 12

- (31) A shareholder enquired about the percentage of revenue attributable to Internet of Things ("IoT") devices.
- (32) Mr Michael Mun responded that IoT products accounted for almost 90% of the Group's revenue.

Question 13

- (33) A shareholder enquired if the Group would be diversifying its business.
- (34) Mr Michael Mun responded that Group's IoT sector encompassed a wide variety of business segments such as healthcare and automotive devices and the Group would continue to aggressively source new projects and new customers.

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Question 14

- (35) A shareholder enquired what the Group's strengths were and its top three (3) product segments.
- (36) Mr Michael Mun responded that the Group's strengths were communication, security and tracking.

Question 15

- (37) A shareholder commented that the Company's share price had not exceeded the price at the Company's IPO.
- (38) Mr Michael Mun stated that he could not speak for the investing community or how they perceived the prospects of the shares. He stated that the Group would continue to work hard and strive to perform well and, hopefully with the continued support of all of the Company's shareholders, the share price can move positively.

Question 16

- (39) A shareholder enquired if the Group's cash generation was comparable to prior years and whether the Group had any plans for mergers and acquisitions ("M&A").
- (40) Mr Michael Mun responded that while the Group was constantly on the lookout for M&A opportunities to expand its business and mitigate the customer concentration risk, the Group needed to use cash prudently and ensure any such opportunity entered into would enable the Group to grow and be beneficial to the bottom line. Mr Michael Mun also added that the Group would continue to focus on being efficient and lean and achieving good profits to reward its shareholders.

Question 17

- (41) A proxy attending on behalf of a shareholder enquired about the incorporation of artificial intelligence ("AI") technology in the Group's IoT products and operations.
- (42) Mr Michael Mun responded that the Group had been working on equipping its products with more smart functions and adopting AI in the Group's manufacturing operations as a means of increasing productivity. Mr Michael Mun also stated that the Group would continue to expand its Vision Technology line of products and embrace the many opportunities which AI and other forms of innovative technology may present.

Question 18

- (43) A shareholder enquired what the "fair value loss on derivative financial instruments" on page 110 of the Company's Annual Report 2023 referred to and

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whether the Company would incur further losses.

- (44) Ms Annie Qian explained that the derivative financial instruments referred to the Group's hedging of foreign currencies in 2023 to meet the Group's operational needs at its manufacturing facilities in Malaysia and China. Ms Jeann Low added that the Group's policy was to hedge the Group's exposure to currency exchange fluctuations based on the Group's cashflow requirements. Ms Annie Qian also stated that as of December 2023, the Group had foreign exchange contracts worth \$16.2 million which carried at its fair value and these outstanding foreign exchange contracts mature in early May 2024.

Question 19

- (45) A shareholder enquired about the percentage of revenue attributable to automotive products.
- (46) Mr Michael Mun advised that the percentage was very small.

Question 20

- (47) A shareholder asked about the number of analysts covering the Company's stocks.
- (48) Mr Michael Mun responded that analysts from DBS, UOB Kay Hian, Maybank and CGS were covering the Company's stocks and had recommended the Company's stocks as ones to buy in view of the Company having performed well and being likely to continue doing so.

Question 21

- (49) A shareholder asked if the Group would consider buying bonds as a way of better using its cash and why the Group's cash was not mainly held in US dollars.
- (50) Mr Michael Mun responded that the Group adopted a prudent approach towards managing the Group's cash and could consider buying MAS treasury bills if appropriate. Mr Michael Mun also added that the Group would refrain from engaging in speculative monetary instruments. In response to the shareholder's latter question, Mr Michael Mun stated that the Group's reporting currency was the Singapore dollar and it was prudent to keep cash in Singapore dollars.
- (51) There being no further questions or comments, the Company Secretary put the motion to vote by poll.

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Resolution 2:

“To declare a final one-tier tax exempt dividend of S\$0.05 per ordinary share for FY2023”

Upon the Company Secretary’s invitation to the shareholders and appointed proxies present to ask questions, the following question was asked and reply given:

Question 1

- (52) A shareholder congratulated the Group on its good results and noted the current dividend payout was almost 62%. The shareholder requested confirmation that the Company’s dividend policy was to recommend dividends of at least 30.0% of the Group’s net profit after tax. The Company Secretary confirmed that to date, there had been no changes to the policy.
- (53) There being no further questions or comments, the Company Secretary put the motion to vote by poll.

Resolution 3:

“To approve Directors’ Fees of \$450,000.00 for the financial year ending 31 December 2024”

- (54) The Company Secretary invited shareholders and appointed proxies present to ask questions prior to the resolution being put to vote.
- (55) There being no questions or comments, the Company Secretary put the motion to vote by poll.

Resolution 4:

“To re-elect Mr. Jeremy Mun Weng Hung as Director”

- (56) The Company Secretary invited shareholders and appointed proxies present to ask questions prior to the resolution being put to vote.
- (57) There being no questions or comments, the Company Secretary put the motion to vote by poll.

Resolution 5:

“To re-elect Mr. Christopher Huang Junli as Director”

- (58) The Company Secretary invited shareholders and appointed proxies present to ask questions prior to the resolution being put to vote.
- (59) There being no questions or comments, the Company Secretary put the motion to vote by poll.

Resolution 6:

“To re-appoint Messrs BDO LLP as auditors of the Company and to authorise the Directors to fix their remuneration”

- (60) The Company Secretary invited shareholders and appointed proxies present to ask questions prior to the resolution being put to vote.
- (61) There being no questions or comments, the Company Secretary put the motion to vote by poll.

Resolution 7:

“To authorise Directors to allot and issue Shares”

- (62) The Company Secretary invited shareholders and appointed proxies present to ask questions prior to the resolution being put to vote.
- (63) There being no questions or comments, the Company Secretary put the motion to vote by poll.

Resolution 8:

“To approve the renewal of the Share Purchase Mandate”

Upon the Company Secretary’s invitation to the shareholders and appointed proxies present to ask questions, the following question was asked and reply given:

Question 1

- (64) A shareholder enquired about the number of shares the Company had purchased last year and the number of treasury shares held by the Company. Mr Michael Mun responded that the Company had not acquired any shares last year and the Company presently held more than 1.8 million treasury shares.
- (65) There being no further questions or comments, the Company Secretary put the motion to vote by poll.

Resolution 9:

“To authorise Directors to grant options and issue shares under the Aztech Employee Share Option Scheme”

Upon the Company Secretary’s invitation to the shareholders and appointed proxies present to ask questions, the following question was asked and reply given:

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Question 1

- (66) A shareholder asked if the Company would use the treasury shares for granting options. Mr Michael Mun responded that the Company would consider doing so.
- (67) There being no further questions or comments, the Company Secretary put the motion to vote by poll.

Resolution 10:

“To authorise Directors to grant awards and issue shares under the Aztech Performance Share Plan”

- (68) The Company Secretary invited shareholders and appointed proxies present to ask questions prior to the resolution being put to vote.
- (69) There being no questions or comments, the Company Secretary put the motion to vote by poll.

Resolution 11:

“To authorise the Directors to allot and issue shares pursuant to the Aztech Scrip Dividend Scheme”

- (70) The Company Secretary invited shareholders and appointed proxies present to ask questions prior to the resolution being put to vote.
- (71) There being no questions or comments, the Company Secretary put the motion to vote by poll.

D. BREAK

- (72) The Company Secretary invited all attendees to have some tea and coffee outside the meeting room while the votes were being counted.

E. RESULTS OF POLL

- (73) Mr Louis Lee of CACS Corporate Advisory Pte. Ltd. welcomed all attendees back to the Meeting at 11.43 a.m. and read the results of the poll.

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Resolution 1:

“To adopt the Audited Financial Statements for the financial year ended 31 December 2023 (“FY2023”) together with the Directors’ Statement and Auditors’ Report thereon”

The result of the poll was as follows:

- Votes FOR the resolution: 100%
- Votes AGAINST the resolution: 0%

Resolution 2:

“To declare a final one-tier tax exempt dividend of S\$0.05 per ordinary share for FY2023”

The result of the poll was as follows:

- Votes FOR the resolution: 100%
- Votes AGAINST the resolution: 0%

Resolution 3:

“To approve Directors’ Fees of \$450,000.00 for the financial year ending 31 December 2024”

The result of the poll was as follows:

- Votes FOR the resolution: 100%
- Votes AGAINST the resolution: 0%

Resolution 4:

“To re-elect Mr. Jeremy Mun Weng Hung as Director”

The result of the poll was as follows:

- Votes FOR the resolution: 99.96%
- Votes AGAINST the resolution: 0.04%

Resolution 5:

“To re-elect Mr. Christopher Huang Junli as Director”

The result of the poll was as follows:

- Votes FOR the resolution: 99.35%
- Votes AGAINST the resolution: 0.65%

Resolution 6:

“To re-appoint Messrs BDO LLP as auditors of the Company and to authorise the Directors to fix their remuneration”

The result of the poll was as follows:

- Votes FOR the resolution: 100%
- Votes AGAINST the resolution: 0%

Resolution 7:

“To authorise Directors to allot and issue Shares”

The result of the poll was as follows:

- Votes FOR the resolution: 97.53%
- Votes AGAINST the resolution: 2.47%

Resolution 8:

“To approve the renewal of the Share Purchase Mandate”

The result of the poll was as follows:

- Votes FOR the resolution: 99.63%
- Votes AGAINST the resolution: 0.37%

Resolution 9:

“To authorise Directors to grant options and issue shares under the Aztech Employee Share Option Scheme”

The result of the poll was as follows:

- Votes FOR the resolution: 96.36%
- Votes AGAINST the resolution: 3.64%

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Resolution 10:

“To authorise Directors to grant awards and issue shares under the Aztech Performance Share Plan”

The result of the poll was as follows:

- Votes FOR the resolution: 96.37%
- Votes AGAINST the resolution: 3.63%

Resolution 11:

“To authorise the Directors to allot and issue shares pursuant to the Aztech Scrip Dividend Scheme”

The result of the poll was as follows:

- Votes FOR the resolution: 99.95%
- Votes AGAINST the resolution: 0.05%

- (74) Based on the polling results above, the Chairman declared all 11 resolutions carried.

F. CLOSURE OF MEETING

- (75) There being no other business, the Chairman thanked shareholders for their attendance and closed the Meeting at 11.45 a.m.

Confirmed by:

Michael Mun Hong Yew
CHAIRMAN