



MINUTES OF THE 53RD ANNUAL GENERAL MEETING

The minutes of the 53rd annual general meeting of the Company held in The Conference Room at 10 Arumugam Road, #10-00 LTC Building A, Singapore 409957 on Tuesday, 31 October 2023 at 11.00 a.m.

PRESENT

Directors

Sam Chong Keen (Independent Chairman)
Loh Kgai Mun (Executive Director)
Chai Woon Chew (Independent Director)
Tan Sri Cheng Heng Jem
Lee Whay Keong

In Attendance

Gan Choon Ching (Group Accountant)
Gan Chi Siew (Company Secretary)
Wong Min Seong (Assistant General Manager, Compact Energy Sdn Bhd)
Low Ping Hing (Managing Director, Swissma Building Technologies Sdn Bhd)
Lock Chee Wee (RSM Chio Lim LLP)
Kang Yuh Chyuan (RSM Chio Lim LLP)
Helen Tan (B.A.C.S. Private Limited)
Muhammad Farhan (B.A.C.S. Private Limited)
Chan Sing Yee (WongPartnership LLP)
Nicole Wong (Complete Corporate Services Pte Ltd)
Kerk Bih Min (Complete Corporate Services Pte Ltd)
Lily Koh (Complete Corporate Services Pte Ltd)
Noor Aliza (Complete Corporate Services Pte Ltd)

Shareholders / Invitees

As per attendance list.

The Chairman extended a warm welcome to all shareholders and attendees to the 53rd annual general meeting of the Company (the “AGM”).

QUORUM

As a quorum was present, the Chairman called the AGM to order at 11.00 a.m.

INTRODUCTION

The Chairman introduced the members of the Board and management who were present.

The notice of the AGM, which was published in The Business Times and SGXNet on 12 October 2023, was taken as read.

The Chairman informed the shareholders that all resolutions tabled at this AGM would be put to vote by way of a poll and the Company has appointed Complete Corporate Services Pte Ltd as the polling agent and B.A.C.S. Private Limited as scrutineer.

ORDINARY BUSINESS:

1. ADOPTION OF DIRECTORS' STATEMENT, AUDITED FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT

The resolution to receive and adopt the Company's directors' statement, audited financial statements for the financial year ended 30 June 2023 ("**FY2023**"), and the independent auditor's report thereon (the "**Reports**"), was proposed by Mr Chua Ghim Hock and seconded by Mr Yu Chun Ku.

The Chairman invited the Company's executive director, Mr Loh Kgai Mun, to present the results of the Group.

The Chairman invited shareholders to raise questions on the Company's FY2023 Financial Statements and Reports.

Mr Manohar P Sabnani referred the Board to page 87 of the annual report ("**AR**") and queried on the acquisition of Semangat Meriah Sdn Bhd ("**Semangat**"). In response, Mr Loh explained that the acquisition was a post-balance sheet event and has been disclosed in the Reports as per the Singapore Financial Standards (International) Reporting (SFRS(I)). The net tangible assets value of Semangat as at 30 June 2023 was approximately RM22.5 million which included an industrial land held at book value by Semangat where potential appreciation was not included in the consideration. The Company paid a consideration of RM14.0 million for the acquisition after a dividend payout to Semangat's previous shareholders just before the acquisition. This acquisition was not an interested person transaction ("**IP**T") and shareholders' approval was not required. The Chairman supplemented that legal due diligence and financial diligence have been performed and the Board has deliberated on the acquisition before proceeding with the decision to acquire Semangat. He reiterated that shareholders' approval was not necessary for this acquisition because the acquisition was below the threshold set by Singapore Exchange Securities Trading Limited ("**SGX**").

On the track records and profitability of Semangat, Mr Loh affirmed that Semangat was a profitable business before the acquisition. The audited accounts tabled at this AGM were for the year ended 30 June 2023 while the acquisition was proposed in August 2023. Shareholders could refer to the Company's quarterly financial results announcement for more information.

Mr Sabnani referred the Board to page 78 of the AR on cash and cash equivalents and raised his concern on the cash piles in China and opined that the Company should not keep excess cash in China as it has now invested in Semangat. In response, Mr Loh said that the Board believed that the growth centre remained in China and has been looking for suitable investment projects in China. By keeping the funds in China, the Company could timely deploy the funds for investment in China and minimise any foreign exchange exposure as well. The Company has been repatriating funds from China for Semangat's working capital requirements.

On Mr Sabnani's request on dividend payout, The Chairman clarified that the Company has paid a special dividend of 10 cents per ordinary share on 12 December 2022 for the financial year ended 30 June 2023. He further explained that the disposal of Compact Energy Sdn Bhd has not been completed and the sale proceeds have not been received thus it would be premature to consider dividends at this point. The Board has taken note of shareholders' requests and would continue to review the dividend payout.

In response to Mr Toh Chew Yak's question on the prospect of investment in Mindax Limited ("**Mindax**"), Mr Loh said that fresh funds had been injected into Mindax and Mindax has announced the furtherance of exploration work. The Chairman supplemented that the Board has been monitoring this investment and would divest at an appropriate time.

In response to Mr Toh's question on the business of mining equipment, Mr Loh revealed that the trading has commenced. The Group used the funds in China to source equipment in China before selling to the Malaysia market with an aim to expand beyond Malaysia in the future.

On interested person transactions on page 36 of the AR, in response to Mr Chua, Mr Loh said that revenue of S\$172,000 arose from one month's sale of mining equipment.

Addressing Mr Chua's questions on hedging and the structure of the disposal of Compact Energy Sdn Bhd ("**Disposal**"), Mr Loh said that no hedging was done, and it was the purchaser's requirement for the retention sum to be denominated in US\$.

Addressing Mr Yu's questions on the consideration and whether gain or loss on the Disposal, Mr Loh explained that the consideration was estimated at RM49.0 million which was close to the valuation. The consideration consisted of 3 components, an initial payment of US\$4.2 million, a retention sum of US\$0.5 million, and the balance subject to working capital adjustment. It would be premature to speculate whether the Disposal was a gain or loss to the Group. The Chairman supplemented that the Company has submitted the circular on the Disposal to SGX and an extraordinary general meeting would be held to seek shareholders' approvals in due course.

With no further questions on the financial statements and Reports, the motion was put to vote.

The poll voting results for Resolution 1 were as follows:

	No. of shares	Percentage
For	55,963,655	99.99%
Against	6,000	0.01%
Total no. of valid votes	55,969,655	100.00%

Based on the results of the poll, the Chairman declared Resolution 1 carried.

IT WAS RESOLVED that the directors' statement and audited financial statements for the year ended 30 June 2023 and the independent auditor's report thereon be received and adopted.

2. RE-ELECTION OF LOH KGAI MUN AS DIRECTOR

Mr Chua proposed the resolution for the re-election of Mr Loh Kgai Mun as a director of the Company, who retired pursuant to article 98 of the constitution of the Company. The motion was seconded by Mr Ng Choon Huat.

With no question raised, Resolution 2 was put to vote.

The poll voting results for Resolution 2 were as follows:

	No. of shares	Percentage
For	56,181,355	99.84%
Against	91,500	0.16%
Total no. of valid votes	56,272,855	100.00%

Based on the results of the poll, the Chairman declared Resolution 2 carried.

IT WAS RESOLVED that Mr Loh Kgai Mun, a director retiring by rotation, be re-elected as a director of the Company.

3. APPROVAL OF DIRECTORS' FEES FOR FY2023

Mr Tan Han Chiang proposed the resolution to approve the payment of directors' fees of S\$107,500 for FY2023. The motion was seconded by Mr Ng.

With no question raised, Resolution 3 was put to vote.

The poll voting results for Resolution 3 were as follows:

	No. of shares	Percentage
For	56,224,655	99.95%
Against	30,900	0.05%
Total no. of valid votes	56,255,555	100.00%

Based on the results of the poll, the Chairman declared Resolution 3 carried.

IT WAS RESOLVED that the payment of S\$107,500 as directors' fees for the financial year ended 30 June 2023 be approved.

4. RE-APPOINTMENT OF RSM CHIO LIM LLP AS AUDITORS AND TO AUTHORISE DIRECTORS TO FIX THEIR REMUNERATION

The Company's auditors, RSM Chio Lim LLP, had expressed their willingness to accept re-appointment. The Chairman called upon shareholders to propose and second the re-appointment of RSM Chio Lim LLP as auditors of the Company to hold such office until the conclusion of the next annual general meeting, and that directors be authorised to fix the auditors' remuneration.

The motion was proposed by Mr Yu and seconded by Mr Tan.

With no question raised, Resolution 4 was put to vote.

The poll voting results for Resolution 4 were as follows:

	No. of shares	Percentage
For	56,173,655	99.87%
Against	71,000	0.13%
Total no. of valid votes	56,244,655	100.00%

Based on the results of the poll, the Chairman declared Resolution 4 carried.

IT WAS RESOLVED that RSM Chio Lim LLP be re-appointed as auditors of the Company, to hold office until the conclusion of the next annual general meeting, at a fee to be determined by the directors.

AS SPECIAL BUSINESS:

5. GENERAL MANDATE FOR DIRECTORS TO ISSUE SHARES AND INSTRUMENTS

Mr Yu proposed the resolution to authorise the directors to issue new shares and instruments in the Company. The motion was seconded by Mr Teo Han Eng.

In response to Mr Pang Cheow Jow, the Chairman said that the Company did not issue any shares last year and has no intention to issue shares at this point. This is an in-principle approval the Company is seeking. However, should any unforeseen circumstances arise from now to the next annual general meeting, the Company would be able to issue additional shares

With no question raised, Resolution 5 was put to vote.

The poll voting results for Resolution 5 were as follows:

	No. of shares	Percentage
For	56,035,005	99.71%
Against	165,200	0.29%
Total no. of valid votes	56,200,205	100.00%

Based on the results of the poll, the Chairman declared Resolution 5 carried.

IT WAS RESOLVED:

That pursuant to Section 161 of the Companies Act 1967 of Singapore (the “**Companies Act**”), authority be and is hereby given to the directors of the Company to:

- (a) (i) issue shares in the capital of the Company (“**Shares**”) (whether by way of rights, bonus or otherwise); 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) 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 may in their absolute discretion deem fit; and

- (b) (notwithstanding that the authority conferred by this Resolution may have ceased to be in force) issue Shares in pursuance of any Instrument made or granted by the directors while this Resolution is 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 Instruments made or granted pursuant to this Resolution) shall not exceed 50% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) (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 20% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) (as calculated in accordance with sub-paragraph (2) below);
- (2) (subject to such manner of calculation as may be prescribed by the Singapore Exchange Securities Trading Limited (“**SGX-ST**”)) for the purpose of determining the aggregate number of Shares that may be issued under sub-paragraph (1) above, the percentage of issued Shares shall be calculated based on the total number of issued Shares (excluding treasury shares and subsidiary holdings) at the time that this Resolution is passed, after adjusting for:
 - (i) new Shares arising from the conversion or exercise of convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time that this Resolution is passed; and
 - (ii) any subsequent bonus issue, consolidation or subdivision of Shares;
- (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 Constitution of the Company for the time being; and
- (4) (unless revoked or varied by the Company in general meeting) the authority conferred by this Resolution shall continue in force until the conclusion of the next AGM of the Company or the date on which the next AGM of the Company is required by law to be held, whichever is the earlier.

6. RENEWAL OF INTERESTED PERSON TRANSACTIONS MANDATE

Mr Yu proposed the resolution for the renewal of interested person transactions mandate. The motion was seconded by Mr Tan Aik Hin.

With no further questions raised, Resolution 6 was put to vote.

The poll voting results for Resolution 6 were as follows:

	No. of shares	Percentage
For	1,991,575	90.25%
Against	215,200	9.75%
Total no. of valid votes	2,206,775	100.00%

Based on the results of the poll, the Chairman declared Resolution 6 carried.

IT WAS RESOLVED:

That:

- (a) approval be and is hereby given, for the purposes of Chapter 9 of the Listing Manual of the SGX-ST, for the Company, its subsidiaries and associated companies that are considered “entities at risk” under Chapter 9 of the Listing Manual of the SGX-ST or any of them, to enter into any of the transactions falling within the categories of interested person transactions set out in page 92 of the Company’s 2023 Annual Report (the “**Annual Report**”), with the interested persons described in pages 90 and 91 of the Annual Report, provided that such transactions are made on normal commercial terms and will not be prejudicial to the interests of the Company and its minority shareholders, and are in accordance with the methods and procedures for interested person transactions as set out in pages 92 to 98 of the Annual Report (the “**IPT Mandate**”);
- (b) the IPT Mandate shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next AGM of the Company or the date on which the next AGM of the Company is required by law to be held, whichever is earlier;
- (c) the Audit Committee of the Company be and is hereby authorised to take such actions as it deems proper in respect of the methods and procedures for the IPT Mandate and/or to modify or implement such methods and procedures as may be necessary to take into consideration any amendment to Chapter 9 of the Listing Manual of the SGX-ST which may be prescribed by the SGX-ST from time to time; 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 necessary, expedient, incidental or in the interests of the Company to give effect to the transactions contemplated and/or authorised by this Resolution.

7. RENEWAL OF SHARE BUYBACK MANDATE

Mr Yu proposed the resolution for the renewal of share buyback mandate. The motion was seconded by Mr Chua.

With no question raised, Resolution 7 was put to vote.

The poll voting results for Resolution 7 were as follows:

	No. of shares	Percentage
For	56,192,805	99.98%
Against	9,100	0.02%
Total no. of valid votes	56,201,905	100.00%

Based on the results of the poll, the Chairman declared Resolution 7 carried.

IT WAS RESOLVED:

That:

- (a) for the purposes of the Companies Act, the authority conferred on the directors to exercise all the powers of the Company to purchase or otherwise acquire issued Shares not exceeding in aggregate the Maximum Limit (as hereafter defined), at such price(s) as may be determined by the directors from time to time up to the Maximum Price (as hereafter defined), whether by way of:

- (i) market purchase(s) (each a **"Market Purchase"**) on the SGX-ST; and/or
 - (ii) off-market purchase(s) (each an **"Off-Market Purchase"**) in accordance with any equal access scheme(s) 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 otherwise in accordance with all other laws and regulations, including but not limited to the provisions of the Companies Act and the Listing Manual of the SGX-ST as may for the time being be applicable, be and is hereby approved generally and unconditionally (the **"Share Buyback Mandate"**);

- (b) unless varied or revoked by the Company in a general meeting, 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 the passing of this Resolution and expiring on the earlier of:

- (i) the date on which the next AGM is held or required by law to be held; and
 - (ii) 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 Shares representing not more than 10% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) as at the date of the passing of this Resolution, unless the Company has effected a reduction of the share capital of the Company in accordance with the applicable provisions of the Companies Act, at any time during the Relevant Period (as defined below), in which event the total number of issued Shares shall be taken to be the total number of issued Shares as altered (excluding any treasury shares and subsidiary holdings from time to time); and

"Maximum Price", in relation to a Share to be purchased or acquired, means the purchase price (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses) which shall not exceed:

- (i) in the case of a Market Purchase, 105% of the Average Closing Price; and

- (ii) in the case of an Off-Market Purchase pursuant to an equal access scheme, 105% of the Average Closing Price,

where:

“Relevant Period” means the period commencing from the date on which this Resolution is passed and expiring on the date the next AGM is held or is required by law to be held, whichever is the earlier, after the date of this Resolution;

“Average Closing Price” means the average of the closing market prices of the Shares traded on the SGX-ST over the last five Market Days (a **“Market Day”** being a day on which the SGX-ST is open for trading in securities), on which transactions in the Shares were recorded, immediately preceding the day of the Market Purchase by the Company or, as the case may be, the day of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted for any corporate action that occurs during the relevant five Market Days and the day on which the Market Purchase is made or, as the case may be, the day of the making of the offer pursuant to the Off-Market Purchase; and

“day of the making of the offer” means the day on which the Company announces its intention to make an offer for the purchase of Shares from shareholders, stating the purchase price (which shall not be more than the Maximum Price calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting 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 necessary, expedient, incidental or in the interests of the Company to give effect to the transactions contemplated and/or authorised by this Resolution.

8. ANY OTHER BUSINESS

As no notice had been received for any other business that might be properly transacted at the AGM, the Chairman declared the AGM closed at 12.05 p.m. and thanked everyone for their attendance.

Confirmed by:

Sam Chong Keen
Chairman