



**QIAN HU CORPORATION LIMITED**  
(Incorporated in the Republic of Singapore)  
(Company Registration No.: 199806124N)

**Minutes of the Sixteenth Annual General Meeting of the Company held at No. 71 Jalan Lekar, Singapore 698950 on Thursday, 19 March 2015 at 11.00 a.m.**

## **Present**

### **Board of Directors/Company Secretary**

1. Mr Kenny Yap Kim Lee
  - (i) Executive Chairman & Managing Director
  - (ii) Shareholder
  - (iii) Proxy for:
    - Qian Hu Holdings Pte Ltd
    - Mr Gerard Charles Holland Oates
    - Mr Goh Ngian Boon
    - Mr Keh Boon Kheng
    - Mr Lee Kim Hwat
    - Mr Lim Boo Hua
    - Mr Lim Peng Chuan
    - Mr Lim Yik Kiang
    - Mr Low Eng Hua
    - Mr Ng Kim Chai
    - Mr Ng Wah Hong
    - Ms Pae Bee Yong
    - Mr Tan Boon Kee
    - Mr Tan Boon Kim
    - Mr Teoh Ai Huat
    - Mr Tho Thiam Chye
    - Ms Yap Ah Hoi
    - Ms Yap Ai Choo
    - Ms Yap Ai Hua
    - Ms Yap Ai Tin
    - Ms Yap Chew Ring
    - Ms Yap Chew See Susie
    - Mr Yap Hey Cha
    - Mr Yap Hock Huat
    - Mr Yap Kim Choon
    - Mr Yap Kim Chuan
    - Mr Yap Ping Heng
    - Ms Yap Saw Chin
    - Ms Yap Yock Ran
2. Mr Alvin Yap Ah Seng (Director)  
Shareholder
3. Mr Andy Yap Ah Siong (Director)  
Shareholder
4. Ms Lai Chin Yee (Director/Company Secretary)  
Shareholder
5. Mr Chang Weng Leong (Director)  
Shareholder

### **Shareholders**

1. Mr Ho Hai Pang
2. Mr Shiao Chung Chiang
3. Mr Kho Oen Liong
4. Mr Chien Yuk Chun Dennis
5. Mr Gurpal Singh
6. Ms Ou Yang Yan Te
7. Mr Leong Seng Kei @ Tan Beng Guan
8. Mr Liou Yew Liong
9. Ms Yen Siew Lian
10. Mr Goh Aik Tshin
11. Ms Chong Aik Boo
12. Mr Tan See Wah
13. Mr Quek Soon Chong
14. Mr Chin Thin Koon
15. Ms Wong Po Kew
16. Mr Soo Kwok Weng
17. Mr Goh Lian Teck
18. Mr Ng Guch Hwa
19. Mr Tan Wee Han
20. Mr Lok Weng Kit
21. Mr Kuan George
22. Mr Ho Kwai Weng
23. Ms Yap Mei Yen Sally
24. Ms Wong Ai Cheng
25. Mr Lim Oh Teo
26. Mr Yeo Heng Kit
27. Mr Chua Ghim Hock
28. Mr Choo Chee Kiong
29. Mr Goh Lai Heng
30. Ms Chen Lin Chin

### **Proxies**

31. Mr Wong Jee Kiat  
Proxy for Mr Chen Lin Chin
32. Mr Ng Guch Hwa  
Proxy for Mr Lee Liang Seok
33. Ms Chiam Heng Hsien  
Proxy for Mr Ng Ah Leck
34. Mr Lim Jia Ren  
Proxy for Mr Ng Ah Leck
35. Mr Chong Kim Leong  
Proxy for Mr Ng Kim Yong
36. Ms He Min Hong  
Proxy for Mr Yang Xin Hao



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**Board of Directors/Company Secretary (cont'd)**

6. Mr Tan Tow Ee (Director)  
Shareholder
7. Ms Sharon Yeoh Kar Choo (Director)

**Observer**

37. Ms Lim Yue Li

**In Attendance**

1. Ms Kum Chew Foong  
KPMG LLP
2. Ms Ong May May  
KPMG LLP
3. Ms Angeline Chiang  
Corporate Alliance Pte. Ltd.
4. Mr Tyron Voon  
Corporate Alliance Pte. Ltd.
5. Mr Oli Lim  
Corporate Alliance Pte. Ltd.
6. Ms Ashlee Lim  
Corporate Alliance Pte. Ltd.
7. Mr Iskander Namazie  
M & C Services Private Limited
8. Ms Amelia Wong  
M & C Services Private Limited
9. Ms Christine Loh  
M & C Services Private Limited

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Chairman of the Board of Directors, Mr Kenny Yap Kim Lee, chaired the Annual General Meeting (“AGM”). Having noted that a quorum was present, he called the meeting to order.

Chairman thanked shareholders and all those present for their attendance. With the permission of the meeting, the notice convening the meeting was taken as read.

Chairman informed that in his capacity as Chairman of the meeting, he had been appointed as proxy by a number of shareholders and that he would be voting in accordance with their instructions.

Chairman further informed that voting on all resolutions to be passed at the AGM would be conducted by poll. He then demanded for a poll in accordance with the provisions of the Articles of Association of the Company. The meeting also noted that under the Articles of Association, where a poll is demanded, it shall be taken in such manner as the Chairman may direct and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.



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Chairman announced that polling services would be provided by M & C Services Private Limited (“M & C”).

The meeting noted that there would be nine ordinary resolutions to be passed at the AGM. Chairman assured shareholders that they would be given the opportunity to ask questions before casting their votes by poll.

Chairman then invited Ms Christine Loh, representative of M & C to brief the meeting on the polling procedures. It was noted that the polling slip would be collected by M & C, acting as scrutineers (“Scrutineers”), for verification after all nine resolutions put to the AGM had been voted upon.

## **ORDINARY BUSINESS**

### **1. Adoption of Reports and Financial Statements**

The following Ordinary Resolution No. 1 was proposed by Chairman and seconded by Mr Shiao Chung Chiang:-

*“That the Directors’ Report and Audited Accounts for the financial year ended 31 December 2014 and the Auditors’ Report thereon be and are hereby received and adopted.”*

Chairman then invited questions from shareholders on the Reports and Financial Statements for the financial year ended 31 December 2014 (“FY 2014”).

Mr Goh Lian Teck, one of the shareholders present, referred the meeting to page 128 of the Annual Report 2014 (“Annual Report”) on the amount due from Guangzhou Qian Hu Aquarium and Pets Accessories Manufacturing Co., Ltd (“GZQH”), a former subsidiary of the Group, of which the recoverability of the amount outstanding is guaranteed by a major shareholder of the Company (“Guarantee”). He would like to know whether there was any formal agreement entered into between the Company and this major shareholder for the Guarantee. If so, to provide details on the terms of the Guarantee and the circumstances under which the Company can recover the outstanding amount from the major shareholder.

Chairman informed that there is a formal agreement entered into between Company and its major shareholder. He confirmed that the major shareholder of the Company would continue to provide the Guarantee as long as it is required to do so. He added that, as mentioned in the previous AGMs, as there is still on-going business relationship with GZQH, the management had formalised a plan with the management of GZQH to reduce the outstanding amount progressively and it is in the interest of the Group to recover the full amount as soon as possible.

As to under what circumstances the Company could recover from its major shareholder the outstanding amount due from GZQH, Chairman commented that the Board and management would continue to monitor the quantum of the outstanding amount and to evaluate its business relationship with GZQH. Appropriate action(s) would be taken to recover the outstanding amount from its major shareholder when necessary.



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Mr Goh Lian Teck noted that the amount due from GZQH, which is interest free, were approximately 32% of the Group's total trade and other receivables, while on the other hand, the Group obtained interest-bearing bank borrowings to finance its working capital. He understands that GZQH could provide value services to the Group so as to resort to this preferential arrangement. Nonetheless, he hoped that the Group could be more forthcoming in explaining the guarantee arrangements, such as its right to recover the outstanding amount. He reckoned that the only information available was that there is a guarantee fee of 0.5% per annum on the average balance outstanding paid by the Company to its major shareholder for guaranteeing the payment of the outstanding amount. He enquired and Ms Lai Chin Yee, Finance Director, confirmed that the guarantee fee of \$40K incurred in FY 2014 (FY 2013: \$45K) was recorded as finance charges in the income statement of the Group and of the Company.

Mr Goh Lian Teck followed-on to enquire the reason for high effective tax rate registered by the Group in FY 2014. He noted that the local statutory tax rate is 17% while the effective tax rate of the Group was approximately 34.1% in FY 2014. Ms Lai Chin Yee clarified that the high effective tax rate was mainly due to losses incurred by some entities which cannot be offset against profits earned by other companies in the Group and the varying statutory tax rates in different countries in which the Group operates. The statutory tax rate in Malaysia and Thailand ranges from 20% and 25% and that more profits were generated from overseas entities with higher statutory tax rates.

Another shareholder, Mr Chua Ghim Hock, made reference to page 26 of the Annual Report and commented that the revenue of the Group was marginally higher in FY 2014 as compared with FY 2013. However, he highlighted that the key ratios (such as return on shareholders' funds and return on total assets) presented were very low for a listed company. He noted that Chairman has previously commented that the Group's Dragon Fish business should recuperate with the stabilisation of the selling prices and the profit margins from the accessories business should improve with the launch of the Group's innovative products. Yet, the margins and profit growth of the Group have been below expectation. He would like to know whether the shareholders would continue to see low profit margins and investment returns going forward.

Chairman admitted that the key ratios for the past years had been disappointing. He commented that there were various circumstances which gave rise to the sluggish performance of the Group. He added that in moving to the next level of growth, Qian Hu has started the journey to transform itself into a company empowered by technology with in-built innovation as part of the Company's culture. With the continuous investment in infrastructure and research and developments (R&D), it is inevitable that the Group might face short-term profit fluctuation in the process. As the Chairman and CEO of Qian Hu, he has the duty to balance the long-term business sustainability with the short-term expectations of the shareholders in terms of the delivery of revenue and profit growth.

Chairman once again admitted his disappointment on the financial performance of the Group. He shared that the Board is aware of the Group's long, medium and short-term needs and as Chairman he and the management team would continue to strategise the transformation of the Group to build a company that can last through generations, not only in sustaining profitability, but placing a high priority on the various expectations of stakeholders as well. He is confident that when the Group makes a return, it will come back in a different form and with stronger fundamentals. Chairman asked shareholders to be patient and allow the management some time in making such a return. He urged for shareholders to believe in the Company, the management team and its impending future as he felt that Qian Hu is one of the listed SMEs in Singapore with much potential.



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Noting that the European brands might be considered more compelling in terms of technology and brand identity, Mr Chua Ghim Hock went on to ask how the Group is able to differentiate its new innovative products from the other European established brands such that consumers would switch their purchasing preferences in favour of Qian Hu. To this, Chairman remarked that he is of the view that Qian Hu's existing technologies could be more advance as compared to some of its counterparts who are manufacturing similar products. Nonetheless, he believed that the Group lacks a well-defined brand identity, as it has been the perception that European companies possess better technologies which enable them to produce premium products than those of the Asian manufacturers. In order to overcome this, Chairman shared that Qian Hu is working on a branding project with IE Singapore in strengthening its marketing strategy with the aim to reinforce its brand name in the region as well as globally. The Group has since allocated more resources to enhance its effort in the building of the QIAN HU brand name so as to create better awareness and to generate more interest in the Group's innovative products.

On the products front, Chairman assured that the Group's new innovative products would have more product differentiation. It would not be merely incremental improvements to the design or packaging of the existing products. He added that after the launch of the new innovative products, the process of familiarising the consumers with these products through a learning process will also take time. He is confident that eventually when things fall in place, positive results should be reflected in the Group's performance moving forward.

Mr Chua Ghim Hock further pointed out that the business joint ventures undertaken by the Company in recent years have not been successful, citing losses incurred in the disposal of Kim Kang Aquaculture Sdn Bhd (a subsidiary) in FY 2012 and Qian Hu Aquasstar (India) Private Limited (an associate) in FY 2014. He sought clarification on the considerations when setting up new joint ventures.

Chairman highlighted that, apart from the failed ventures mentioned above, the Company's subsidiary in Thailand went very well as it is currently the Number 1 ornamental fish exporter in Thailand. He opined that the experience he gathered from these "break-ups" was that the Group should seek partnership with a professionally-run company rather than a family-run enterprise, as the latter was very much determined by one key person who could have limited considerations in terms of good corporate governance practices and evident corporate strategy of which Qian Hu has been adhering to. Chairman has no doubt that the Qian Hu management team has learnt from these mistakes and such experience would help the Group in making better business decisions going forward.

On the question of whether the Company would consider acquiring the entire equity interest of an entity instead of setting up a joint venture posted by Mr Chua Ghim Hock, Chairman replied that not all overseas country allows for a 100% foreign ownership in a business entity. There are also other considerations, such as business regulatory requirements, domestic distribution network, language barrier and cultural differences, such that having a local business partner is preferred.



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Mr Henry Ho Hai Pang, another shareholder present, extended his appreciation for Chairman's competency and capability in managing the business of the Company. He quoted that Chairman has previously referred to the ornamental fish industry as recession-proof, which is contradictory to the current unsatisfactory performance of the Group. He further commented that the payment of 0.1 Singapore cents per share of proposed final dividend for the financial ended 31 December 2014 opposed the Group's objective in moving towards to becoming a debt-free company with higher dividend payout. In this juncture, he would like to know if the Group is on track in achieving its targets per se.

Chairman clarified that it is the Company's aim to becoming a debt-free company with higher dividend payout, as it is a general direction set by the Board. As to when it can be achieved would depend on the Group's results and the amount of cash flow generated from its operations. Chairman added that while the bulk of the cash generation should be retained for investment into future growth of the Company, he could identify with the desire of some of its shareholders to receive income out of their investment in the Company. Therefore, the Company has strived to distribute, year after year and when its cash flow permits, an appropriate sum of dividend to reward its shareholders for their loyalty and support over the years. He emphasised that the proposed dividend payout each year has to take into consideration the Group's profit growth, the cash position, positive cash flow generated from operations and the projected capital requirements for business growth.

On his statement citing ornamental fish industry being recession-proof, Chairman explained that the existing prolonged recession in Europe is unprecedented. No industry can be immune from a prolonged recession, referring to the Eurozone crisis, which is into its sixth year since it began in the end of Year 2009. He re-iterated that Europe is a major export market for Qian Hu's ornamental fish business, hence understandably, the profitability from this business segment were affected over the years.

Referring to the swift appreciation of US Dollars against the Singapore Dollars and the Euro in recent months, Mr Goh Lian Teck suggested that the Group should consider penetrating and capturing more of the US market share. Chairman informed that Group has noticed the potential of the US market for ornamental fish and has already set foot in the US market almost ten years ago. Over the years, the Group's focus has been doing business in the Asian and European markets more than in the US market. Since three years ago, as the growth in Europe was stagnant due to prolonged recession, the Group has been actively participating in various trade shows held in the US. Mr Andy Yap, Executive Director, added that as a result of the efforts put into developing the US market, the Group has seen increasing market share in both its ornamental fish and accessories business segments. As part of the Group's growth strategy, it would continue to work on expanding its presence in the US market to maximise its exposure so as to further increase the market share of its export business.

In reply to Mr Goh Lian Teck's enquiry on whether the revenue of the US export was classified as "Others" under the geographical information tabulation on page 143 of the Annual Report, Ms Lai Chin Yee confirmed affirmative. Chairman informed that the Asian and European markets still constitute a significant proportion of the Group's export business; while concurrently the Group is working on expanding its market share in the US.



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Concerning the new innovative accessories products produced by the Group, Mr Goh Lian Teck was hesitant if these products are receptive and affordable by the US consumers, given its current economy situation. To this, Chairman explained that the reason for Qian Hu to go into innovative products was because the Group wanted to provide a different kind of value proposition for their consumers. It chose to target consumers who are less price sensitive and who would appreciate these better quality products. In order to capture these group of customers, the Group would have to devote much more effort to enhance its marketing strategy and to create branding awareness in order to introduce its products into the highly competitive US market.

Mr Goh Lian Teck then went on to request for the timeframe to achieve the targeted sales set for these innovative accessories products. Chairman replied that he was unable to give a definite timeline. Nonetheless, he trust that if the Group continues its effort in promoting its innovative accessories products, it could see a steady growth in both revenue and profitability from this business segment.

Noting the new implementation by SGX on the required minimum trading price (“MTP”) of 20 cents per share for companies listed on the SGX-ST Main Board, Mr Chua Ghim Hock continued to enquire the plan of the Company in complying with the MTP requirement as the share price of the Company was less than 20 cents per share. Chairman notified that the Company would announce the necessary details to comply with the MTP requirement by June 2015.

In response to Mr Chua Ghim Hock’s suggestion of transferring Qian Hu to Catalist in view of its low share price and low market capitalisation, Chairman urged that one could not merely look at short-term underperformance to conclude if the issuer should be transferred to Catalist. He reminded the meeting that Qian Hu was upgraded from the second board (previously known as SESDEQ) to the SGX-ST Main Board in Year 2002 with much effort. He hence dismissed the idea of transferring Qian Hu to Catalist, even though by transferring to Catalist, the Company need not comply with the MTP requirement.

As there were no further questions, Ordinary Resolution No. 1 was put to a vote by poll. Shareholders were informed to cast their votes on the polling slips provided.

## **2. Declaration of first and final dividend**

The following Ordinary Resolution No. 2 was duly proposed by Chairman and seconded by Mr Shiao Chung Chiang:-

*“That a final dividend of 0.1 cents per ordinary share one-tier tax exempt for the financial year ended 31 December 2014 be paid on 17 April 2015 to members registered in the books of the Company on 6 April 2015.”*

As there were no further questions, Ordinary Resolution No. 2 was put to a vote by poll. Shareholders were informed to cast their votes on the polling slips provided.



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### **3. Re-election of Director – Mr Kenny Yap Kim Lee**

Chairman informed the meeting that Mr Chang Weng Leong, Ms Sharon Yeoh Kar Choo and Chairman himself were to retire pursuant to Article 89 of the Company's Articles of Association. All three directors had consented to offer themselves for re-election. The meeting would vote on the re-election one at a time.

On Chairman's own re-election as director, the Chairmanship of the meeting was passed to Ms Lai Chin Yee, the Finance Director of the Company. The meeting had no objection to the arrangement.

The following Ordinary Resolution No. 3 was duly proposed by Mr Shiao Chung Chiang and seconded by Ms Wong Ai Cheng:-

*“That Mr Kenny Yap Kim Lee, who retired pursuant to Article 89 of the Company's Articles of Association, being eligible and offering himself for re-election be and is hereby re-elected as Director of the Company.”*

As there were no questions, Ordinary Resolution No. 3 was put to a vote by poll. Shareholders were informed to cast their votes on the polling slips provided. Mr Kenny Yap Kim Lee abstained from voting.

### **4. Re-election of Director – Mr Chang Weng Leong**

The following Ordinary Resolution No. 4 was duly proposed by Chairman and seconded by Mr Shiao Chung Chiang: -

*“That Mr Chang Weng Leong, who retired pursuant to Article 89 of the Company's Articles of Association, being eligible and offering himself for re-election be and is hereby re-elected as Director of the Company.”*

As there were no questions, Ordinary Resolution No. 4 was put to a vote by poll. Shareholders were informed to cast their votes on the polling slips provided. Mr Chang Weng Leong abstained from voting.

It was noted that Mr Chang Weng Leong would be considered an independent director of the Company, and would remain as member of the Audit Committee, Nominating Committee and Chairman of the Remuneration Committee.

### **5. Re-election of Director – Ms Sharon Yeoh Kar Choo**

The following Ordinary Resolution No. 5 was duly proposed by Chairman and seconded by Mr Shiao Chung Chiang: -

*“That Ms Sharon Yeoh Kar Choo, who retired pursuant to Article 89 of the Company's Articles of Association, being eligible and offering herself for re-election be and is hereby re-elected as Director of the Company.”*





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As there were no questions, Ordinary Resolution No. 5 was put to a vote by poll. Shareholders were informed to cast their votes on the polling slips provided.

It was noted that Ms Sharon Yeoh Kar Choo would be considered an independent director of the Company, and would remain as member of the Audit Committee and Remuneration Committee and Chairman of the Nominating Committee.

## **6. Approval of Directors' Fees**

The following Ordinary Resolution No. 6 was duly proposed by Chairman and seconded by Mr Shiao Chung Chiang:-

*“That the payment of Directors’ fees of \$80,000/- for the financial year ended 31 December 2014 be and is hereby approved.”*

As there were no questions, Ordinary Resolution No. 6 was put to a vote by poll. Shareholders were informed to cast their votes on the polling slips provided. Mr Chang Weng Leong and Mr Tan Tow Ee abstained from voting.

## **7. Re-appointment of Auditors**

Chairman informed the meeting that KPMG LLP had expressed their willingness to accept re-appointment as auditors of the Company.

The following Ordinary Resolution No. 7 was duly proposed by Chairman and seconded by Mr Shiao Chung Chiang:-

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

As there were no questions, Ordinary Resolution No. 7 was put to a vote by poll. Shareholders were informed to cast their votes on the polling slips provided.

## **8. Any Other Business**

As there was no other business, Chairman proceeded to the Special Business of the meeting.



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## **SPECIAL BUSINESS**

### **Ordinary Resolution**

#### **9. General Mandate to authorise the Directors to issue shares or convertible securities**

The following Ordinary Resolution No. 8 was duly proposed by Chairman and seconded by Mr Shiao Chung Chiang:-

*“That pursuant to Section 161 of the Companies Act, Chapter 50 (the “Act”), the Articles of Association and the listing rules of the Singapore Exchange Securities Trading Limited (“SGX-ST”), authority be and is hereby given to the Directors of the Company to:-*

- (a) (i) *allot and issue shares in the capital of the Company (“Shares”) (whether by way of rights, bonus or otherwise); and/or*
- (ii) *make or grant offers, agreements, or options (collectively, “Instruments”) that might or would require Shares to be issued, including but not limited to the creation and issue of warrants, debentures or other instruments convertible into Shares,*

*at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit; and*

- (b) *(notwithstanding the authority conferred by this Resolution may have ceased to be in force):*

- (i) *issue additional instruments as adjustments in accordance with the terms and conditions of the Instruments made or granted by the Directors while this Resolution was in force; and*
- (ii) *issue Shares in pursuance of any Instruments made or granted by the Directors while this Resolution was in force or such additional Instruments in (b)(i) above,*

*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 total number of issued Shares (excluding treasury shares, if any) at the time of the passing of this Resolution (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of Shares issued other than on a pro rata basis to existing shareholders (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed 15% of the Company’s total number of issued Shares (excluding treasury shares, if any) (as calculated in accordance with sub-paragraph (2) below); and*
- (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 total number of issued Shares (excluding treasury shares, if any) shall be calculated based on the total number of issued Shares (excluding treasury shares, if any) at the time of the passing of this Resolution, after adjusting for:-*

- (a) *new Shares arising from the conversion or exercise of convertible securities;*



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- (b) *new Shares arising from the exercise of share options or vesting of share awards 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 SGX-ST Listing Manual; and*
- (c) *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 rules of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the Articles of Association for the time being of the Company; and*
- (4) *(unless revoked or varied by the Company in general meeting) the authority conferred by this Resolution shall continue in force until the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required by law to be held, whichever is the earlier.”*

As there were no questions, Ordinary Resolution No. 8 was put to a vote by poll. Shareholders were informed to cast their votes on the polling slips provided.

## **10. Renewal of Share Buyback Mandate**

The following Ordinary Resolution No. 9 was duly proposed by Chairman and seconded by Mr Shiao Chung Chiang:-

*“That:*

- (a) *for the purposes of the Companies Act, Chapter 50 of Singapore (the “Act”), the exercise by the Directors of the Company of all the powers of the Company to purchase or otherwise acquire ordinary shares in the capital of the Company (the “Shares”) not exceeding in aggregate the Maximum Limit (as hereafter defined), at such price(s) as may be determined by the Directors of the Company from time to time up to the Maximum Price (as hereafter defined), whether by way of:*
  - (i) *market purchase(s) (each a “Market Purchase”) transacted through the SGX-ST’s ready market or, as the case may be, on another stock exchange on which the Shares are listed, through one or more duly licensed stockbrokers appointed by the Company for the purpose; and/or*
  - (ii) *off-market purchase(s) (each an “Off-Market Purchase”) effected pursuant to an equal access scheme (as defined in Section 76C of the Act) as may be determined or formulated by the Directors as they consider fit, which scheme shall satisfy all the conditions prescribed by the Act and the Listing Rules,*

*be and is hereby authorised and approved generally and unconditionally (the “Share Buyback Mandate”);*



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(b) *unless varied or revoked by the Company in general meeting, the authority conferred on the Directors of the Company pursuant to the Share Buyback 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 Annual General Meeting (“AGM”) of the Company is held or required by the law to be held;*
- (ii) *the date on which the authority conferred by the Share Buyback Mandate is revoked or varied; or*
- (iii) *the date on which Share Buybacks are carried out to the full extent mandated;*

(c) *in this Resolution:*

**“Maximum Limit”** *means 10% of the Shares as at the date of the passing of this Resolution unless the Company has effected a reduction of the share capital of the Company in accordance with the applicable provisions of the Act, at any time during the Relevant Period (as hereinafter defined), in which event the issued ordinary share capital of the Company shall be taken to be the amount of the issued ordinary share capital of the Company as altered (excluding any treasury shares that may be held by the Company from time to time);*

**“Relevant Period”** *means the period commencing from the date on which the last AGM was held and expiring on the date the next AGM is held or is required by law to be held, whichever is the earlier, after the date of this Resolution; and*

**“Maximum Price”**, *in relation to a Share to be purchased or acquired, means the purchase price (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses) not exceeding:*

- (i) *in the case of a Market Purchase, 105% of the Average Closing Price; and*
- (ii) *in the case of an Off-Market Purchase, pursuant to an equal access scheme, 120% of the Average Closing Price, where:*

**“Average Closing Price”** *means the average of the closing market prices of a Share over the last five market days, on which transactions in the Shares were recorded, preceding the day of the Market Purchase, and deemed to be adjusted for any corporate action that occurs after the relevant five Market Days period; and*

(d) *the Directors of the Company 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 may consider expedient or necessary to give effect to the transactions contemplated by this Resolution.”*

As there were no questions, Ordinary Resolution No. 9 was put to a vote by poll. Shareholders were informed to cast their votes on the polling slips provided.

The polling slips were collected by the Scrutineers for counting and verification.



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Chairman informed that the results would be announced after the Scrutineers had verified the polling slips. He proposed for the meeting to be adjourned for 30 minutes. The meeting had no objection to the adjournment.

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The meeting resumed at 12.20 p.m. with the requisite quorum.

Ms Christine Loh, representing M & C which acted as Scrutineers, then read out the results of poll on each resolutions put to vote at the AGM as follows :-

**Ordinary Resolution 1 - Adoption of Reports and Financial Statements**

|                              | <u>No. of Votes</u> | <u>In Percentage</u> |
|------------------------------|---------------------|----------------------|
| Number of votes "FOR" :      | 251,128,887         | 99.88                |
| Number of votes "AGAINST" :  | 300,000             | 0.12                 |
| Total number of votes cast : | <u>251,428,887</u>  | <u>100.00</u>        |

Chairman declared Ordinary Resolution 1 carried.

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**Ordinary Resolution 2 – Declaration of final dividend**

|                              | <u>No. of Votes</u> | <u>In Percentage</u> |
|------------------------------|---------------------|----------------------|
| Number of votes "FOR" :      | 251,128,887         | 99.88                |
| Number of votes "AGAINST" :  | 300,000             | 0.12                 |
| Total number of votes cast : | <u>251,428,887</u>  | <u>100.00</u>        |

Chairman declared Ordinary Resolution 2 carried.

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**Ordinary Resolution 3 – Re-election of Director – Mr Kenny Yap Kim Lee**

|                              | <u>No. of Votes</u> | <u>In Percentage</u> |
|------------------------------|---------------------|----------------------|
| Number of votes "FOR" :      | 237,106,637         | 99.87                |
| Number of votes "AGAINST" :  | 300,000             | 0.13                 |
| Total number of votes cast : | <u>237,406,637</u>  | <u>100.00</u>        |

Chairman declared Ordinary Resolution 3 carried.

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**QIAN HU CORPORATION LIMITED**  
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**Ordinary Resolution 4 – Re-election of Director – Mr Chang Weng Leong**

|                            | <u>No. of Votes</u>  | <u>In Percentage</u> |
|----------------------------|----------------------|----------------------|
| Number of votes “FOR”      | : 250,968,037        | 99.88                |
| Number of votes “AGAINST”  | : 300,000            | 0.12                 |
| Total number of votes cast | : <u>251,268,037</u> | <u>100.00</u>        |

Chairman declared Ordinary Resolution 4 carried.

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**Ordinary Resolution 5 – Re-election of Director – Ms Sharon Yeoh Kar Choo**

|                            | <u>No. of Votes</u>  | <u>In Percentage</u> |
|----------------------------|----------------------|----------------------|
| Number of votes “FOR”      | : 251,106,637        | 99.88                |
| Number of votes “AGAINST”  | : 300,000            | 0.12                 |
| Total number of votes cast | : <u>251,406,637</u> | <u>100.00</u>        |

Chairman declared Ordinary Resolution 5 carried.

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**Ordinary Resolution 6 – Approval of Directors’ Fees**

|                            | <u>No. of Votes</u>  | <u>In Percentage</u> |
|----------------------------|----------------------|----------------------|
| Number of votes “FOR”      | : 250,768,037        | 99.88                |
| Number of votes “AGAINST”  | : 300,000            | 0.12                 |
| Total number of votes cast | : <u>251,068,037</u> | <u>100.00</u>        |

Chairman declared Ordinary Resolution 6 carried.

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**Ordinary Resolution 7 – Re-appointment of Auditors**

|                            | <u>No. of Votes</u>  | <u>In Percentage</u> |
|----------------------------|----------------------|----------------------|
| Number of votes “FOR”      | : 251,128,887        | 99.88                |
| Number of votes “AGAINST”  | : 300,000            | 0.12                 |
| Total number of votes cast | : <u>251,428,887</u> | <u>100.00</u>        |

Chairman declared Ordinary Resolution 7 carried.

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**QIAN HU CORPORATION LIMITED**  
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**Ordinary Resolution 8 – General Mandate to authorise the Directors to issue shares or convertible securities**

|                            | <u>No. of Votes</u>  | <u>In Percentage</u> |
|----------------------------|----------------------|----------------------|
| Number of votes “FOR”      | : 251,015,237        | 99.84                |
| Number of votes “AGAINST”  | : 413,650            | 0.16                 |
| Total number of votes cast | : <u>251,428,887</u> | <u>100.00</u>        |

Chairman declared Ordinary Resolution 8 carried.

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**Ordinary Resolution 9 – Renewal of Share Buyback Mandate**

|                            | <u>No. of Votes</u>  | <u>In Percentage</u> |
|----------------------------|----------------------|----------------------|
| Number of votes “FOR”      | : 251,044,137        | 99.86                |
| Number of votes “AGAINST”  | : 362,500            | 0.14                 |
| Total number of votes cast | : <u>251,406,637</u> | <u>100.00</u>        |

Chairman declared Ordinary Resolution 9 carried.

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There being no further business, the meeting ended at 12.25 p.m. Chairman thanked the support of all the shareholders of Qian Hu.

**CONFIRMED AS A CORRECT RECORD  
OF THE PROCEEDINGS OF THE MEETING**

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**KENNY YAP KIM LEE**  
**CHAIRMAN**