PERENNIAL REAL ESTATE HOLDINGS LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration No.: 200210338M)

MINUTES OF ANNUAL GENERAL MEETING HELD ON 25 APRIL 2019

DATE & TIME : 25 APRIL 2019 AT 2.30 P.M.

VENUE : CAPITOL THEATRE, 17 STAMFORD ROAD, SINGAPORE 178907

PRESENT :

Directors

Mr Kuok Khoon Hong (Chairman and Non-Independent Non-Executive Director)
Mr Eugene Paul Lai Chin Look (Lead Independent Non-Executive Director)
Mr Ooi Eng Peng (Independent Non-Executive Director)
Mr Lee Suan Hiang (Independent Non-Executive Director)
Mr Chua Phuay Hee (Independent Non-Executive Director)
Mr Pua Seck Guan (Executive Director and Chief Executive Officer)

Absent With Apologies:
Mr Ron Sim (Vice-Chairman, Non-Independent Non-Executive Director)

By Invitation:

Mr Jerry Koh	Deputy Managing Partner, Allen & Gledhill LLP
Mr Edward Long	Associate, Allen & Gledhill LLP
Ms Karen Lee	Partner, KPMG LLP
Ms Sarina Lee	Partner, KPMG LLP
Mr Lim Kher Yang	Audit Manager, KPMG LLP

In Attendance:

Ms Belinda Gan	Chief Financial Officer
Ms Annie Lee	Deputy Chief Executive Officer (Singapore)
Ms Dawn Tan	Chief Operating Officer (Singapore)
Ms Tong Ka-Pin	Chief Corporate Officer

Ms Celeste Tay	Head, Human Resources
Ms Tan Boon Pheng	Head, Design Management
Ms Juliet Choo	Deputy Head, Project Management
Mr Roy Lim	Senior Vice President, Investment & Asset Management (Regional)
Ms Jasmine Wee	Vice President, Finance
Ms Sim Ai Hua	Joint Company Secretary

Shareholders

As per Attendance List

Proxies

As per Attendance List

Scrutineers

Moore Stephens LLP

1. INTRODUCTION

Ms Tong Ka-Pin, the emcee for the Annual General Meeting ("**AGM**" or the "**Meeting**") welcomed all to the AGM and went through the agenda for the AGM.

Before proceeding to deal with the formal business of the AGM, Ms Tong invited Mr Pua Seck Guan, the Chief Executive Officer (the "**CEO**")and Executive Director of Perennial Real Estate Holdings Limited (the "**Company**"), to deliver a presentation on an overview of the Company's performance for the financial year ended 31 December 2018.

2. PRESENTATION BY CHIEF EXECUTIVE OFFICER

The CEO took the Meeting through a short presentation which covered the following areas:

(i) a brief overview of the Company;

(ii) key financial highlights;

(iii) capital management;

(iv) a brief overview of the Company's business in real estate and healthcare; and

(v) its plans looking forward.

A copy of the CEO's presentation slides, which was released via SGXNet on the day of the AGM, is annexed to these minutes as "**Appendix A**".

Following the presentation by the CEO, a marketing video used in China by Renshoutang, Perennial's eldercare business arm in China, was screened to provide shareholders of the Company ("**Shareholders**") with a better understanding of the integrated medical care, eldercare, rehabilitation care and nursing care model.

3. CHAIRMAN AND QUORUM

Upon completion of the screening of the video, Ms Tong informed the audience that Mr Kuok Khoon Hong had been appointed as chairman of the Meeting (the "**Chairman**").

The Chairman stated that Mr Ron Sim, the Vice-Chairman and Non-Independent Non-Executive Director of the Company, offered his sincere apologies for being unable to attend this Meeting. Having ascertained that a quorum was present from the Company Secretary, the Chairman called the Meeting to order.

4. NOTICE OF ANNUAL GENERAL MEETING

The Chairman recommended that the Notice of the AGM dated 3 April 2019, which was earlier circulated to Shareholders be taken as read. There was no objection from any Shareholder.

5. VOTING BY POLL

The Chairman advised the Meeting that, in accordance to Rule 730(A)(2) of the Listing Manual, he had directed that the vote on each Resolution as set out in the Notice of Meeting be conducted by poll.

The Chairman informed the Meeting that he had been appointed as proxy for a number of Shareholders and would be exercising those proxy votes in accordance with the appointers' instructions.

The Chairman also informed the Meeting that polling was to be conducted in a paperless manner using a wireless handset and that he would be proposing all the resolutions of the Meeting with the exception of Resolution 3(a) on his own re-election as director. On Resolution 3(a) on the Chairman's re-election as director, the Chairman informed that Mr Eugene Lai would take over as the chairman of the Meeting for this proposed resolution. Moore Stephens LLP had been appointed as the scrutineers to conduct the poll and Mr Willy Ng of Moore Stephens LLP would explain the procedures for voting by electronic poll. Mr Willy Ng proceeded to explain the polling procedures.

ORDINARY BUSINESS

6. **ORDINARY RESOLUTION 1: TO RECEIVE AND ADOPT THE DIRECTORS' STATEMENT AND AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018 AND THE AUDITORS' REPORT THEREON**

The Chairman proposed the resolution and informed the Meeting that the Directors' Statement and Audited Financial Statements can be found in the 2018 annual report of the Company (the "**Annual Report**"). A Shareholder, Mr Jason Ang Jiang Zhong, seconded the resolution.

(i) A Shareholder, Mr Manohar P Sabnani, referred to the video presentation and proposed to include English subtitles for the benefit of Shareholders who cannot understand Chinese. In reply, the CEO responded that subtitles would be provided in future.

(ii) For his first question, Mr Manohar P Sabnani referred to the Company's Consolidated Statement of Cash Flows. He highlighted that the amount of cash and cash equivalents decreased from S$111.7 million (at the end of 2017) to S$76.9 million (at the end of 2018), and a significant portion of the gains came from the revaluation of the investment properties. He further explained that the cash flows from operating activities were not desirable and net finance costs amounted to approximately S$82 million in 2018. Mr Manohar P Sabnani wanted to find out how the board of directors of the Company (the "**Board**") intended to improve the cash flows and strengthen the balance sheet.

(iii) In response to Mr Manohar P Sabnani's question, the CEO explained that there were two major events in 2018 which occurred concurrently. The two events were the Company's acquisition of the remaining 50% stake in Capitol Singapore and the opening of Perennial International Health and Medical Hub in Chengdu. The combination of these two events utilised significant amount of the Company's financial resources. The Company was aware of this impact and had been looking at divestment options to ameliorate the impact. The CEO also stated that the Company had informed the market at the end of 2018 that the Company was actively considering measures to unlock the value in its properties, such as the divestment of a partial stake in TripleOne Somerset in 2017. For AXA Tower, the CEO commented that in 2018, the Company considered the option to sell the strata-titled office units but decided against it because the Company saw the potential to enhance the value of AXA Tower through redevelopment and asset enhancement works. At this juncture, the CEO reasoned that the asset enhancement works for AXA Tower was another reason that contributed to the decreasing cash flows at the end of 2018.

(iv) For his second question, Mr Manohar P Sabnani referred to the Chengdu East High Speed Railway ("**HSR**") Integrated Development, which is adjacent to the Chengdu East HSR Station, and stated that the Company intended to attract more people who utilise the HSR Station to shop and receive medical treatment at Chengdu East HSR Integrated Development. However, he noted that most people viewed the HSR station as a place for transport instead of a destination to shop and receive medical treatment. He wanted to know if the Company had considered the two opposing views above.

(v) The CEO acknowledged that there had been ongoing debates on this topic. The CEO explained that when the HSR was first introduced in China, very few people used it as a means of transportation. There was a stigma associated with taking trains as most believed that only the less affluent consumers commuted through trains. However, this perception has changed in the modern society. Many business executives now take trains and there are even business or first class cabins on the HSR trains which offer greater comfort than planes. The CEO also cited the statistics where more than two or three hundred thousand passengers commute through the HSR station on a daily basis. The HSR route between Shanghai and Beijing is currently the busiest route. The CEO explained that management intended to leverage on the human traffic at HSR stations to generate business opportunities for the Company. The CEO also revealed that the local authorities are supportive of the Company's HSR projects adjacent to the HSR station at Chengdu and Xi'an.

(vi) Following up on his second question, Mr Manohar P Sabnani asked if the Company had plans to introduce hotel facilities at the HSR projects. The CEO replied in the affirmative and pointed out that the Company had a hotel management joint venture in 60:40 proportions with Shun Tak Holdings.

(vii) For his third question, Mr Manohar P Sabnani queried if the Company could separate the healthcare business from other businesses in future annual reports because the healthcare business seems to be a significant segment within the Company's portfolio. Currently, he noticed that the presentation of financial data in the Annual Report was categorised based on geographical regions without substantial financial data on the healthcare business.

(viii) The CEO explained that the Company had joint ventures with other companies for its healthcare business but would explore how to provide better clarity in future.

(ix) For his fourth question, Mr Manohar P Sabnani noted that asset renovation works were carried out in Capitol Piazza. However, he observed that there were not many shops and shoppers and he wanted to find out the reason behind his observation. The CEO responded that where possible, the Company would reveal the list of committed tenants when releasing its quarterly financial report. The upcoming release for the first quarter of 2019 would indicate the current occupancy rates of Capitol Piazza was within a healthy range.

(x) For his final question, Mr Manohar P Sabnani observed that most of the Company's assets in China were under construction. He wanted to understand why the operating properties in China (Shenyang Longemont Integrated Development, Perennial Jihua Mall and Perennial Qingyang Mall) only generated a revenue of approximately S$41 million in 2018. He asked about the status on the Shenyang Longemont Integrated Development as there was an issue with this property in the past. More specifically, Mr Manohar P Sabnani requested to have more details such as the occupancy rates of these malls. The CEO replied that the occupancy rate for Shenyang Longemont Integrated Development was around 80% but this figure was dragged down by Shenyang Red Star Macalline Furniture Mall because one major tenant went defunct. The occupancy rates for the other two China malls were 100% and generated the expected rental yield in 2018.

(xi) Following up on his question, Mr Manohar P Sabnani proposed that the Company provide more financial data on the operational Chinese malls in the Company's future annual reports. The CEO raised the concern that the statistics may not be meaningful since most of the Company's portfolio of assets in China is still undergoing development.

Mr Manohar P Sabnani also wanted to know why the Board decided to invest in Ghana in light of the major development projects in China since Ghana was located very far away from the other Company's properties. The CEO informed that the project in Ghana was small and the Company would be partnering Shangri-La Asia Limited for the project. On this note, Mr Manohar P Sabnani pointed out that the total area involved for the project in Ghana is 500,000 square feet and this was a large plot of land. The CEO replied that the Company intended to generate revenue through strata sales for this project. Mr Manohar P Sabnani asked if the Ghanaian people would have the purchasing power to buy the properties once the properties have been developed. The CEO indicated that the market is now more subdued and this was the reason why the Company did not push forward with the project.

(xii) Mr Lim Tow Boo Bonaventure wanted to find out the business model of the Company – whether the Company is building, holding and managing properties to collect rents or whether the Company is building and selling properties to unlock the value in these properties. The CEO explained that one of the Company's core competencies in its integrated business is to develop and manage properties. Referring to the recent HSR projects, the CEO highlighted that the Company is developing competencies in eldercare and operating medical centres. Nevertheless, when the projects have reached certain milestones, the Company would consider other options such as capital recycling to maximise returns.

(xiii) Mr Lim Tow Boo Bonaventure informed the Meeting that he was concerned about the falling share price of the Company which had affected its dividend yield. He pointed out that the dividend yield for most government-linked companies is approximately 3%. The dividend yield for the Company was only around 10% of the dividend yield generated by the government-linked companies based on the net asset value of S$1.644 and dividend per share of 0.4 cents in 2018. Mr Lim Tow Boo Bonaventure urged the Board to consider Shareholders' interest and generate stable and good returns instead of embarking on more projects which might reduce the amount of cash the Company has for Shareholders' distributions.

(xiv) The CEO reassured Mr Lim Tow Boo Bonaventure that the Board would take into consideration his concern when making future decisions.

(xv) Another shareholder, Mr S Nallakaruppan, commented that the video presentation appeared impressive even though he did not understand Chinese. However, he pointed out that the Company's actual revenue was only around 1% or lower of the value of its assets. He stated that Shareholders were not able to see the actual cash flows of the Company even though the divestment of Chinatown Point resulted in some positive cash flow for the Company. Since most of the Company's projects are on long-term basis, Mr S Nallakaruppan raised the concern that cash flows for the Company might be an issue in the upcoming years. He informed that the net asset value per share was S$1.644 in 2018, and this represented a 60% discount to its book value. He had purchased the Company's shares since 2011 and over the 8 years, its share price had dropped by almost half from its original price. Before the Company carried out restructuring activities in 2014, the dividend per share was 3.86 cents and it had dropped to 1.0 cent and 0.4 cent in 2017 and 2018 respectively.

[Post AGM Note: Prior to the restructuring activities in 2014, the distribution of 3.86 cents was declared by Perennial China Retail Trust.]

(xvi) Mr S Nallakaruppan expressed his desire to hold the Company's shares for long term but hoped that the Company could improve Shareholders' return. While the Company had introduced many projects and development plans in countries like Malaysia and Ghana, he urged the Company to consider the impact of these plans on the Company's balance sheets and its gearing ratio. Moreover, he said that it is important for the Company to actualise its assets and translate the assets into better distributions for Shareholders. While the CEO took note of Shareholders' concerns, he was optimistic that the focus on HSR projects and medical business would generate long term value. Regarding the Company's gearing ratio, the CEO stated that the Board would ensure that it remained less than 1 time.

(xvii) As a follow-on comment, Mr S Nallakaruppan suggested that the Board make distributions to Shareholders after each divestment of the Company's properties instead of on an annual basis. The CEO noted and thanked Mr S Nallakaruppan's for his comment.

(xviii) Another Shareholder, Mr Vincent Tan, referred to page 42 of the Annual Report. Mr Vincent Tan agreed with the previous Shareholder that more financial data can be provided for the different business segments. He suggested that the Board's decisions for the Company be driven by the desire to increase the growth of the Company's net asset value, to monetise and recycle the Company's properties and to build a recurrent business in the healthcare and management (including asset management) segments. Mr Vincent Tan also stated that he was impressed with the Board's ability to introduce and develop HSR and other projects but queried if having projects in the form of joint ventures would affect or limit the ability of the Company to monetise the projects.

(xix) In response to Mr Vincent Tan's question, the CEO replied that the Company is in the position to lead in many of its joint ventures with other companies. For example, the Board was able to convince its joint venture partners to divest their stakes in Chinatown Point. The CEO emphasised that the Board considers exit for stakes in certain stabilised properties.

(xx) As a follow-on question, Mr Vincent Tan noted that the Company bought further stakes in Chinatown Point in 2017 to increase its shareholding interests to beyond 50%. However, the Company sold all of its stakes in Chinatown Point in 2018. Mr Vincent Tan wondered if the move to increase its shareholding interests in Chinatown Point in 2017 was intentional so that the Company could garner a majority stake in order to sell Chinatown Point in 2018.

(xxi) The CEO responded and said that it was not the case.

(xxii) Mr Vincent Tan asked if the Company could achieve its aim of remaining asset-light and yet maintaining a stable and recurrent income since the Company was pursuing many projects concurrently. He pointed out that the Company had 49.9% effective interest in Shanghai Yixian Renshoutang Eldercare Group Co., Ltd. However, real estate business is an asset heavy business. He also pointed out that to run the eldercare services, the Company would need to purchase expensive medical equipment and recruit experienced specialists. He then referred to page 77 of the Annual Report where it was stated that the Company intended to gain first-mover advantage in this industry. Mr Vincent Tan explained that he asked this question because detailed financial information for the healthcare portfolio is not available in the Annual Report.

(xxiii) The CEO said that the Company used to specialise in commercial real estate. When the Company started to approach healthcare medical operators to add dimensions to the integrated development in Chengdu, the Board discovered the huge demand for healthcare medical operators and their ability to afford the rental fees. The rental fees which could be collected from these healthcare medical operators were not lower than the fees which could be collected from retail operators. In light of this finding, the Company gravitated towards having healthcare medical operators as its tenants for many of its properties and scaled up its operations quickly, particularly for the eldercare business. The Company ran on both strategies of owning and monetising its properties. In fact, the Company's focus on medical centres and eldercare business have added value to the Company. Nevertheless, the CEO noted Shareholders' concerns for better dividends and would incorporate in future decision making.

(xxiv) Before asking his final question. Mr Vincent Tan commended the Board for its ability to combine both HSR and provisions of healthcare services into an integrated development in China. Mr Vincent Tan was of the opinion that the Company has good support in China and he congratulated the Board for its ability to secure two additional HSR projects for the Company. Mr Vincent Tan noted that the average cost of debt for the Company was 3.8% and a higher proportion of it was on floating rate to lock in the lower interest rates from SIBOR. For his final question, Mr Vincent Tan wanted to find out if the developments in China were funded through funds raised in Singapore and the details on financing.

(xxv) The Chairman replied that instead of focusing on the details of the financing, it would be more appropriate to look at whether the Company can generate returns which were higher than the financing costs. He added that Shareholders should trust the management to secure financing options at the lowest possible costs, whether the funds were raised in China or Singapore.

(xxvi) To clarify his question, Mr Vincent Tan stated that he wanted to know whether there was a natural hedge against the currency fluctuations because the funding was secured from Singapore. The CEO explained that for every investment in China, the management would bring in cash from Singapore. The injection of cash into an investment transaction was akin to the injection of capital. The management would then borrow from the local Chinese banks, the remaining funds required for the investment transaction. Therefore, the Singapore dollars which were brought over to China for previous investment transactions were locked into the properties and no hedging was required. For more specific details, the Chairman offered Mr Vincent Tan a separate discussion with the CEO after the Meeting.

(xxvii) Another Shareholder, Mr Phang Chan Chun wanted to find out more about the future directions of the Company. He noted that the Company was currently pursuing longer-term projects in China and shorter-term projects and asset recycling projects in Singapore. For the near future, he queried if the management would shift its focus towards China away from Singapore.

(xxviii) On Mr Phang Chan Chun's question, the Chairman replied that the management would work on projects which could generate the most profits to the Company, regardless of whether the project were in Singapore or China. However, the Chairman noted that some Shareholders focused on short-term gains instead of the long-term gains for the Company. The Chairman reassured Shareholders that the Board would take into consideration Shareholders' concerns for future investment decisions. The Chairman also reiterated that the Board did not allocate specific percentages of projects to be undertaken in specific countries.

7. **ORDINARY RESOLUTION 2: TO APPROVE THE DECLARATION AND PAYMENET OF A PROPOSED FINAL TAX-EXEMPT (ONE-TIER) DIVIDEND OF 0.4 SINGAPORE CENTS PER ORDINARY SHARE IN RESPECT OF THE FINANCIAL PERIOD ENDED 31 DECEMBER 2018**

The Chairman proposed the resolution and a Shareholder, Mr Luo Sui, seconded the resolution.

Mr S Nallakaruppan referred to the question he asked earlier. He mentioned that the dividend per share used to be 3.86 cents annually before the consolidation of the Company's shares by the ratio of 2 to 1. On that basis, Mr S Nallakaruppan asked if the Shareholders would be receiving approximately 7.9 cents in the upcoming years. He noted that the Shareholders had been receiving lesser than 10% of the dividends issued in the past (3.86 cents) for the past few years. At this juncture, he reiterated the importance for the Board to divest properties along the way instead of focusing on long-term projects for better distributions to Shareholders.

The Chairman noted Mr S Nallakaruppan's concern.

[Post AGM Note: Prior to the restructuring activities in 2014, the distribution of 3.86 cents was declared by Perennial China Retail Trust.]

8. ORDINARY RESOLUTION 3A: TO RE-ELECT MR KUOK KHOON HONGAS A DIRECTOR

Mr Eugene Paul Lai Chin Look, the Lead Independent Non-Executive Director, proposed the resolution on Mr Kuok's re-election and a Shareholder, Mr Ang Ming Jie, seconded the resolution.

A shareholder, Mr Stephen Chen Weng Leong, pointed out that the Chairman's conduct during the general meeting was worrying and was concerned if the Chairman behaved in the same manner during Board meetings. This was because Mr Stephen Chen Weng Leong believed that another Shareholder, Mr Vincent Tan, asked a valid question when Resolution 1 was proposed since Shareholders did not have access to complete information about the Company, and yet the Chairman seemed impatient in his reply.

The Chairman explained that it was not his intent. As the CEO had already spent a significant amount of time explaining to Mr Vincent Tan on the financing query, he had thus offered to arrange for a separate session after the Meeting for the CEO to answer Mr Vincent Tan's question so as to ensure that Shareholders' time was well-maximised at the Meeting.

In response, Mr Stephen Chen Weng Leong responded that material information should be disclosed in public forum in line with good corporate governance. Chairman explained that he understands that the same query was raised by Mr Vincent Tan at the pre-AGM meeting which was organised by Securities Investors Association (Singapore) ("**SIAS**") and the CEO had provided a detailed explanation.

At this juncture, Mr Vincent Tan clarified that he spoke with the CEO after the conclusion of the annual general meeting for Wilmar International Ltd and that he did not attend any pre-AGM meeting with the CEO. The CEO apologised and explained that he had mistaken Mr Vincent Tan for another individual who asked a similar question at the SIAS Pre-AGM.

[Post AGM Note: Immediately after the AGM proceedings ended, Mr Pua spoke to Mr Vincent Tan to respond to his queries]

9. ORDINARY RESOLUTION 3B: TO RE-ELECT MR OOI ENG PENG AS A DIRECTOR

The Chairman proposed the resolution on Mr Ooi's re-election and a Shareholder, Mr Sim Juay Cheong, seconded the resolution. The Shareholders did not have any question on the resolution.

10. ORDINARY RESOLUTION 3C: TO RE-ELECT MR PUA SECK GUAN AS A DIRECTOR

The Chairman proposed the resolution on Mr Pua's re-election and a Shareholder, Mr Goh Han Choon Steve, seconded the resolution. The Shareholders did not have any question on the resolution.

11. ORDINARY RESOLUTION 4: TO RE-APPOINT KPMG LLP AS THE COMPANY'S AUDITORS AND TO AUTHORISE THE DIRECTORS TO FIX THEIR REMUNERATION

The Chairman proposed the resolution and a Shareholder, Mr Ho Mun Sang, seconded the resolution. The Chairman informed the Meeting that KPMG LLP had expressed their willingness to continue in office. The Shareholders did not have any question on the resolution.

12. **ORDINARY RESOLUTION 5: TO APPROVE THE PAYMENT OF THE DIRECTORS' FEES OF S$420,000 for the financial period ended 31 December 2018.**

The Chairman informed the Meeting that the resolution was to seek Shareholders' approval for payment of S$420,000 as Directors' fees for the financial period ended 31 December 2018 and the fees are for services rendered by the Directors on the Board, as well as the various Board Committees.

The Chairman invited a Shareholder to propose the resolution. A Shareholder, Ms Lim Shu Hua Cheryl, proposed the resolution and seconded the resolution. The Shareholders did not have any question on the resolution.

<u>SPECIAL BUSINESS</u>

13. **ORDINARY RESOLUTION 6: TO AUTHORISE DIRECTORS TO ISSUE SHARES AND TO MAKE OR GRANT CONVERTIBLE INSTRUMENTS**

The Chairman informed the Meeting that the resolution was to authorise Directors to issue shares in the Company pursuant to Section 161 of the Companies Act. This authority given to the Directors would expire at the conclusion of the next AGM.

The Chairman proposed the resolution and a Shareholder, Mr Ang Ming Jie, seconded the resolution.

A Shareholder, Mr S Nallakaruppan, commented that the net asset value per share of the Company was S$1.644. The issuance of shares such as the recent offer to key appointment holders at S$0.68 per share (at a huge discount to its book value) will dilute minority shareholders' shareholdings, particularly when dividend of the share had been low in recent years. The Chairman replied that the Board did not have any intention to issue more shares and any issuance of shares would be conducted on a *pro-rata* basis to all Shareholders.

14. **ORDINARY RESOLUTION 7: AUTHORITY TO ALLOT AND ISSUE SHARES UNDER THE PERENNIAL EMPLOYEE SHARE OPTION SCHEME 2014**

The Chairman informed the Meeting that the resolution was to authorise the Directors to issue shares pursuant to the exercise of options under the Perennial Employee Share Option Scheme 2014. The resolution provided that the number of new shares which may be issued under the share option scheme was limited to 15% of the Company's issued share capital.

The Chairman proposed the resolution and a Shareholder, Mr Sim Juay Cheow, seconded the resolution. The Shareholders did not have any question on the resolution.

15. **ORDINARY RESOLUTION 8: RENEWAL OF SHARE BUYBACK MANDATE**

The Chairman informed the Meeting that the resolution was to approve the renewal of the share buyback mandate to enable the Company to acquire or purchase its shares. The limit on the number of shares which may be purchased or acquired under this mandate is 5% of the Company's current issued share capital (excluding treasury shares). If approved by Shareholders, this mandate would continue until the next AGM of the Company or until it is varied or revoked by the Company in general meeting.

The Chairman proposed the resolution and a Shareholder, Mr Wu Ming, seconded the resolution.

A Shareholder, Mr S Nallakaruppan, commented that the share price of the Company was currently at a 60% discount from its book value. He suggested the Company to buy back its own shares aggressively. He noted that the Company had been buying back its own shares in the past but the Company's buyback activities had ceased recently.

In response, the Chairman stated that the Company was unable to buy back its own shares aggressively so as to maintain the free float requirement under the Listing Manual of the SGX-ST. The Company might be delisted if it was unable to maintain this requirement.

On this note, Mr S Nallakaruppan highlighted that most of the Company's shares were held by a few individuals and this might be the reason why the Company's share price had been stagnating for some time. To increase the share price, he urged the Company to consider buying back the Shares. Moreover, he urged the Board to consider increasing the dividend yield to generate value to Shareholders. The Chairman stated that the Board would consider his suggestions. Another Shareholder, Mr Manohar P Sabnani, presented another perspective. He noted that the Company was cash tight because the Company had embarked on a large number of projects. In light of this, the Company should not have a share buyback mandate. Instead, the priority of the Company should be to finance the projects and pay dividends if there are free cash flows. The Company should let the share price be adjusted by the market forces instead of artificially adjusting the share price through the share buyback mandate.

The Chairman noted Mr Manohar P Sabnani's comment.

16. RESULTS OF AGM

Ordinary Resolution 1

The poll results on Ordinary Resolution 1 were as follows:

	Number of Shares	%
Votes "For"	1,225,525,871	99.84
Votes "Against"	1,967,959	0.16
Total number of valid votes cast	1,227,493,830	100.00

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

Ordinary Resolution 2

The poll results on Ordinary Resolution 2 were as follows:

	Number of Shares	%
Votes "For"	1,222,664,217	99.62
Votes "Against"	4,667,525	0.38
Total number of valid votes cast	1,227,331,742	100.00

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

Ordinary Resolution 3a

The poll results on Ordinary Resolution 3a were as follows:

	Number of Shares	%
Votes "For"	1,225,793,177	99.78
Votes "Against"	2,682,935	0.22
Total number of valid votes cast	1,228,476,112	100.00

Based on the results of the poll, Mr Eugene Lai declared Ordinary Resolution 3a carried.

Ordinary Resolution 3b

The poll results on Ordinary Resolution 3b were as follows:

	Number of Shares	%
Votes "For"	1,226,139,187	99.86
Votes "Against"	1,779,134	0.14
Total number of valid votes cast	1,227,918,321	100.00

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

Ordinary Resolution 3c

The poll results on Ordinary Resolution 3c were as follows:

	Number of Shares	%
Votes "For"	1,222,656,547	99.84
Votes "Against"	1,923,218	0.16
Total number of valid votes cast	1,224,579,765	100.00

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

Ordinary Resolution 4

The poll results on Ordinary Resolution 4 were as follows:

	Number of Shares	%
Votes "For"	1,223,148,104	99.84
Votes "Against"	1,920,696	0.16
Total number of valid votes cast	1,225,068,800	100.00

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

Ordinary Resolution 5

The poll results on Ordinary Resolution 5 were as follows:

	Number of Shares	%
Votes "For"	1,225,573,359	99.83
Votes "Against"	2,052,707	0.17
Total number of valid votes cast	1,227,626,066	100.00

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

Ordinary Resolution 6

The poll results on Ordinary Resolution 6 were as follows:

	Number of Shares	%
Votes "For"	1,210,671,366	98.60
Votes "Against"	17,163,463	1.40
Total number of valid votes cast	1,227,834,829	100.00

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

Ordinary Resolution 7

The poll results on Ordinary Resolution 7 were as follows:

	Number of Shares	%
Votes "For"	1,210,464,853	98.62
Votes "Against"	16,959,991	1.38
Total number of valid votes cast	1,227,424,844	100.00

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

Ordinary Resolution 8

The poll results on Ordinary Resolution 8 were as follows:

	Number of Shares	%
Votes "For"	1,225,749,595	99.81
Votes "Against"	2,276,018	0.19
Total number of valid votes cast	1,228,025,613	100.00

Based on the results of the poll, the Chairman declared Ordinary Resolution 8 carried.

17. CONCLUSION

There being no other business, the Chairman declared the AGM closed at 4.00 p.m. and thanked everyone present for their attendance.

Confirmed by:

Mr Kuok Khoon Hong
Chairman