

TAI SIN ELECTRIC LIMITED
(Incorporated in the Republic of Singapore)
(Co. Reg. No.: 198000057W)
("TSEL" or the "Company")

MINUTES OF ANNUAL GENERAL MEETING

PLACE	:	Raffles Marina, Theatre, Level 2, 10 Tuas West Drive, Singapore 638404
DATE	:	25 October 2023 (Wednesday)
TIME	:	10:00 am
PRESENT	:	As per Attendance List maintained by the Company.
IN ATTENDANCE/ BY INVITATION	:	As per Attendance List maintained by the Company.
CHAIRMAN	:	Mr. Lim Chye Huat @ Bobby Lim Chye Huat

1. CHAIRMAN OF THE MEETING

Mr. Lim Chye Huat @ Bobby Lim Chye Huat ("**Mr. Lim**"), Chairman of the board of directors ("**Board**") of the Company, introduced himself and presided as the Chairman of the annual general meeting of the Company ("**AGM**" or "**Meeting**"). The Chairman thanked shareholders for their attendance at the AGM.

2. QUORUM

There being a quorum, the Chairman declared the AGM open at 10:00 am.

3. INTRODUCTION

The Chairman introduced the other Board members, namely, Mr. Lim Boon Hock Bernard, Executive Director & Group Chief Executive Officer ("**CEO**"), Mr. Soon Boon Siong, Lead Independent Director, Mr. Lee Fang Wen, Independent Director, Mr. Renny Yeo Ah Kiang, Independent Director, and Ms. Seow Boon Teng, Independent Director, as well as the Group Chief Financial Officer ("**CFO**"), Mr. Tan Yong Hwa.

The Company Secretaries and auditor from Deloitte & Touche LLP were also present at the Meeting.

4. NOTICE

The Notice of AGM dated 9 October 2023 convening the Meeting, which had been sent to all shareholders as well as published on the website of the Singapore Exchange Securities Trading Limited, via SGXNET, and on the Company's website, and advertised in The Business Times, was agreed to be taken as read.

5. QUESTIONS FROM SHAREHOLDERS PRIOR TO THE MEETING AND THE COMPANY'S RESPONSE

Shareholders had been given the opportunity to submit their questions in relation to items of the agenda of the Meeting prior to the AGM.

The Chairman informed the Meeting that the Company had received questions from a shareholder and had, after trading hours on 19 October 2023, published its responses to the questions received earlier on SGXNet and on the Company's website. He would therefore not read out the questions and the Company's responses in the Meeting. Shareholders would be able to ask questions during the Meeting.

6. VOTING BY WAY OF A POLL

The Chairman informed shareholders that:

- (a) All motions tabled at the Meeting would be voted on by way of a poll in compliance with the Listing Rules of the Singapore Exchange Securities Trading Limited and in accordance with Article 61(B) of the Company's Constitution.
- (b) Voting of all resolutions at the Meeting would be conducted by electronic means.
- (c) B.A.C.S Private Limited had been appointed as Polling Agent, and Agile 8 Advisory Pte. Ltd. had been appointed as Scrutineer for the poll.
- (d) As Chairman of the Meeting, he directed the poll on each motion to be taken immediately after each motion has been formally proposed and seconded.
- (e) The poll results for each resolution, verified by the Scrutineer, would be announced during the course of the AGM.
- (f) In his capacity as Chairman of the Meeting, he had been appointed as a proxy by some shareholders and he would be voting in accordance with their instructions.

Azeus Systems Holdings Ltd. (who provided the electronic poll voting services) was invited to give a video presentation to guide shareholders on how to vote using their mobile phone, and there were no questions raised by shareholders.

The Chairman then proceeded with the ordinary business of the Meeting.

7. RESOLUTIONS AND POLL RESULTS

ORDINARY BUSINESS:

Ordinary Resolution 1 – Adoption of Directors’ Statement and Audited Financial Statements for the financial year ended 30 June 2023 and Auditors’ Report thereon

The Meeting proceeded to receive and adopt the Directors’ Statement and Audited Financial Statements of the Company for the financial year ended 30 June 2023 and the Auditors’ Report thereon.

The Chairman proposed the motion which was seconded by Mr. Ong Poh Seng.

The Chairman then invited questions from the shareholders.

After dealing with questions from shareholders, the Chairman put the motion to vote by poll.

The results of the poll were, as follows:

	Votes	%
No. of votes for:	213,797,343	99.99
No. of votes against:	27,250	0.01
Total no. of votes cast:	213,824,593	100.00

Based on the poll results, the Chairman declared Ordinary Resolution 1 carried and it was RESOLVED:

“That the Directors’ Statement and Audited Financial Statements of the Company for the financial year ended 30 June 2023 together with the Auditors’ Report thereon be received and adopted.”

Ordinary Resolution 2 – Payment of Proposed Final Dividend

The Board had recommended the payment of a final one-tier tax exempt dividend of S\$0.016 per ordinary share for the financial year ended 30 June 2023. If approved, the dividend would be paid on 9 November 2023.

The Chairman proposed –

“That the payment of a final one-tier tax exempt dividend of S\$0.016 per ordinary share for the financial year ended 30 June 2023 be approved.”

The motion was seconded by Mr. Ong Poh Seng.

The Chairman then invited questions from shareholders.

After dealing with question from a shareholder, the Chairman put the motion to vote by poll.

The results of the poll were, as follows:

	Votes	%
No. of votes for:	216,137,238	100.00
No. of votes against:	0	0.00
Total no. of votes cast:	216,137,238	100.00

Based on the poll results, the Chairman declared Ordinary Resolution 2 carried and it was RESOLVED:

“That the payment of a final one-tier tax exempt dividend of S\$0.016 per ordinary share for the financial year ended 30 June 2023 be approved.”

Ordinary Resolution 3 – Approval of Director’s fees of S\$16,000 for the financial year ended 30 June 2023, payable to an Independent Non-Executive Director

The Board had recommended the payment of S\$16,000 as Director’s fees for the period from 1 January 2023 to 30 June 2023 in respect of the financial year ended 30 June 2023, payable to Ms. Seow Boon Teng, who was appointed Independent Non-Executive Director on 1 January 2023.

The motion to approve the payment of S\$16,000 as Director’s fees for the financial year ended 30 June 2023, payable to an Independent Non-Executive Director, was proposed by the Chairman and seconded by Mr. Manohar P Sabnani.

The Chairman then invited questions from the shareholders.

There being no questions from the shareholders, the Chairman put the motion to vote by poll.

The results of the poll were, as follows:

	Votes	%
No. of votes for:	209,429,716	100.00
No. of votes against:	0	0.00
Total no. of votes cast:	209,429,716	100.00

Based on the poll results, the Chairman declared Ordinary Resolution 3 carried and it was RESOLVED:

“That the payment of S\$16,000 as Director’s fees for the financial year ended 30 June 2023, payable to an Independent Non-Executive Director, be approved.”

Ordinary Resolution 4 – Approval of Directors’ fees of up to S\$316,000 for the financial year ending 30 June 2024, to be paid quarterly in arrears at the end of each calendar quarter

The Board had recommended the payment of up to S\$316,000 as Directors’ fees for the financial year ending 30 June 2024, to be paid quarterly in arrears at the end of each calendar quarter, which, if approved, would facilitate payment of Directors’ fees to the Non-Executive Directors on a continuing “as-earned” current year basis, for the financial year ending 30 June 2024.

The motion to approve the payment of Directors’ fees of up to S\$316,000 for the financial year ending 30 June 2024, to be paid quarterly in arrears at the end of each calendar quarter, was proposed by Mr. Khalid S/O Faiz Mohamed and seconded by Mr. Lin Chen Mou.

Shareholders were informed that Mr. Lim, who is also a shareholder of the Company and entitled to Directors’ fees, would abstain from voting on Ordinary Resolution 4.

The Chairman then invited questions from the shareholders.

There being no questions from the shareholders, the Chairman put the motion to vote by poll.

The results of the poll were, as follows:

	Votes	%
No. of votes for:	185,035,035	99.99
No. of votes against:	12,000	0.01
Total no. of votes cast:	185,047,035	100.00

Based on the poll results, the Chairman declared Ordinary Resolution 4 carried and it was RESOLVED:

“That the payment of up to S\$316,000 as Directors’ fees for the financial year ending 30 June 2024, to be paid quarterly in arrears at the end of each calendar quarter, be approved.”

Re-election of Directors – Ordinary Resolutions 5 to 7

The Meeting noted that Mr. Lim Chye Huat @ Bobby Lim Chye Huat and Mr. Lee Fang Wen, Directors of the Company who were retiring by rotation pursuant to Article 91 of the Company’s Constitution, and Ms. Seow Boon Teng, a Director of the Company who was retiring pursuant to Article 97 of the Company’s Constitution and being eligible for re-election, had given their consents to continue in office.

Ordinary Resolution 5 – Re-election of Mr. Lim Chye Huat @ Bobby Lim Chye Huat as a Director

The Chairman, Mr. Lim, handed the chair to Mr. Soon Boon Siong as the proceedings for Ordinary Resolution 5 was in respect of his own re-election as a Director of the Company.

The Meeting noted that Mr. Lim would, upon re-election as a Director of the Company, remain as Chairman of the Board and a member of the Audit and Risk Committee, Nominating Committee and Remuneration Committee. The Board considered Mr. Lim to be non-independent for the purposes of Rule 704(8) of the Listing Manual of the Singapore Exchange Securities Trading Limited.

The motion to re-elect Mr. Lim Chye Huat @ Bobby Lim Chye Huat as a Director of the Company was proposed by Ms. Chiong Siew Fun and seconded by Mr. Low Soon Tuck.

Shareholders were informed that Mr. Lim, who is also a shareholder of the Company, would abstain from voting on Ordinary Resolution 5.

Mr. Soon Boon Siong then invited questions from the shareholders.

There being no questions from the shareholders, Mr. Soon Boon Siong put the motion to vote by poll.

The results of the poll were, as follows:

	Votes	%
No. of votes for:	183,990,143	99.12
No. of votes against:	1,632,492	0.88
Total no. of votes cast:	185,622,635	100.00

Based on the poll results, Mr. Soon Boon Siong declared Ordinary Resolution 5 carried and it was RESOLVED:

“That Mr. Lim Chye Huat @ Bobby Lim Chye Huat be re-elected a Director of the Company.”

Thereafter, Mr. Soon Boon Siong handed the chair back to Mr. Lim to continue with the proceedings of the Meeting.

Ordinary Resolution 6 – Re-election of Mr. Lee Fang Wen as a Director

Ordinary Resolution 6 was to re-elect Mr. Lee Fang Wen (“**Mr. Lee**”) as a Director of the Company.

The Meeting noted that Mr. Lee would, upon re-election as a Director of the Company, remain as Chairman of the Remuneration Committee and a member of the Audit and Risk Committee and Nominating Committee. The Board considered Mr. Lee to be independent for the purposes of Rule 210(5)(d) and Rule 704(8) of the Listing Manual of the Singapore Exchange Securities Trading Limited.

The motion to re-elect Mr. Lee Fang Wen as a Director of the Company was proposed by the Chairman and seconded by Mr. Lin Chen Mou.

The Chairman then invited questions from the shareholders.

There being no questions from the shareholders, the Chairman put the motion to vote by poll.

The results of the poll were, as follows:

	Votes	%
No. of votes for:	203,263,736	96.94
No. of votes against:	6,421,096	3.06
Total no. of votes cast:	209,684,832	100.00

Based on the poll results, the Chairman declared Ordinary Resolution 6 carried and it was RESOLVED:

“That Mr. Lee Fang Wen be re-elected a Director of the Company.”

Ordinary Resolution 7 – Re-election of Ms. Seow Boon Teng as a Director

Ordinary Resolution 7 was to re-elect Ms. Seow Boon Teng (“**Ms. Seow**”) as a Director of the Company.

The Meeting noted that Ms. Seow would, upon re-election as a Director of the Company, remain as a member of the Audit and Risk Committee, Nominating Committee and Remuneration Committee. The Board considered Ms. Seow to be independent for the purposes of Rule 210(5)(d) and Rule 704(8) of the Listing Manual of the Singapore Exchange Securities Trading Limited.

The motion to re-elect Ms. Seow Boon Teng as a Director of the Company was proposed by the Chairman and seconded by Mr. Lin Chen Mou.

The Chairman then invited questions from the shareholders.

There being no questions from the shareholders, the Chairman put the motion to vote by poll.

The results of the poll were, as follows:

	Votes	%
No. of votes for:	183,248,056	90.84
No. of votes against:	18,476,209	9.16
Total no. of votes cast:	201,724,265	100.00

Based on the poll results, the Chairman declared Ordinary Resolution 7 carried and it was RESOLVED:

“That Ms. Seow Boon Teng be re-elected a Director of the Company.”

Ordinary Resolution 8 – Re-appointment of Deloitte & Touche LLP as the Auditors of the Company and to authorise the Directors to fix their remuneration

The Chairman informed the Meeting that the retiring Auditors, Deloitte & Touche LLP, had expressed their willingness to accept re-appointment as Auditors of the Company.

There being no other nomination, the Chairman proposed the motion for the re-appointment of Deloitte & Touche LLP as the Auditors of the Company to hold office until the conclusion of the next Annual General Meeting and for the Directors to be authorised to fix their remuneration, which was seconded by Ms. Chiong Siew Fun.

The Chairman then invited questions from the shareholders.

There being no questions from the shareholders, the Chairman put the motion to vote by poll.

The results of the poll were, as follows:

	Votes	%
No. of votes for:	210,581,693	100.00
No. of votes against:	0	0.00
Total no. of votes cast:	210,581,693	100.00

Based on the poll results, the Chairman declared Ordinary Resolution 8 carried and it was RESOLVED:

“That Deloitte & Touche LLP be re-appointed as the Auditors of the Company to hold office until the conclusion of the next Annual General Meeting and that the Directors of the Company be authorised to fix their remuneration.”

ANY OTHER ORDINARY BUSINESS

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

SPECIAL BUSINESS:

Ordinary Resolution 9 – Authority to issue new shares and/or convertible instruments

Shareholders were asked to approve an Ordinary Resolution to authorise the Directors to allot and issue new shares in the capital of the Company and/or convertible instruments pursuant to Section 161 of the Companies Act 1967 and Rule 806 of the Listing Manual of the Singapore Exchange Securities Trading Limited.

The Chairman proposed that the motion as set out under item 9 in the Notice of AGM dated 9 October 2023 be passed as an Ordinary Resolution, which was seconded by Mr. Quek Aik Wu.

The Chairman then invited questions from the shareholders.

There being no questions from the shareholders, the Chairman put the motion to vote by poll.

The results of the poll were, as follows:

	Votes	%
No. of votes for:	210,162,019	99.77
No. of votes against:	479,027	0.23
Total no. of votes cast:	210,641,046	100.00

Based on the poll results, the Chairman declared Ordinary 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 Singapore Exchange Securities Trading Limited (“**SGX-ST**”), 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; 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) 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 Instrument made or granted by the Directors of the Company while this Resolution was in force,

provided that:-

- (i) 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 of the Company (as calculated in accordance with sub-paragraph (ii) 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 of the Company (as calculated in accordance with sub-paragraph (ii) below);
- (ii) (subject to such manner of 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 (i) above, the percentage of issued shares shall be based on the total number of issued shares excluding treasury shares and subsidiary holdings of the Company at the time this Resolution is passed, after adjusting for:-
 - (a) new shares arising from the conversion or exercise of any convertible securities or employee share options or vesting of share awards which were issued and outstanding or subsisting at the time this Resolution is passed; and
 - (b) any subsequent bonus issue, consolidation or subdivision of shares;
- (iii) 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 for the time being of the Company; and
- (iv) 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 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 the earlier."

Ordinary Resolution 10 – Authority to allot and issue new shares pursuant to the Tai Sin Electric Limited Scrip Dividend Scheme

Ordinary Resolution 10 was to authorise the Directors of the Company to allot and issue new ordinary shares in the capital of the Company as may be required to be allotted and issued pursuant to the Tai Sin Electric Limited Scrip Dividend Scheme principally to shareholders of the Company who, in respect of a qualifying dividend, have elected to receive scrip in lieu of the cash amount of that qualifying dividend.

The Chairman proposed that the motion as set out under item 10 in the Notice of AGM dated 9 October 2023 be passed as an Ordinary Resolution, which was seconded by Ms. Chiong Siew Fun.

The Chairman then invited questions from the shareholders.

There being no questions from the shareholders, the Chairman put the motion to vote by poll.

The results of the poll were, as follows:

	Votes	%
No. of votes for:	208,942,515	99.18
No. of votes against:	1,720,500	0.82
Total no. of votes cast:	210,663,015	100.00

Based on the poll results, the Chairman declared Ordinary Resolution 10 carried and it was RESOLVED:

“That authority be and is hereby given to the Directors of the Company to allot and issue from time to time such number of new ordinary shares in the capital of the Company as may be required to be allotted and issued pursuant to the Tai Sin Electric Limited Scrip Dividend Scheme, on such terms and conditions as may be determined by the Directors of the Company and to do all acts and things which they may in their absolute discretion deem necessary or desirable to carry the same into effect.”

8. QUESTIONS AND ANSWERS AT THE MEETING

A summary of questions raised by shareholders and the responses from the Chairman, Group CEO, CFO and CEO of CAST Laboratories Pte Ltd at the Meeting were set out in the Appendix 1 attached to these minutes.

9. CONCLUSION

There being no other business to transact, the Chairman declared the AGM closed at 11:28 am and thanked everyone present for their attendance.

Confirmed as True Record of Proceedings of AGM held on 25 October 2023

[Signed]

Mr. Lim Chye Huat @ Bobby Lim Chye Huat
Chairman

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Appendix 1 to Minutes of Annual General Meeting Held on 25 October 2023**- Summary of Questions & Answers****Comment/Questions from a Shareholder**

Firstly, I referred to the statement – "We're More Than Cables" on page 2 of the Company's Annual Report 2023 ("Annual Report"). I felt that the cables business was unappreciated. Perhaps, you could discuss with your marketing team and consider changing this statement to better reflect the deep value of the Company's cables business. I understand from the video played just now that Tai Sin is not just supplying cables and the cables business involves some other technologies. In this context, I felt that the wordings in the statement in the Annual Report can be improved. Just a comment, nothing needed to be discussed.

- Q1.** On page 7 of the Annual Report, it was explained that gross profit margin had declined due to higher reversal of provision for onerous contracts made in the financial year ended 30 June 2022 ("FY2022") and delivery of old contracts that were secured when copper prices were lower in the financial year ended 30 June 2023 ("FY2023"). My question is whether this is part of the risk you are taking when commodity prices are fluctuating which will affect your margin, or have you found a better way or long-term projects that can hedge some of these risks?
- Q2.** Tai Sin has two (2) small business units, namely, Testing & Inspection ("T&I") and Switchboard which are making losses. I am sure that the Board must have discussed whether to close down these two (2) business units which are draining energy, resources and Management time and so on and so forth. Can you share with us your view about the two (2) small business units as to whether they would be able to make a significant contribution to the Group's diversification and growth, or whether it is time to dispose them of?

Group Chief Executive Officer ("CEO") -

Thank you for pointing out that Tai Sin is more than cables. Tai Sin has been in the cable manufacturing business for close to 43 years. When we promote Tai Sin's business, we find that people only know Tai Sin as a cable manufacturer. The statement in the Annual Report is to convey a key message that Tai Sin is more than a cable manufacturer. Firstly, Tai Sin also sells power distribution products. We are using the brand name of Tai Sin to leverage on its legacy and expand to Southeast Asia. This is our direction at least for now. We note and will take your comments into consideration in the future.

Tai Sin has adopted the strategy of hedging long-term contracts for at least 10 years. Hedging during the post-COVID 19 period did not work so well in comparison with how it worked pre-COVID 19 pandemic. Usually hedging is done when a contract is awarded, at which point the delivery time of materials and delivery time of the project are aligned. However, during the COVID-19 pandemic, there were major delays in products delivery due to the pandemic and when copper contracts matured, we have to materialise them. As such, there was a substantial mismatch between demand and delivery.

In addition, there were instances where copper's current price was lower than the hedged price. The material came in at very high prices, even though we have hedged it against a contract(s) that we closed at a high price(s). In delivering a project which was delayed for one (1) year or longer period during the COVID-19 pandemic, we had no choice and had to consume the material at high prices. That was why we had provided for onerous contracts. Barring unforeseen circumstances, we are doing our best, as much as we can, to hedge the risk and do not see there are any other better methods at the moment. Hope that clarifies.

Switchboard business unit (represented by PKS Sdn Bhd in Brunei Darussalam ("Brunei")) has been set up for many years and it helped the Group to diversify its business outside Singapore. It is a profitable company and is not loss making. Regarding your question about whether to divest this business, we did consider. We are using this company as a base in Brunei for Tai Sin to do business there. In particular, the company sells switchboard. We may be also selling cables and other products in Brunei. As of now, there is no plan to divest the business.

The T&I segment was greatly hampered by the COVID-19 pandemic. The recovery of this business is much dependent on the building industry in Singapore. The building industry is recovering. You might know some of the construction companies, big or small, had closed. Their closure had led to issues such as bad debts and non-payment/slow payment by some contractors.

The other problem with the T&I segment relates to the Group's operations in Cambodia. Tai Sin went into Cambodia before the COVID-19 pandemic to diversify from an asset-heavy business into a more service-oriented business to provide services based on customers' needs. An agreement was signed with the authorities in Cambodia pre-COVID-19 pandemic with the objective to facilitate quality testing of construction standards established which led to the establishment of Board of Engineers Cambodia Laboratory. Our laboratory began operation despite the COVID-19 pandemic and amid multiple lock-down and travel restrictions. With the resumption of travel after the COVID-19 pandemic, business activities were still subdued, and the situation was worsened by the impending change in political leadership in Cambodia. The business in Cambodia has been in the red in the past two (2) years.

We would continue doing business in Cambodia as we believe the geopolitical environment would stabilise.

We cannot promise that the business in Cambodia will be in the black next year. However, after what we had been through, we do believe Tai Sin will be in a better position for the business in Cambodia.

Chairman -

The Board understood why we went into the laboratory testing services market because there is demand, everyone wants to carry on building construction projects and every country must have good buildings. The best quality materials and test products are essential for buildings to last longer or be safer. As soon as there are strict regulations in place in Cambodia, imposing mandatory requirements for testing and inspection of buildings, hopefully, people will come to Tai Sin for testing and inspection. Nonetheless, we will just have to watch and adopt a wait-and-see approach. The Board is aware of the situation there and will assess and make the necessary decision, at the appropriate time.

Questions from a Shareholder

- Q3.** Referred to Segment Information on page 161 of the Annual Report as well as the Chairman's Statement and Report by the CEO.

The T&I segment. The CEO mentioned that the revenue of this segment went down due to lower revenue in Indonesia because of completion of existing projects and fewer significant new contracts being secured. Overall, the Group's profit declined from S\$22.2 million in FY2022 to S\$16.8 million in FY2023 due mainly to the decrease in profit of the T&I segment by about S\$5.0 million, from a profit of S\$1.5 million in FY2022 to a loss of S\$3.4 million in FY2023.

Regarding the T&I segment or business in Indonesia, is the business improving or, are you hopeful in securing new contracts or businesses? Will the business rebound in the current year, or is the business not going to recover soon? Could you shed some light on it to help us understand the T&I segment?

- Q4.** Which operations in the T&I segment accounted for the big swing in the results? Are you confident about the business operations in Cambodia?
- Q5.** I would like to ask about two (2) main segments, Cable and Wire ("C&W") and Electrical Material Distribution ("EMD"). Take Singapore as an example, there are new projects such as Changi Terminal 5 and expansion of the two (2) integrated resorts ("IRs") which would need cable and electrical products. Are you on top of it? Do you have confidence in the Group's business growth? For FY2023, we saw a decline in profits due to several factors like the Cambodia market situation. In Southeast Asia, infrastructure business is growing, and every country is investing in it. Are you able to grow from there? For example, the Jakarta–Bandung high-speed railway project, did you get to share a part of the pie?
- Q6.** In Singapore, besides the above projects, what other big projects you are eyeing? How about the North–South Corridor?
- Q7.** Do you plan to have Indonesian local content since you have quite a bit of projects there?
- Q8.** For Indonesia market, do you just resell products there or you have to manufacture products there and sell? You talked about adding value there.
- Q9.** Going forward, where would the growth come from? Is it going to be C&W segment or EMD segment? Is it going to be mainly from Singapore market or other market?
- Q10.** You mentioned about finding growth outside Singapore. Which markets/countries are you looking at to grow your business?

CEO of CAST Laboratories Pte Ltd (“CAST Lab”) -

The operations in Indonesia relied a lot on the oil and gas business in the preceding years. The business results were affected due to the slowdown of projects in Batam. We found another wing and have been actively looking at projects in Surabaya where there are a lot of industrial projects. We are waiting for the oil and gas industry to pick up. As we cannot hinge on the oil and gas projects alone, we are looking at other industrial projects. In Indonesia, now the Group's major projects are from Surabaya and the revenue had improved.

Group CEO -

Besides the lower revenue generated by the operations in Indonesia, the result of the T&I segment was badly affected by the operations in Cambodia due to the factors that I mentioned earlier, and the impairment loss recognised in FY2023.

Nonetheless, we are confident in the long-term business growth in both Cambodia and Indonesia.

Chief Financial Officer (“CFO”) -

The overall performance of the T&I segment was affected by three (3) components, namely the businesses in Singapore, Cambodia, and Indonesia. Cambodia business was badly affected due to the timing when Tai Sin entered the market and was affected by the COVID-19 pandemic. In addition, due to the low return from Cambodia, an impairment on the asset is required under the relevant Financial Reporting Standard (“FRS”). For FY2023, we had performed an impairment assessment according to the requirements of FRS, and the Group had recognised an impairment loss on assets in Cambodia.

For Indonesia, like what was mentioned earlier by the Group CEO and the CEO of CAST Lab, the business is cyclical and highly dependent on the oil and gas industry. The oil price fluctuations or supply shortage would have an impact on the business. For Singapore, the T&I business had improved post-COVID 19 in terms of revenue. However, the drop in overall result from the two (2) countries had offset against the result of the operations in Singapore.

As mentioned by the Group CEO and Chairman earlier, for Cambodia market, if the geopolitical environment is stabilised, the situation should be favourable for Tai Sin.

Group CEO -

Singapore IRs' expansion projects had been delayed for about six (6) months to my knowledge. Whether we are on top of it, the answer is yes. We are doing some of the works for the IRs' expansion projects. For the Johor Bahru–Singapore Rapid Transit System (RTS), the contract was awarded to one of our customers and we are in conversations with them. As for the Jakarta–Bandung high-speed railway project, Tai Sin is not participating in it, as we are not a cable manufacturer in Indonesia. In Indonesia, for us to supply to locals, we need to meet certain Indonesian local content requirements.

Tai Sin now has presence in Indonesia through its subsidiary and associate companies to assist the Group in reselling cables and other products there, mainly in commercial sector and not infrastructure sector.

In Singapore, a few big projects that we are eyeing are the Jurong Region Line and Cross Island Line rail projects and a new air base development project in Tengah area. Tai Sin has participated in the North–South Corridor project.

Growth was expected to mainly come from the Indonesia market in totality. For Singapore market, the aim has always been to maintain our business volume.

The three (3) overseas markets that we are aiming for and expecting growth now, post-COVID 19, are Indonesia, Malaysia, and Vietnam.

Chairman -

The pie of the construction sector is still considered good enough for a few manufacturers here. The Thomson-East Coast Line rail project has not been completed. There are upcoming new housing developments in the Commonwealth/Redhill area. In my own opinion, for the next few years, the market will still be able to go on, although previously they said the land is so small limiting developments. I think wires are still needed for the construction sector in Singapore. Unlike handphone, buildings cannot do wireless. There will always be demand for wires. Copper wire is a must. I think the business can last, there should not be any issue for few years or five (5) years more.

Question from a Shareholder

Q11. Can you share with us your order book. Just some indication.

Group CEO -

As we have not announced our Group order book, I cannot share this with you. Based on my understanding, Tai Sin's competitors also did not announce their order books.

Question from a Shareholder

Q12. May I confirm that the C&W and EMD segments are largely participating in the commodity like industry with little differentiation across manufacturers. Please correct me if I am wrong.

Group CEO -

In countries like China and Malaysia, other cable manufacturer are more or less participating as a commodity supplier. It is slightly different in Singapore where land is scarce. In Singapore, we are not a pure cable manufacturer but as a stockist as well as delivery services. In Vietnam and Malaysia, we are doing the same and we are also able to customise products. Our business volumes tend to be lower in comparison to other big manufactures in Vietnam and Malaysia. However, the way we conduct ourselves, not being just a cable manufacturer, has been beneficial to us.

The EMD segment is not in commodity business. We are wholesaler and retailer. Apart from buying stocks and sell, we also provide integrating solutions to customers. If you would like to know more about the business/service, later I can introduce you to the CEO of EMD.

Questions from a Shareholder

- Q13.** Responding to earlier question from a shareholder on the assets in Cambodia, especially there was a quite significant impairment. How much was the impairment? What is the nature of the assets? I thought these are not financial assets, are they?
- Q14.** Why was there such an impairment on leased building? The operations were not so good. Since it was mentioned earlier that the Cambodia business is expanding and good result is expected, do we expect this impairment to be reversed in the future?

CFO -

The impairment amounted to approximately S\$2.7 million and it was related to the building lease in Cambodia. You can refer to “Impairment loss on right-of-use assets” under Note 16 and Note 34 to the Financial Statements on page 142 and page 156 of the Annual Report.

Under the requirements of FRS, on a yearly basis, an assessment is required to be carried out to determine whether any of the Company’s assets is subject to impairment. This will depend on outlook of the business and tie in with the future profitability of the business. For FY2023, as the operations in Cambodia incurred a loss, an impairment was required in line with the FRS requirements.

As mentioned by the Group CEO and Chairman earlier, there is no guarantee that the business in Cambodia will be in the black next year, but Tai Sin should be in a better position for the business in Cambodia. If regulatory enforcement on testing of buildings is put in place by the authority, then it will help the business a lot. If the business subsequently rebounds, we may be able to reverse the impairment made.

Question from a Shareholder

- Q15.** The Company’s operations are mostly in Singapore. I noticed that the Company has ventured to quite a lot of overseas countries and it seems like the Group is expanding and growing its business. Some countries like Malaysia have grown and some like Indonesia, not so much. Is there a ready direction/plan to push to expand to Southeast Asia, considering Singapore market is already quite saturated and developed, and what are the difficulties?

Group CEO -

Firstly, the countries in which the Group is operating now are Singapore, Malaysia, Vietnam, Indonesia, Cambodia, and Brunei. The focus has always been in the countries that we are already in. Considering we are coming out of the COVID-19 pandemic, we are not in the expansion phase but in the consolidating phase. We are building up our competencies in the abovementioned countries. Our direction has not changed.

The Group's businesses in all these countries have grown, every single one, since the Group went overseas. You said some of these overseas businesses are not growing, maybe because the comparison was made between the overseas business unit and the entire Group. But in comparison to each individual unit, the overseas business units are growing. We will continue with the same direction where we will focus on the countries that we are already in. I cannot share with you the specific plan for each overseas market. I can only tell that we have plans in place. I am confident we will see growth.

Question from a Shareholder

Q16. What are the Company's plans for retained earnings not paid out as dividends? How much of the retained earnings would be used for working capital and for capital expenditure?

CFO -

Currently, we do not have the information you asked for.

Chairman -

The Company does not have a formal dividend policy, but it pays dividends to shareholders every year. When deciding or proposing the quantum of dividend payout, the Board will take into consideration factors such as the Company's cash flow, financial condition, capital requirements, business expansion plans, etc. The Company will not pay out 100% of earnings as dividends as it needs to conserve cash resources for business needs. We will not keep a lot of money and not pay dividends, unless the Company makes losses. Generally, more than 50% of the Company's earnings are paid out as dividends.