

BROADWAY INDUSTRIAL GROUP LIMITED
(Company Registration Number: 199405266K)
(Incorporated in Singapore)
(the "Company")

MINUTES OF ANNUAL GENERAL MEETING

MODE : Held via LIVE webcast pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020

DATE : 29 April 2021, Thursday

TIME : 3.00 p.m.

PRESENT : Board of Directors
Mr Lew Syn Pau (Chairman of the Annual General Meeting)
Mr Lee Chow Soon
Mr Eu Yee Ming Richard
Mr Basil Chan
Ms Wong Yi Jia

IN ATTENDANCE : Chief Executive Officer
Mr Tan Choon Hoong

Joint Company Secretaries
Ms Ho Yu Han, Genevieve
Ms Gan Lee Teng

Auditors
Ms Tan Wei Ling

Shareholders / Observers
As set out in the attendance records maintained by the Company

QUORUM

On behalf of the Board of Directors, the Chairman welcomed all present to the Annual General Meeting ("AGM") held via a LIVE webcast. As a quorum was present, the Chairman declared the AGM open at 3.00 p.m. and introduced the Directors and the Chief Executive Officer who were attending the AGM by electronic means.

NOTICE

The Notice convening the AGM, which was sent on 14 April 2021 by electronic means via publication on the Company's website and on the SGX website, was taken as read.

VOTING BY POLL AND PROXY

The Chairman informed that:

- i. In accordance with Rule 730A(2) of the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST"), all resolutions tabled at the AGM would be voted by poll.

- ii. In accordance with the joint statement by ACRA, MAS and SGX Regco and the Checklist on conduct of general meetings during the period of elevated safe distancing measures, only the chairman of the meeting may be appointed as proxy.
- iii. As the Chairman of the AGM, he had been appointed as proxy by numerous shareholders to vote on all resolutions of the AGM in accordance with their instructions.
- iv. Boardroom Corporate & Advisory Services Pte. Ltd., as the Company's share registrar and polling agent for the AGM, had counted the votes indicated in all valid proxy forms submitted by shareholders. DrewCorp Services Pte Ltd, as the scrutineer for the poll, had reviewed, checked and verified the votes of all such valid proxies.

ORDINARY BUSINESS

1. ORDINARY RESOLUTION 1: DIRECTORS' STATEMENT AND AUDITED FINANCIAL STATEMENTS

Resolution 1 was to receive and adopt the Directors' Statement and the Audited Financial Statements for the financial year ended 31 December 2020 and the Independent Auditor's Report thereon.

A copy of the relevant questions received from shareholders on Resolution 1 and the Company's responses was set out in the attached Appendix.

Following the question-and-answer session, the Chairman announced the result of the votes as follows:

FOR		AGAINST		TOTAL	
No. of Shares	Percentage (%)	No. of Shares	Percentage (%)	Total no. of shares represented by votes for and against the resolution	Percentage (%)
215,580,722	99.91	200,000	0.09	215,780,722	100

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

That the Directors' Statement and the Audited Financial Statements for the financial year ended 31 December 2020 and the Independent Auditor's Report thereon be received and adopted.

2. ORDINARY RESOLUTION 2: RE-ELECTION OF MR EU YEE MING RICHARD AS A DIRECTOR

It was noted that pursuant to Regulation 109 of the Company's Constitution, Mr Eu Yee Ming Richard would retire at the AGM and, being eligible, had offered himself for re-election.

Mr Eu would, upon re-election, continue to serve as the chairman of the Nomination Committee and the Remuneration Committee and a member of the Audit Committee. He is considered independent for the purpose of Provision 2.1 of the Code of Corporate Governance 2018.

The Chairman announced the result of the votes as follows:

FOR		AGAINST		TOTAL	
No. of Shares	Percentage (%)	No. of Shares	Percentage (%)	Total no. of shares represented by votes for and against the resolution	Percentage (%)
197,725,082	91.68	17,933,540	8.32	215,658,622	100

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

That Mr Eu Yee Ming Richard was re-elected as a Director of the Company and remained as the chairman of the Nomination Committee and the Remuneration Committee and a member of the Audit Committee and would be considered independent for the purpose of Provision 2.1 of the Code of Corporate Governance 2018.

3. RETIREMENT OF MR LEE CHOW SOON AS A DIRECTOR

The Meeting noted that Mr Lee Chow Soon, who was retiring as a Director pursuant to Regulation 109 of the Company's Constitution, had decided not to seek for re-election and would retire at the conclusion of the AGM.

Upon Mr Lee's retirement, he would cease as the Lead Independent Director, the chairman of the Audit Committee and a member of the Nomination Committee and the Remuneration Committee.

On behalf of the Board of Directors, the Chairman thanked Mr Lee for his long and dedicated service and invaluable contributions to the Company and its subsidiaries.

The Chairman informed the shareholders that Mr Basil Chan would be appointed as the Lead Independent Director and the chairman of the Audit Committee, upon the conclusion of the AGM.

4. ORDINARY RESOLUTION 3: DIRECTORS' FEES

Resolution 3 was on the payment of Directors' fees of S\$475,410 for the financial year ended 31 December 2020.

The Chairman announced the result of the votes as follows:

FOR		AGAINST		TOTAL	
No. of Shares	Percentage (%)	No. of Shares	Percentage (%)	Total no. of shares represented by votes for and against the resolution	Percentage (%)
215,458,622	99.85	322,100	0.15	215,780,722	100

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

That the payment of Directors' fees of S\$475,410 for the financial year ended 31 December 2020 be approved.

5. ORDINARY RESOLUTION 4: RE-APPOINTMENT OF AUDITORS

Resolution 4 was on the re-appointment of Messrs RSM Chio Lim LLP as the Company's Auditors to hold office until the conclusion of the next annual general meeting at a remuneration to be fixed by the Directors of the Company.

The Auditors had expressed their willingness to continue in office.

The Chairman announced the result of the votes as follows:

FOR		AGAINST		TOTAL	
No. of Shares	Percentage (%)	No. of Shares	Percentage (%)	Total no. of shares represented by votes for and against the resolution	Percentage (%)
215,580,722	99.91	200,000	0.09	215,780,722	100

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

That Messrs RSM Chio Lim LLP be re-appointed as the Company's Auditors and the Directors were authorised to fix their remuneration.

SPECIAL BUSINESS

There being no other ordinary business, the Chairman proceeded with the special business of the AGM.

6. ORDINARY RESOLUTION 5: AUTHORITY TO ISSUE SHARES

Resolution 5, if approved, would empower the Directors to issue shares pursuant to Section 161 of the Companies Act, Chapter 50 of Singapore and Rule 806 of the SGX-ST Listing Manual.

The Chairman informed that the full text of Resolution 5 had been set out in the Notice of the AGM.

The Chairman announced the result of the votes as follows:

FOR		AGAINST		TOTAL	
No. of Shares	Percentage (%)	No. of Shares	Percentage (%)	Total no. of shares represented by votes for and against the resolution	Percentage (%)
197,725,082	91.63	18,055,640	8.37	215,780,722	100

Based on the results above, the Chairman declared Resolution 5 carried and it was RESOLVED:

That pursuant to Section 161 of the Companies Act, Chapter 50 (the "**Companies Act**"), Rule 806 of the Listing Manual of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") and the Constitution of the Company, the Directors of the Company be and are hereby authorised to:

- (a) (i) issue shares in the capital of the Company ("**Shares**" and each a "**Share**") 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(s) 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 any 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 Instruments made or granted pursuant to this Resolution) does not exceed 50% of the Company's total number of issued Shares (excluding treasury shares and subsidiary holdings) (as calculated in 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 Instruments made or granted pursuant to this Resolution) does not exceed 20% of the Company's total number of issued Shares (excluding treasury shares and subsidiary holdings) (as calculated in sub-paragraph (2) below). Unless prior Shareholder approval is required under the Listing Manual of the SGX-ST, an issue of treasury shares will not require further Shareholder approval, and will not be included in the aforementioned limits;
- (2) (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 (1) above, the percentage of issued Shares shall be based on the total number of issued Shares (excluding treasury shares and subsidiary holdings) at the time this Resolution is passed, after adjusting for:
 - (i) new Shares arising from the conversion or exercise of convertible securities;
 - (ii) new Shares arising from exercising share options or vesting of share awards which are 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
 - (iii) 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 for the time being of the Company; and
- (4) such authority, unless revoked or varied by the Company at a general meeting, shall continue 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 the earlier.

7. **ORDINARY RESOLUTION 6: AUTHORITY TO ISSUE SHARES UNDER THE BIGL SHARE PLAN**

Resolution 6, if approved, would empower the Directors to issue shares under the BIGL Share Plan.

The Chairman informed that the full text of Resolution 6 had been set out in the Notice of the AGM.

The Chairman announced the result of the votes as follows:

FOR		AGAINST		TOTAL	
No. of Shares	Percentage (%)	No. of Shares	Percentage (%)	Total no. of shares represented by votes for and against the resolution	Percentage (%)
197,725,082	91.63	18,055,640	8.37	215,780,722	100

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

That pursuant to Section 161 of the Companies Act, Rule 806 of the Listing Manual of the SGX-ST and the Constitution of the Company, the Directors be and are hereby authorised to issue from time to time fully-paid Shares as may be required to be issued pursuant to the vesting of the awards granted under the BIGL Share Plan (the "**Plan**"), provided that the aggregate number of Shares to be issued pursuant to the Plan and any other applicable share based schemes which the Company may have in place, shall not exceed 15% of the total number of Shares (excluding treasury shares and subsidiary holdings) from time to time and that such authority shall, unless revoked or varied by the Company at a general meeting, continue 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.

8. ORDINARY RESOLUTION 7: AUTHORITY TO RENEW THE SHARE BUY-BACK MANDATE

Resolution 7 was to authorise the Directors to renew the Share Buy-Back Mandate.

The Chairman informed that the full text of Resolution 7 had been set out in the Notice of the AGM. He also informed that a shareholder of the Company, Mdm Lau Leok Yee, had abstained from voting on this resolution.

The Chairman announced the result of the votes as follows:

FOR		AGAINST		TOTAL	
No. of Shares	Percentage (%)	No. of Shares	Percentage (%)	Total no. of shares represented by votes for and against the resolution	Percentage (%)
65,412,112	99.70	200,000	0.30	65,612,112	100

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

That:

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

- (aa) on-market purchase(s) on the SGX-ST transacted through the SGX-ST trading system (each an **"On-Market Purchase"**); and/or
- (bb) off-market purchase(s) (if effected otherwise than on the SGX-ST) 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 (each an **"Off-Market Purchase"**),

and otherwise in accordance with the Companies Act and all other laws and regulations and rules of the SGX-ST as may for the time being be applicable (the **"Share Buy-Back Mandate"**); and

- (ii) to deal with the Shares acquired or purchased by the Company under the Share Buy-Back Mandate in accordance with the Constitution of the Company (as amended or modified from time to time), whether to:
 - (aa) deem such Shares as cancelled upon acquisition or purchase;
 - (bb) hold such Shares as treasury shares; and/or
 - (cc) otherwise deal with such Shares in the manner provided and to the fullest extent permitted under the Companies Act,

be and is hereby approved generally and unconditionally;

- (b) the authority conferred on the Directors pursuant to the Share Buy-Back 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 of the Company is held or required by law to be held;
 - (ii) the date on which purchases and acquisitions of Shares pursuant to the Share Buy-Back Mandate are carried out to the full extent mandated; or
 - (iii) the date on which the authority conferred by the Share Buy-Back Mandate is revoked or varied by the Company at a general meeting;
- (c) in this Resolution:

"Average Closing Market Price" means the average of the closing market prices of the Shares over the last five (5) days on which the SGX-ST is open for trading of securities (**"Market Days"**), on which transactions in the Shares were recorded, before the date of the On-Market Purchase by the Company, or as the case may be, the date of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted in accordance with the listing rules of the SGX-ST for any corporate action which occurs during the relevant five (5)-day period and the day on which the purchases are made;

"date of the making of the offer" means the date on which the Company makes an offer for an Off-Market Purchase, stating therein the purchase price (which shall not be more than the Maximum Price for an Off-Market Purchase calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase;

"Maximum Limit" means the number of Shares representing 10% of the total number of Shares as at the date of the passing of this Resolution (excluding any treasury shares that may be held by the Company from time to time); unless the Company has, at any

time during the relevant period, reduced its share capital in accordance with the applicable provisions of the Companies Act, in which event the total number of Shares shall be taken to be the total number of Shares as altered after such capital reduction. Any Shares which are held as treasury shares will be disregarded for the purposes of computing the 10% limit;

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

- (i) in the case of an On-Market Purchase, 5% above the Average Closing Market Price; and
 - (ii) in the case of an Off-Market Purchase, 20% above the Average Closing Market Price; 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 or expedient to give effect to the transactions contemplated and/or authorised by this Resolution.

CONCLUSION

There being no other business, the Chairman declared the AGM closed at 3.23 p.m. and thanked everyone for their attendance.

CONFIRMED AS A TRUE RECORD OF PROCEEDINGS HELD



Lew Syn Pau
Chairman

APPENDIX

Question 1 : How much of the proceeds from the proposed disposal of the HDD business will be distributed to shareholders?

Will shareholders be rewarded with a special dividend following the completion of the proposed disposal of the HDD business?

Response : The Company plans to reinvest the proceeds and does not preclude distributing part of the proceeds to shareholders. The Company will consider all options in the best interests of our shareholders. As the proposed disposal is ongoing and is currently being reviewed by the SGX, the Company will make the relevant announcements as and when appropriate.

Question 2 : What will be the focus of the Group in the year ahead?

Response : As disclosed on page 4 of the Annual Report, following the proposed disposal, with a stronger balance sheet, the Company will be able to explore more fully the various options available to the Company while accelerating the execution of its business plans for the robotic cleaning business and exploring new markets to launch the business. As part of its diversification effort to help change the profile of the Group's business and bring value to shareholders, the Company will actively find new opportunistic strategic investments.

Question 3 : Has the Board considered the option of selling the remaining assets and returning cash to shareholders?

Response : The Company will consider all options in the best interests of our shareholders and make the relevant announcements as and when appropriate.

Question 4 : What is the progress of the proposed disposal of the HDD Business? Would the Company be able to close the transaction by 30 June 2021?

Response : The proposed disposal is ongoing and is currently being reviewed by the SGX. Subject to the SGX's review, the Company will convene an extraordinary general meeting to seek shareholders' approval and aims to complete the proposed disposal by 30 June 2021. The Company will make further announcements as and when appropriate.

Question 5 : As the Company has acquired a 55% equity stake in Beijing Ant Brothers Technology Co., Ltd. ("BAB"), would the Company still be considered a cash company as per the SGX rules? Will the shares of the Company be suspended post-disposal of the HDD business?

Response : The Company will make the necessary disclosures in the circular to shareholders and the relevant announcements as and when appropriate.

Question 6 : The land and buildings situated in Shenzhen are not included in the proposed disposal of the HDD business. As this land is located in Shenzhen, which is far away from Beijing (where the new robotic cleaning business is located), are there any plans to dispose of the Shenzhen land in the near future?

Response : The use of the land and buildings is for HDD manufacturing facility and is therefore not suitable for the robotic cleaning business. Subject to the completion of the proposed disposal, as disclosed in the Company's announcement on 31 December 2020, BIGL Technologies (Shenzhen) Co., Ltd. shall be entitled to lease 20,750 square meters of the land and buildings to the purchaser entity for a period of at least 2 years after closing. The Company will consider all options in the best interests of our shareholders which may include leasing the remaining part of the land and buildings and selling the land and buildings. The Company will make the relevant announcements as and when appropriate.

Question 7 : On 21 January 2020, it was announced that the Group had entered into an Equity Purchase Agreement to subscribe up to 55% equity interest in BAB.
(i) Is BAB related to the Ant Group founded by Mr Jack Ma?
(ii) Does BAB have an official website? Please indicate the URL, if any.
(iii) Who owns the remaining 45% stake in BAB?

Response : (i) BAB is not related to the Ant Group.
(ii) BAB's corporate website is www.ant-brother.com.
(iii) The remaining 45% equity interest in BAB is owned by the founding shareholders. As disclosed in the Company's announcement dated 21 January 2020, the founding shareholders of BAB are Weijie Wang and Ant Home.

Question 8 : (i) Is the light weight, low-power consumption and high-efficiency cleaning robot still in the prototype/development stage or already commercially used?
(ii) Has the light weight, low-power consumption and high-efficiency cleaning robot obtained the necessary licences for it to be commercially sold?

Response : (i) The design of the first generation of the glass façade cleaning robot has been completed. As disclosed on page 4 of the Company's Annual Report, BAB is on track for commercialisation in the first half of 2021.
(ii) BAB is in the process of obtaining the necessary certifications for commercial use.

Question 9 : From Note 37B (page 111) of the Company's Annual Report, the robotic cleaning segment reported a loss of S\$1.356 million. How confident is Management that this robotic cleaning segment would be profitable in the near future?

Response : The Company is confident that there is a sizeable market potential of the building façade cleaning business in China due to the demand for cost effective cleaning robots to replace the current labour intensive cleaning methods in the industry. However, as disclosed on page 4 of the Company's Annual Report, BAB is a pioneer in the robotic cleaning industry and is expected to face challenges in its growth plan. Hence, it is a bit too early to predict its profitability.

Question 10 : Shareholders are asked to “approve the payment of Directors’ fees of S\$475,410 for the financial year ended 31 December 2020 (FY2019: S\$384,167)”. The total amount of remuneration paid to the Key Management Personnel for FY2020 is S\$1,734,699. For FY2019, the aggregate total remuneration paid to the top five key executives (who are not Directors or the CEO) amounted to S\$1,504,000 (FY2018: S\$1,328,000).

- (i) In spite of the Company having achieved a profitability last year, why were there no dividends declared to shareholders when the Directors’ fees increased by more than 20%?
- (ii) Why were no dividends to shareholders declared when remuneration for key management has been steadily increasing by more than 15% over the past few years?
- (iii) What is the dividend policy of the Company?
- (iv) Does the Company think that not declaring dividends to shareholders in spite of the Company having achieved profitability, but yet increasing remuneration for key management and directors is consistent with the principle of shareholder alignment?

Response :

- (i) The increase of Directors’ fees in FY2020 mainly reflects the appointment of an additional Director in anticipation of board renewal, as explained as follows:
 - (a) Mr Basil Chan was appointed as an Independent Director and a member of the Audit Committee on 1 December 2019 and a member of the Nomination Committee and the Remuneration Committee on 24 February 2020; and
 - (b) Following his retirement from executive duties on 31 December 2019, Mr Ng Ah Hoy was redesignated from an Executive Director to a Non-Executive Director until his retirement from the Board at the Company’s Annual General Meeting on 26 June 2020.
- (ii) The key management personnel were not the same throughout the two years being compared. There was a management renewal in late FY2019.
- (iii) As disclosed on page 27 of the Company’s Annual Report, the Company currently does not have a formal dividend policy.
- (iv) Although the Group managed to turnaround in FY2020, the Group suffered losses in FY2019. As disclosed in the Company’s full year results announcement, no dividend has been declared or recommended by the Company as the Company is in an accumulative loss position. The Company needs to remain prudent in retaining its cashflow and managing its resources to weather any downturn in the near future especially given the uncertainties amidst the COVID-19 pandemic and in the HDD industry. Nonetheless, the Company will in future consider all options, including the distribution of dividends, in the best interests of our shareholders.