

GENERAL ANNOUNCEMENT::MINUTES OF ANNUAL GENERAL MEETING HELD ON 22 APRIL 2022

Issuer & Securities

Issuer/ Manager

QAF LIMITED

Securities

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No

Announcement Details

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Minutes of Annual General Meeting held on 22 April 2022

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Submitted By (Co./ Ind. Name)

Serene Yeo

Designation

Company Secretary

Description (Please provide a detailed description of the event in the box below)

Please refer to the attached minutes of the Annual General Meeting of the Company held by electronic means on 22 April 2022.

Attachments

[QAF AGM Minutes 22 April 2022 final.pdf](#)

Total size =208K MB

QAF LIMITED

Company Registration No. 195800035D
(Incorporated in the Republic of Singapore)
(the “Company” or “QAF”)

Minutes of the Annual General Meeting of the Company held by electronic means on 22 April 2022 at 11.00 a.m.

MEMBERS PRESENT ELECTRONICALLY : As set out in the attendance records maintained by the Company

DIRECTORS PRESENT : Ms Dawn Pamela Lum, Director (Chairman of the Meeting) (“Chairman”)
Mr Lin Kejian, Joint Group Managing Director
Mr Goh Kian Hwee, Joint Group Managing Director
Ms Ong Wui Leng, Group Finance Director

Mr Andree Halim, Board Chairman*
Mr Choo Kok Kiong, Director*
Mr Triono J. Dawis, Director*
Mr Lee Kwong Foo Edward, Director*
Mr Norman Ip, Director*
Mr Chee Teck Kwong Patrick, Director*

*present electronically

IN ATTENDANCE : Ms Serene Yeo Li-Wen, Group Legal Counsel & Company Secretary*
Ms Laura Lee, Tricor Barbinder Share Registration Services*
Ms Irene Chan, Tricor Barbinder Share Registration Services*
Ms Tan Jack Leng, Tricor Barbinder Share Registration Services*
Ms Sandra Lee, Scrutineer, Entrust Advisory Pte Ltd*
Mr Koa Tian Leng, Trusted Services Pte Ltd*
Ms Jessie Ying, Trusted Services Pte Ltd*

*present electronically

BY INVITATION : Ms Rachel Liem Yuan Fang, Alternate Director to Mr Andree Halim*
Mr Albert Loh, Group Corporate Finance Officer*
Ms Wong Chin Chin, Group Financial Controller*
Mr Terry Wee Hiang Bing, Ernst & Young LLP*
Ms Sharon Peh, Ernst & Young LLP*
Mr Philip Ng, Ernst & Young LLP*
Ms Serene Ng, Ernst & Young LLP*

*present electronically

1. COMMENCEMENT : The Chairman welcomed shareholders to the Annual General Meeting (“AGM” or “Meeting”). The Chairman introduced herself and stated that she has been appointed to chair the AGM pursuant to Regulation 74 of the Company’s Constitution.

The Chairman stated that the AGM was being conducted by electronic means 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.

Based on the verification of the Share Registrar, the Chairman acknowledged the attendance of shareholders at the Meeting electronically. As a quorum was present, the Chairman proceeded to call the Meeting to order.

Before proceeding with the Meeting, the Chairman reminded all present that sharing of login credentials, and taping or video-recording of the Meeting, are not permitted.

The Chairman informed shareholders that the Joint Managing Directors, namely, Mr Lin Kejian and Mr Goh Kian Hwee, as well as the Group Finance Director, Ms Ong Wui Leng, were present with her at the studio. Attending electronically were the remaining Directors of the Company. The Chairman introduced the following Directors:

- a) The Independent Directors, being:
 - Mr Triono J. Dawis;
 - Mr Lee Kwong Foo Edward;
 - Mr Norman Ip; and
 - Mr Chee Teck Kwong Patrick
- b) Non-executive, non-Independent Director, Mr Choo Kok Kiong.

The Chairman also reported that Mr Andree Halim, the Chairman of the Board of Directors, was present electronically.

Also in attendance electronically were the Company Secretary, Share Registrar, Scrutineer, and the Company's Auditors.

2. **NOTICE OF MEETING** : The Notice of AGM and accompanying documents were dispatched to shareholders by electronic means on 25 March 2022. These documents had been in shareholders' hands for the required period. With the concurrence of the Meeting, the Notice of AGM and the accompanying documents were taken as read.
3. **MODE OF VOTING** : The Chairman informed shareholders as follows:
 - As stated in the Notice of AGM dated 25 March 2022, shareholders would not be able to vote through the webcast or audio-only stream at the Meeting. Shareholders who wished to exercise their voting rights were required to appoint the Chairman of the Meeting as their proxy.
 - All items on the AGM agenda are proposed as Ordinary Resolutions. All such resolutions put to a vote are conducted by poll in accordance with the Company's Constitution and the SGX Listing Rules.
 - The validity of proxies submitted by the deadline of 11.00 a.m. on 19 April 2022 had been reviewed and the votes of these proxies had been counted by the Polling Agent and verified by the Scrutineer.

- The results of the poll voting would be announced later during the Meeting.

4. **ADDRESS BY
JOINT GROUP
MANAGING
DIRECTORS AND
GROUP FINANCE
DIRECTOR** :

The Chairman invited Mr Lin Kejian to address shareholders.

Mr Lin Kejian welcomed and thanked shareholders for taking the effort to attend the AGM.

Mr Lin Kejian :

Mr Lin noted that as mentioned by the Chairman of the Board of Directors, Mr Andree Halim, the COVID-19 pandemic has caused disruption in supply chains, resulting in higher material, energy and shipping costs. Labour movement has also been restricted in the markets in which the Company operates. This has resulted in increased costs of operations, and at times, even temporary shutdown of operations.

The Group had performed exceptionally well in 2020. The heightened demand experienced during the onset of the COVID-19 pandemic had resulted in record sales for the Continuing Operations. Against this high base, the Group has managed to maintain comparable sales levels in FY2021. Compared with pre-COVID FY2019, topline performance in FY2021 was much better. However, earnings from Continuing Operations have been affected by the increase in costs of operations and were therefore lower than FY2020, but still higher than pre-COVID FY2019.

Mr Lin added that for FY2022, the geopolitical crisis in Europe will exacerbate the pre-existing inflationary pressures and supply chain disruption caused by the pandemic. The Group therefore expects the business environment to be challenging for 1H2022 compared to 1H2021, with further increase in operating costs.

Mr Lin handed the proceedings to Mr Goh Kian Hwee to elaborate further.

Mr Goh Kian Hwee :

Mr Goh thanked shareholders for joining the AGM.

Mr Goh noted that some shareholders had raised questions through the relevant channels and that the Company had replied to substantial and relevant questions received in its announcement dated 14 April 2022. He invited shareholders to read the announcement.

Mr Goh elaborated further on the performance of the Continuing Operations for FY2021 compared with FY 2020.

Mr Goh noted that while the Group was able to maintain comparable topline performance, EBITDA for FY2021 fell 30%, or \$27 million, from \$90.5 million to \$63.4 million. The Group's PBT fell \$26 million, or 47%, from \$54.4 million to \$28.7 million. The decrease in EBITDA and PBT was largely because of increase in total costs and expenses incurred.

Notably, our costs of materials have increased by \$15 million. This was driven by higher sales volume and higher raw material costs, particularly flour costs. Utilities, distribution, and transportation expenses have also increased as a result of rising oil and gas prices; additionally, there was the one-off \$4.8 million write-downs of inventory and property, plant and equipment arising from the flood in Malaysia. Non-cash foreign exchange translation impact also had a significant \$7.8 million differential.

However, if foreign exchange translation impact, government grants, and one-off items (including the impairment from the flood) were excluded, Underlying Earnings would decline by \$9 million or 21%, from \$42.6 million to \$33.5 million, and this decline is significantly less than the decline in EBITDA of 30% and PBT of 47%.

Mr Goh handed the proceedings to the Group Finance Director to elaborate further on some other financial aspects.

Ms Ong Wui Leng : Ms Ong stated that as Mr Goh had highlighted, earnings performance was significantly lower in FY2021 compared with FY2020, and this is attributable to 2 factors— first, the exceptionally strong performance in FY2020, and second, the increase in operating costs in FY2021.

Comparing with pre-COVID FY2019 results however, FY2021 revenue had increased by 12%. EBITDA, PBT and Underlying Earnings have also grown by 12%, 26% and 45%, respectively. In summary, with the exception of EBITDA margin, all performance parameters for FY2021 shown (on-screen) during the Meeting had exceeded pre-COVID level for FY2019.

Lastly, Ms Ong highlighted that the sale of the Primary Production business was fully completed in January 2022. A final consideration of A\$159 million has been confirmed, which is an upward adjustment of A\$1.7 million. With the completion of the disposal, the Group will be in a net cash position.

Ms Ong handed the proceedings back to the Chairman.

ORDINARY BUSINESS

5. ADOPTION OF DIRECTORS STATEMENT AND AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DEC 2021 AND THE AUDITORS' REPORT THEREON : The Chairman proceeded to deal with the first item on the Agenda of the AGM.

Resolution No. 1
To receive and adopt the Directors' Statement and audited financial statements for the financial year ended 31 December 2021 and auditors' report thereon

The results of the poll were:

Votes cast FOR	:	99.99%
Votes cast AGAINST	:	0.01%

The Chairman declared Resolution No. 1 carried.

6. DECLARATION OF DIVIDENDS

Resolution No. 2

To declare a final tax-exempt (one-tier) dividend of S\$0.04 per ordinary share in respect of the financial year ended 31 December 2021

The results of the poll were:

Votes cast FOR	:	99.99%
Votes cast AGAINST	:	0.01%

The Chairman declared Resolution No. 2 carried.

7. RE-ELECTION OF DIRECTOR – MR ANDREE HALIM

Resolution No. 3

To re-elect Mr Andree Halim retiring under Regulation 102 of the Company's Constitution

Mr Halim is the Chairman of the Board of Directors, and a member of the Executive Committee.

The results of the poll were:

Votes cast FOR	:	98.40%
Votes cast AGAINST	:	1.60%

The Chairman declared Resolution No. 3 carried.

8. RE-ELECTION OF DIRECTOR – MS DAWN PAMELA LUM

Resolution No. 4

Mr Goh Kian Hwee dealt with the proceedings under Resolution 4.

To re-elect Ms Dawn Pamela Lum retiring under Regulation 102 of the Company's Constitution

Ms Lum is the Board's Lead Independent Director, and she chairs the Nominating and Remuneration Committees.

The Board continues to regard Ms Lum as Independent.

The results of the poll were:

Votes cast FOR	:	98.40%
Votes cast AGAINST	:	1.60%

Resolution No. 4 was declared carried.

Mr Goh handed the proceedings to the Chairman.

9. RE-ELECTION OF DIRECTOR – MR NORMAN IP : **Resolution No. 5**
To re-elect Mr Norman Ip retiring under Regulation 112 of the Company’s Constitution

Mr Ip is an Independent Director, and he chairs the Audit & Risk Committee.

The Board regards Mr Ip as Independent.

The results of the poll were:

Votes cast FOR	:	99.99%
Votes cast AGAINST	:	0.01%

The Chairman declared Resolution No. 5 carried.

10. RE-ELECTION OF DIRECTOR – MR CHEE TECK KWONG PATRICK : **Resolution No. 6**
To re-elect Mr Chee Teck Kwong Patrick retiring under Regulation 112 of the Company’s Constitution

Mr Chee is an Independent Director, and a member of two committees: the Nominating Committee and the Audit & Risk Committee.

The Board regards Mr Chee as Independent.

The results of the poll were:

Votes cast FOR	:	99.78%
Votes cast AGAINST	:	0.22%

The Chairman declared Resolution No. 6 carried.

11. APPROVAL OF DIRECTORS’ FEES : **Resolution No. 7**
To approve Directors’ fees of up to \$338,333 for the financial year ended 31 December 2021

An amount of up to \$338,333 has been proposed as Directors’ fees for such period.

The results of the poll were:

Votes cast FOR	:	99.99%
Votes cast AGAINST	:	0.01%

The Chairman declared Resolution No. 7 carried.

12. RE-APPOINTMENT OF ERNST & YOUNG LLP AS AUDITORS : **Resolution No. 8**
To re-appoint Ernst & Young LLP as Auditors of the Company and to authorize the Directors to fix their remuneration

The results of the poll were:

Votes cast FOR	:	99.99%
Votes cast AGAINST	:	0.01%

The Chairman declared Resolution No. 8 carried.

SPECIAL BUSINESS

13. **GENERAL MANDATE TO ISSUE SHARES** : **Resolution No. 9**
Grant of Authority to the Directors to issue shares in the Company pursuant to the Companies Act.
- The Chairman took the Resolution as read with the concurrence of the Meeting.
- The results of the poll were:
- | | | |
|--------------------|---|--------|
| Votes cast FOR | : | 97.62% |
| Votes cast AGAINST | : | 2.38% |
- The Chairman declared Resolution No. 9 carried.
14. **AUTHORITY TO ISSUE SHARES UNDER THE QAF LIMITED SCRIP DIVIDEND SCHEME** : **Resolution No. 10**
Grant of Authority to the Directors to issue shares in the Company pursuant to the Companies Act for the QAF Scrip Dividend Scheme.
- The Chairman took the Resolution as read with the concurrence of the Meeting.
- The results of the poll were:
- | | | |
|--------------------|---|--------|
| Votes cast FOR | : | 99.99% |
| Votes cast AGAINST | : | 0.01% |
- The Chairman declared Resolution No. 10 carried.
15. **PROPOSED RENEWAL OF THE IPT MANDATE** : **Resolution No. 11**
Renewal of the IPT Mandate
- The Chairman stated that Resolution No. 11 is for the renewal of the IPT General Mandate under Chapter 9 of the SGX-ST Listing Manual. The mandate is for the Group to transact with the relevant interested persons, in relation to certain recurrent transactions, or those necessary for the Group's day-to-day operations.
- Information on this subject has been furnished in the Appendix to the Annual Report.
- The Chairman took the Resolution as read with the concurrence of the Meeting.
- Mr Andree Halim and Mr Lin Kejian and their respective associates have abstained from voting on this Resolution, as required.
- The results of the poll were:
- | | | |
|--------------------|---|--------|
| Votes cast FOR | : | 99.65% |
| Votes cast AGAINST | : | 0.35% |
- The Chairman declared Resolution No. 11 carried.
14. **POLLING RESULTS** : All the resolutions put to vote by poll were duly passed as certified by the Scrutineer.
15. **CLOSURE OF MEETING** : On behalf of the Board, the Chairman thanked shareholders for their attendance. The Meeting closed at or about 11.15 a.m.

**CONFIRMED AS A TRUE RECORD OF
THE PROCEEDINGS HELD**

Dawn Pamela Lum
Chairman of the Meeting