

GENERAL ANNOUNCEMENT::MINUTES OF ANNUAL GENERAL MEETING HELD ON 26 APRIL 2024

Issuer & Securities

Issuer/ Manager

QAF LIMITED

Securities

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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 at William Pickering Ballroom, Level 2, PARKROYAL COLLECTION Pickering, 3 Upper Pickering Street, Singapore 058289 on 26 April 2024.

Attachments

[QAF AGM Minutes 26 April 2024 released.pdf](#)

Total size =277K 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 at William Pickering Ballroom, Level 2, PARKROYAL COLLECTION Pickering, 3 Upper Pickering Street, Singapore 058289 on 26 April 2024 at 11.00 a.m.

- MEMBERS PRESENT** : As set out in the attendance records maintained by the Company
- DIRECTORS PRESENT** : Ms Dawn Pamela Lum, Director (Chairman of the Meeting) (“**Chairman**”)
Mr Lam Sing Chung, Board Chairman
Mr Philip Yeo Liat Kok, Board Vice-Chairman
Mr Lin Kejian, Joint Group Managing Director
Mr Michael Darren Hewat, Joint Group Managing Director
Mr Norman Ip, Director
Mr Chee Teck Kwong Patrick, Director
Dr Lian Hwee Peng Rebecca, Director
Mr Aw Syee Chia, Director
- IN ATTENDANCE** : Ms Serene Yeo Li-Wen, Group Legal Counsel & Company Secretary
- Share Registrar, Tricor Barbinder Share Registration Services
Scrutineer, Anton Management Solutions Pte Ltd
Polling Agent, Boardroom Corporate & Advisory Services Pte Ltd
- BY INVITATION** : Mr Albert Loh, Chief Financial Officer
- QAF Finance and Legal Teams, and Chief Sustainability Officer
- Managing Director, Gardenia Foods (S) Pte Ltd
Managing Director, Ben Foods (S) Pte Ltd
- Mr Philip Ng, Ernst & Young LLP
Ms Sharon Peh, Ernst & Young LLP
Representatives from Rajah & Tann Singapore LLP
- 1. COMMENCEMENT** : The Chairman welcomed shareholders to the Annual General Meeting (“**AGM**” or “**Meeting**”). The Chairman, an Independent Director, introduced herself and stated that she has been appointed to chair the AGM pursuant to Regulation 74 of the Company’s Constitution.
- The Chairman introduced the Board of Directors, the Company Secretary and the Chief Financial Officer.
- 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 recording, sharing or publication of the Meeting in any form, was not permitted.

- 2. NOTICE OF MEETING** : The Notice of AGM and accompanying documents were dispatched to shareholders on 28 March 2024. 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 that all items on the AGM agenda are proposed as Ordinary Resolutions. Voting on all the resolutions would be conducted by poll, as required by the Company's Constitution and the SGX Listing Rules.
- Save for Ordinary Resolution 8 (Directors' fees for the financial year ended 31 December 2023) where a shareholder or proxy would be invited to propose the resolution, the Chairman would propose all other resolutions for approval by shareholders.
- The Chairman proceeded to introduce the Polling Agent, Boardroom Corporate & Advisory Services Pte Ltd, and the Scrutineer, Anton Management Solutions Pte Ltd.
- A representative of the Polling Agent explained the electronic poll voting procedure.
- 4. MANAGEMENT PRESENTATIONS** : The Chairman invited Mr Albert Loh, Chief Financial Officer, to address shareholders.
- Mr Albert Loh** : Mr Loh stated that the Group recorded a 5% year-on-year increase in EBITDA before exceptional items to S\$48 million in FY2023. This was primarily attributable to the following:
- The Group's bakery segment (excluding its joint venture, Gardenia Bakeries (KL) Sdn Bhd ("**GBKL**") contributed to an increase in EBITDA of S\$5.9 million. This was mainly due to increase in sales and the reinstatement of the production facilities that were damaged in the floods at the Group's Malaysian bakery factory in December 2021.
 - The Group's share of profits in GBKL contributed to a decrease in EBITDA of S\$11.1 million. Taking into account the impairment on the recoverable amount of the Group's investment in GBKL, such share of profits recorded was a loss of S\$8.4 million in FY2023, compared to a profit of S\$2.7 million in FY2022.
 - Lower foreign exchange losses of S\$2.4 million were recorded in FY2023, compared to a loss of S\$10.4 million in FY2022.
- Similarly, the Group recorded a 10% year-on-year increase in PBT after exceptional items to S\$41 million in FY2023, primarily attributable to the following:
- The Group's bakery segment (excluding GBKL) contributed to an increase in PBT of S\$9.3 million. This was primarily due to increase in sales, the reinstatement of damaged production facilities mentioned above and lower depreciation costs.

- The Group's share of profits from GBKL, excluding impairment, contributed to a decrease in PBT of S\$6.6 million, mainly due to inflationary pressures on raw material costs and operating overheads.
- Exceptional items and the impairment of the Group's investment in GBKL contributed to a decrease in PBT of S\$10.2 million. The insurance proceeds received by the Group in FY2023 was S\$4.5 million lower than in FY2022. The impairment of the Group's investment in GBKL recorded in FY2023 was S\$5.7 million higher than in FY2022.
- Foreign exchange losses in FY2023 were S\$8 million lower than in FY2022.
- Interest income in FY2023 was S\$3.7 million higher than in FY2022.

Mr Loh handed the proceedings to Joint Group Managing Director, Mr Michael Darren Hewat.

Mr Michael Darren Hewat

: Mr Hewat thanked shareholders for joining the AGM.

Mr Hewat noted that in 2023, the Group achieved revenue growth of 9% to S\$629 million (or in constant currency terms, a growth of 12%), despite the impact of the rising cost of living on consumer choices.

The global economic situation, whilst it had to a degree improved in 2023, remains uncertain. Geopolitical instability and the lingering inflationary effects continue to impact our cost of raw materials and consumer spending.

The Group has therefore taken a low-risk approach to its financial management with a view to achieving a strong balance sheet, supported by higher cash reserves and relatively low debt, which is consciously maintained to combat any unexpected financial stress.

In terms of strategy, the Group continues to focus on new product development, leverage its distribution network for further growth, and to pursue expansion of its trading activities.

Mr Hewat thanked all shareholders, and the Group's customers and business partners, for their continued support, as well as the Board of Directors and staff for their contributions in 2023.

RESULTS OF THE POLL – ORDINARY BUSINESS

5. ADOPTION OF DIRECTORS' STATEMENT AND AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DEC 2023

: The Chairman thanked Management for their presentations and proceeded to the first agenda item of the Meeting.

Resolution No. 1

To receive and adopt the Directors' Statement and audited financial statements for the financial year

**AND AUDITORS'
REPORT THEREON**

**ended 31 December 2023 and auditors' report
thereon**

The Resolution was proposed by the Chairman and seconded by a shareholder/proxy.

The Chairman proceeded to take questions on this agenda item. A summary of the questions and the Company's responses is set out below:

- (a) A shareholder referred to page 6 of the Annual Report and enquired about the Group's fluctuating EBITDA from FY2019 to FY2023, despite recording a rising revenue trend for the same 5-year period.

Mr Hewat explained that operating costs had a significant impact on EBITDA. In this context, the Group's operating costs increased due to the impact of COVID-19 on supply chains and rising flour cost. Flour is one of the Group's major operating costs, and while flour prices have abated in the last 12 months, it remains above the pre-COVID peaks.

- (b) The shareholder then asked whether the Group expects EBITDA to return to the FY2020 level in the near future.

Mr Hewat responded that there are various factors across the globe affecting supply chains, which in turn affects operating costs, including cost-based labour and flour which are the Group's highest costs. In the case of flour, although it may be milled regionally at a reasonable cost, the grain from which the flour is supplied is grown elsewhere. Ukraine, for example, is one of the largest suppliers of grain. Mr Hewat stated that the Group's EBITDA is expected to improve, but noted that until prices around the world stabilise, in particular the countries where grain is grown, the Group expects high operating costs relative to prior years.

- (c) The same shareholder enquired whether the dividend of S\$0.05 (which has been the annual dividend for the past several years) is sustainable, taking into account that the dividend payout ratio is consistently above 100%.

Mr Hewat stated that based on the Group's current financials, presently, we believe there is no immediate concern for the foreseeable future. Whilst there have been several factors affecting the dividend payout ratio in recent years, certain of these factors (such as the impairment of the Group's investment in GBKL and unrealised foreign exchange losses) have had a non-cash impact on the Group's financials. Further, the Group continues to be conscious in terms of cash management and cash profit generation.

- (d) The above shareholder observed that the Group has a high cash balance following its sale of the Primary Production business and asked whether the Company will consider paying to shareholders a special dividend in the future if the global situation stabilises.

Mr Hewat informed that the Company had in its announcement dated 23 April 2024 set out its response to the Securities Investor Association Singapore on the topic of the Group's cash reserves. Given the current geopolitical situation and financial uncertainty, the Company is as a matter of prudence intentionally holding high cash balances, and whether the Company intends to do so for the long term would depend on the global economic situation prevailing. For the time being, the Company continues to look for investment opportunities and, unless it decides to pursue such opportunity, it intends to maintain its high cash balances. If and when the global situation stabilises, the Board would have to consider all factors before making any recommendations on a special dividend.

- (e) A shareholder commended the Company for its comprehensive sustainability reporting. Noting that the Company has upcycled 565kg of unsold bread products in Singapore, she asked (i) for the percentage of unsold bread that has been upcycled; and (ii) whether the Company analyses the data on sales of bread products with a view to reducing unsold bread.

Mr Hewat thanked the shareholder for her interest in the Company's sustainability efforts. He noted that:

- (i) upcycled bread represents only a small percentage of all unsold bread. This is however an issue that all industrial bakeries face, and the Group continues to explore various solutions, which are better financially and in terms of sustainability, to deal with unsold bread. Currently, the way in which the Group deals with unsold bread differs based on geographical location. For example, unsold bread is sold in its existing form in some regions; whereas in other regions, unsold bread may be donated or turned into livestock feed.
- (ii) the type of bread products that are unsold at the end of each day varies, for example, white bread, wholegrain bread and others. Although it is a challenge to produce such quantities to meet exactly the demand on any given day, the Group aspires to continue to improve in this regard.
- (f) Another shareholder (referring to page 7 of the Annual Report) observed that Bakery EBITDA has stagnated at about S\$50 million for both FY2022 and

FY2023. He asked (i) whether the Group's Bakery EBITDA is expected to grow, for example, by another 10% in the next five years; and (ii) in terms of growing the Bakery EBITDA, whether any specific geographical market is of concern.

- (i) Mr Albert Loh, Chief Financial Officer, explained that the Bakery EBITDA of S\$80 million for FY2020 and S\$65 million for FY2021 may not be a realistic benchmark, as outbreak of COVID-19 resulted in panic buying of the Group's products. In terms of the breakdown of Bakery EBITDA by geography for FY2023, the Philippines and Singapore contributed approximately 70% and 20% of the Bakery EBITDA, respectively. For Malaysia, as previously announced, one of the Group's bakery factories was affected by floods in December 2021 and that affected FY2022 and FY2023 performance.

Mr Hewat added that the Malaysian bakery factory that was affected by the floods has since resumed operations and therefore, the Bakery EBITDA contribution from Malaysia is expected to improve in FY2024.

- (ii) Mr Hewat referred to his earlier response (see paragraphs 5(a) and 5(b) above) on how global events, particularly in the regions where grain is grown, have impacted supply chains and flour cost. Given that flour is one of the Group's major input costs, the price of flour would have an impact on Bakery EBITDA. The Company therefore expects to see an increase in Bakery EBITDA if the global situation improves.

- (g) The same shareholder then enquired on the Group's market size and largest competitors for its Bakery segment in the Philippines and Singapore.

Mr Hewat responded that the Group generally has a leading market share of approximately 60% across the relevant countries for its Bakery segment, compared to the next largest competitor which generally has a market share of about 20% or below. Notwithstanding the Group's significant lead in market share, the Group continues to look at ways to improve, such as through advertising and promotional campaigns.

- (h) Another shareholder referred to pages 152 and 153 of the Annual Report, and stated that for FY2023, trade receivables increased to S\$93.7 million (FY2022: S\$78.5 million) and receivables that are past due but not impaired also increased to S\$32.9 million (FY2022: S\$23.5 million). He enquired about the cause of the increase in receivables and whether there is any possibility of write-off.

Mr Hewat responded that the Group does analyse its trade receivables and aging of such receivables. The increase in receivables may have resulted from, inter alia, an increase in sales revenue. Another factor would be the economic situation. In Singapore for example, certain customers were less prompt in making payment to the Group as their customers were also less prompt in making payment to them.

- (i) A shareholder asked how the Group intends to grow its business and whether it is by introducing new bakery or non-bakery products into new or existing markets.

Mr Hewat explained that the Group continues to invest in new products in the Bakery segment; however, given the Group's significant lead in the Bakery segment, growth is expected to be fairly small. The Group is also focusing on its trading business, including growing its noodle segment, in both new and existing regional markets. For example, the Group is looking into the export of noodles to Africa and the Asia Pacific region, and the export of other products through its trading business, with a view to increasing revenue.

- (j) A shareholder asked (i) whether the Group's revenue growth was attributable to an increase in sales price or sales volume; and (ii) if revenue growth was due to increase in sales price(s), how often such increases occurred.

Mr Hewat responded that:

- (i) For FY2023, revenue growth was largely attributable to increase in sales price rather than sales volume. Over the last 12 months, the Group has seen a shift in consumer choice away from healthier options, such as wholemeal bread, towards white bread which has a lower sales price. This is believed to reflect the current economic situation and therefore, the Group's view is that there is limited opportunity for growth in terms of sales volume.
 - (ii) Given that the Group's businesses are regionally and geographically distinct, there is no single strategy or fixed policy on increase in sales price(s). The Group will review its prices as regularly as need be, taking into account that price increases may be more tightly regulated in certain countries than others and impact of price increases on consumer spending.
- (k) A shareholder asked whether the Group reduces the weight of its products while not reducing the price of such products.

Mr Hewat responded that the Group does not practice “shrinkflation”, that is, charging the same or a higher price for lower volume of product. However, in terms of consumer spending, it was noticed that some consumers have preferred the smaller bread loaves. We believe that this is because they have limited spending power, and therefore select the smaller loaf, the absolute price of which is lower. This is despite the fact that the price of product packaging for a smaller loaf is relatively higher compared to that for larger loaves.

- (l) Another shareholder enquired about the Group’s foreign exchange losses recorded in FY2023; and taking into account the strengthening Singapore Dollar, whether the Group adopts any hedging strategies (such as a currency forward) to lock in the current exchange rate for a future date).

The Chief Financial Officer stated that the improvement of S\$8 million in terms of foreign exchange is derived from an FY2023 foreign exchange loss of S\$2.4 million, compared to a loss of S\$10.4 million for FY2022.

Mr Hewat added that losses recorded from foreign exchange translation is on the operating results, and not the receivables (which are paid in the local currency of the relevant jurisdictions). Noting the suggestion of a currency forward, Mr Hewat explained that the current position taken is that there is no clear benefit in terms of hedging the Group’s trading results, given that foreign exchange exposure is not uncommon and currency fluctuations may or may not work in the Group’s favour.

Mr Norman Ip, Chairman of the Audit & Risk Committee, added that the monitoring of risks (including foreign exchange-related risks) is under the purview of the Audit & Risk Committee. The foreign exchange translation losses primarily arose from the Group cash reserves that are denominated in Australian Dollar, and not from operations. In terms of operations, the policy is to fix the foreign exchange rate at the time the relevant invoices are issued to the Group’s customers, with the objective of minimising the foreign exchange exposure arising from the Group’s operations.

- (m) Another shareholder asked (i) about the sustainability of the Group’s business, in view of other brands in the market which are priced below that for “*Gardenia*”, such as supermarket house brands, for example “Value” loaf in Sheng Siong supermarkets; and (ii) what is being done to protect the Group’s lead in terms of market share.

- (i) The Chairman clarified that the brand “SuperValue” is owned by the Group, and not by other manufacturers.
- (ii) Mr Hewat noted that this question had been asked earlier during the Meeting. He reiterated that he had earlier mentioned, amongst others, the Group’s advertising and promotional campaigns, and also that the Group intends to grow the business taking into account its leading market share in the bakery business.

- (n) The shareholder also asked whether the Group is receiving a good yield on its cash reserves, and what concerns the management may have about the business.

Mr Hewat explained that the high cash reserves are mainly derived from the sale of the Group’s Primary Production business. At the moment, such cash is held in Australia and receiving interest rate yields of approximately 4.5%, which is about 1% higher than if they were to be held in Singapore.

As to management’s concerns, in view of the uncertainty in terms of inflation, interest rates and geopolitical events, it would be ideal if the current global economic situation stabilises as this affects the Group’s operating conditions.

- (o) Another shareholder enquired about the utilisation rates of the Group’s factories in the Philippines and Malaysia.

Mr Hewat stated that although the Group is currently not producing at maximum capacity, it is getting closer with the resumption of operations of the Group’s Malaysian bakery factory that was affected by the floods in December 2021. The Group has benefited from such resumption of operations as it is now able to increase production of certain products, which was previously reduced in view of the limited production capacity. In the Philippines, the Group has bakery factories in various locations for coverage; whereas in Malaysia, the factories are concentrated in Kuala Lumpur from which the Group’s products are distributed.

- (p) The same shareholder then enquired as to (i) the Group’s plans to increase production capacity; and (ii) the Group’s geographical coverage in terms of location of its bakery factories in the Philippines and Malaysia.

Mr Hewat explained that:

- (i) Any increase of production capacity will be looked into when the need arises and at the moment, there are no such plans.

(ii) In terms of geographical coverage, the Group has bakery factories in the northern, central and southern regions of the Philippines; whereas in Malaysia, there is presumably less coverage given that the Group operates in West Malaysia. The Group is seeking ways to grow its business. For the time being, as there is adequate coverage in terms of factory location, the focus is on distribution and growing the customer base.

(q) Noting that there are no current plans to increase production capacity, the same shareholder asked (i) whether the Group's has limited potential for growth in the Philippines and Malaysia; and (ii) whether it is possible for the Group to increase its distribution coverage.

Mr Hewat stated that:

(i) The fact that the existing production capacity is maintained does not necessarily limit growth potential. As the Group has a diverse product mix, it is able to achieve growth by focusing production efforts on products that deliver better economic results, taking into consideration profit margin and volume of demand.

(ii) Any increase in distribution coverage would have to be weighed against delivery distance and quantity to be delivered, as these would affect the Group's cost and profit.

(r) Another shareholder enquired about (i) the decline in NAV over the last few years, notwithstanding the increase in PATMI (see page 6 of the Annual Report: NAV per share for FY2021: 92.2 cents; FY2022: 86.5 cents; FY2023: 84.6 cents); and (ii) the increase in repair and maintenance costs.

(i) Mr Norman Ip, Chairman of the Audit & Risk Committee, explained that there was a decline in NAV per share due primarily to the impairment losses recognised by the Group in FY2022 and FY2023 for accounting purposes.

Pursuant to the accounting rules, the Group is required to assess the fair value of its investment in GBKL on an annual basis because of certain contractual agreements with its joint venture partner. In any case, the fair value is expected to stabilise, taking into account the prior impairments made and that the fair value cannot fall below zero.

(ii) The Chief Financial Officer stated that the increase in repair and maintenance cost in FY2023 (compared to FY2022) was mainly due

to the reinstatement of the production facilities at the Group's Malaysian bakery factory that was affected by the floods in December 2021.

There being no further questions, the Chairman put the Resolution to a vote.

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 DIVIDEND

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 2023

The Resolution was proposed by the Chairman and seconded by a shareholder/proxy.

There being no questions, the Chairman put the Resolution to a vote.

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 LAM SING CHUNG

Resolution No. 3

To re-elect Mr Lam Sing Chung retiring under Regulation 102 of the Company's Constitution

Mr Lam is the Chairman of the Board of Directors, and a member of the Nominating and Remuneration Committees.

The Resolution was proposed by the Chairman of the Meeting and seconded by a shareholder/proxy.

There being no questions, the Chairman put the Resolution to a vote.

The results of the poll were:

Votes cast FOR	:	99.82%
Votes cast AGAINST	:	0.18%

The Chairman declared Resolution No. 3 carried.

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

Resolution No. 4

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

Mr Hewat took over the proceedings for this Resolution which relates to the re-election of Ms Dawn Pamela Lum.

Ms Dawn Pamela Lum is an Independent Director, a member of the Audit & Risk Committee, and Chairman of the Nominating and Remuneration Committees.

The Resolution was proposed by Mr Hewat and seconded by a shareholder/proxy.

There being no questions, the Chairman put the Resolution to a vote.

The results of the poll were:

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

Resolution No. 4 was declared carried.

9. RE-ELECTION OF DIRECTOR – MR LIN KEJIAN

: **Resolution No. 5**
To re-elect Mr Lin Kejian retiring pursuant to the Listing Manual of the Singapore Exchange Securities Trading Limited (“SGX-ST”)

Mr Lin is an Executive Director and the Joint Group Managing Director.

The Resolution was proposed by the Chairman and seconded by a shareholder/proxy.

There being no questions, the Chairman put the Resolution to a vote.

The results of the poll were:

Votes cast FOR	:	99.87%
Votes cast AGAINST	:	0.13%

The Chairman declared Resolution No. 5 carried.

10. RE-ELECTION OF DIRECTOR – MR MICHAEL DARREN HEWAT

: **Resolution No. 6**
To re-elect Mr Michael Darren Hewat retiring under Regulation 112 of the Company’s Constitution

Mr Hewat is an Executive Director and the Joint Group Managing Director.

The Resolution was proposed by the Chairman and seconded by a shareholder/proxy.

There being no questions, the Chairman put the Resolution to a vote.

The results of the poll were:

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

The Chairman declared Resolution No. 6 carried.

11. RE-ELECTION OF DIRECTOR – MR AW SYEE CHIA

: **Resolution No. 7**
To re-elect Mr Aw Syee Chia retiring under Regulation 112 of the Company’s Constitution

Mr Aw is an Independent Director.

The Resolution was proposed by the Chairman and seconded by a shareholder/proxy.

There being no questions, the Chairman put the Resolution to a vote.

The results of the poll were:

Votes cast FOR	:	99.96%
Votes cast AGAINST	:	0.04%

The Chairman declared Resolution No. 7 carried.

12. APPROVAL OF DIRECTORS' FEES

**: Resolution No. 8
To approve Directors' fees of up to S\$656,690 for the financial year ended 31 December 2023**

The Resolution was proposed by a shareholder/proxy and seconded by another shareholder/proxy.

There being no questions, the Chairman put the Resolution to a vote.

The results of the poll were:

Votes cast FOR	:	99.61%
Votes cast AGAINST	:	0.39%

The Chairman declared Resolution No. 8 carried.

13. RE-APPOINTMENT OF ERNST & YOUNG LLP AS AUDITORS

**: Resolution No. 9
To re-appoint Ernst & Young LLP as Auditors of the Company and to authorize the Directors to fix their remuneration**

The Resolution was proposed by the Chairman and seconded by a shareholder/proxy.

- (a) A shareholder commented that the Company should consider rotating its auditors, and asked for how long has Ernst & Young LLP been the auditors.

The Chief Financial Officer stated that Ernst & Young LLP has been the Company's auditors for more than 20 years.

Mr Norman Ip, Chairman of the Audit & Risk Committee, added that although the rotation of audit firm is not mandatory, this matter is regularly reviewed by the Company.

There being no further questions, the Chairman put the Resolution to a vote.

The results of the poll were:

Votes cast FOR	:	99.93%
Votes cast AGAINST	:	0.07%

The Chairman declared Resolution No. 9 carried.

**RESULTS OF THE POLL –
SPECIAL BUSINESS**

14. **GENERAL MANDATE TO ISSUE SHARES** : **Resolution No. 10**
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 Resolution was proposed by the Chairman and seconded by a shareholder/proxy.
- There being no questions, the Chairman put the Resolution to a vote.
- The results of the poll were:
- | | | |
|--------------------|---|--------|
| Votes cast FOR | : | 98.38% |
| Votes cast AGAINST | : | 1.62% |
- The Chairman declared Resolution No. 10 carried.
15. **AUTHORITY TO ISSUE SHARES UNDER THE QAF LIMITED SCRIP DIVIDEND SCHEME** : **Resolution No. 11**
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 Resolution was proposed by the Chairman and seconded by a shareholder/proxy.
- There being no questions, the Chairman put the Resolution to a vote.
- The results of the poll were:
- | | | |
|--------------------|---|--------|
| Votes cast FOR | : | 99.93% |
| Votes cast AGAINST | : | 0.07% |
- The Chairman declared Resolution No. 11 carried.
16. **PROPOSED RENEWAL OF THE IPT MANDATE** : **Resolution No. 12**
Renewal of the IPT Mandate
- The Chairman stated that Resolution No. 12 is for the renewal of the Interested Person Transactions 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. The Resolution was proposed by the Chairman and seconded by a shareholder/proxy.
- There being no questions, the Chairman put the Resolution to a vote.

The Chairman noted that Mr Lam Sing Chung 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	:	95.99%
Votes cast AGAINST	:	4.01%

The Chairman declared Resolution No. 12 carried.

- 17. POLLING RESULTS** : All the resolutions put to vote by poll were duly passed as certified by the Scrutineer.
- 18. CLOSURE OF MEETING** : On behalf of the Board, the Chairman thanked shareholders for their attendance and declared the Meeting closed. The Meeting closed at or about 12.16 p.m.

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

Dawn Pamela Lum
Chairman of the Meeting