



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

Minutes of the Twentieth Annual General Meeting of the Company held at No. 71 Jalan Lekar, Singapore 698950 on Thursday, 28 March 2019 at 11.00 a.m.

Board of Directors

Present

1. Mr Kenny Yap Kim Lee - Executive Chairman & Managing Director
2. Mr Alvin Yap Ah Seng – Executive Director & Deputy Managing Director
3. Mr Andy Yap Ah Siong – Executive Director & Deputy Managing Director
4. Ms Lai Chin Yee – Finance Director & Company Secretary
5. Mr Tan Tow Ee – Lead Independent Non-Executive Director
6. Ms Sharon Yeoh Kar Choo – Independent Non-Executive Director
7. Dr Ling Kai Huat – Independent Non-Executive Director

Absent with apologies

1. Mr Chang Weng Leong – Independent Non-Executive Director

Due to the restriction on the use of personal data pursuant to the provisions of the Personal Data Protection Act 2012, the names of the shareholders and proxies present at the meeting will not be published in this minutes.

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. Chairman informed the shareholders that one of the independent non-executive directors, Mr Chang Weng Leong, had sent his apologies for his absence at this AGM as he needed to attend to some urgent business matters. 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 Constitution of the Company. The meeting also noted that under the Constitution, 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.

The meeting noted that there would be seven 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. As in previous years, the polling shall be conducted in a paperless manner using a wireless handheld device.

Chairman announced that polling services would be provided by Trusted Services Pte Ltd. Samas Management Consultants Pte Ltd (“Samas”) was appointed as scrutineer. A short presentation explaining the electronic voting process was shown. A representative of Samas explained the rules on the poll voting process to the shareholders and conducted a test resolution to familiarise shareholders with the electronic poll voting.



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ORDINARY BUSINESS

1. Adoption of Directors' Statement and Audited Financial Statements

The following Ordinary Resolution No. 1 was duly proposed and seconded:-

"That the Directors' Statement and Audited Financial Statements for the financial year ended 31 December 2018 and the Auditors' Report thereon be and are hereby received and adopted."

Chairman informed the meeting that the Company had, prior to the AGM, received questions raised by the Securities Investors Association (Singapore) ("SIAS") through email with reference to the Annual Report 2018 ("Annual Report") for the financial year ended 31 December 2018 ("FY 2018"). Below was a summary of responses from the management on the various areas of concerns and clarifications sought by SIAS.

Segmental Reporting

Chairman confirmed that using the principles as defined under Singapore Financial Reporting Standards (International) - SFRS(I) 8 – *Operating Segments*, the performance of the aquaculture business has not met the 10% threshold for it to be recognised as a separate reportable segment. The Group will segregate the aquaculture business as a standalone business segment upon it meeting the threshold of 10% of revenue, operating results or assets.

Chairman remarked that the Group started the aquaculture business in the 2nd half of 2017 and it managed to register profit in FY 2018. The Group was pleased with the current progress of the new aquaculture business.

Sustainability of the Dragon Fish business

With regard to the concerns on the sustainability of the sales of the Albino Silver Arowana species following the plunge in the demand for Golden and Red Arowana in recent years, Chairman acknowledged the challenging operating environment faced by the Dragon Fish business. He commented that Qian Hu will continue to expand its product range, including the breeding of a new generation of Albino Arowana which demonstrates improvement in overall colours. Qian Hu is also in collaboration with the National University of Singapore in the research and development of a whole new range of ornamental fish that are albino based on genomic technology. This project is currently at the early research phase.

Manpower in China

Referring to page 59 of the Annual Report, Chairman explained that the reduction in the number of employees in China was a result of the consolidation process of the Group's accessories business in China. During the 4th quarter of 2018, the Company disposed of its subsidiary in Shanghai with the intention to consolidate the various China operations into a single location, i.e. in Guangzhou, eventually. This move was mainly to trim down the duplication of operating costs incurred from the different locations, in addition to working towards a more efficient and effective inventory management and logistic system. Consequently, the manpower in China decreased by approximately 30% as at the end of the last financial year as compared to 31 December 2017.



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Profitability

Chairman admitted that the performance of the Group's business was below expectation for the past five years which barely met the expected return on capital. Nonetheless, with more efforts focused on the new aquaculture business and the breeding of new fish species with better margins, the management envisaged that the revenue and profitability of the Group would gradually revive in the coming years. He asked shareholders to be patient and allow the management some time in making a return. He added that the Board is aware of the Group's long, medium and short-term needs and as the Chairman of the Group, 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 profit, but placing a high priority on the various expectations of stakeholders as well.

Recoverability of receivables due from Guangzhou Qian Hu Aquarium and Pets Accessories Manufacturing Co., Ltd ("GZQH")

Chairman elaborated on the recoverability of receivables due from Guangzhou Qian Hu Aquarium and Pets Accessories Manufacturing Co., Ltd ("GZQH"), a former subsidiary of the Group. As disclosed on page 150 of the Annual Report, the total outstanding amount due from GZQH was \$10.0 million as at 31 December 2018. During the last financial year, the Company revised the repayment agreement with GZQH of which \$1.0 million of the outstanding receivables would be repaid in FY 2019 while the remaining \$9.0 million would be settled by 31 January 2020. He reminded that the Group continued to have business dealings with GZQH and that GZQH would be able to repay the outstanding debts from its operating and other cash flow.

Chairman further informed that as part of the Group's strategic plan to streamline its existing accessories operations in China, the Company entered into a Sale and Purchas Agreement to acquire the entire equity interest in GZQH. The rationale of the acquisition was disclosed in the SGXNET announcement released on 22 March 2019, a copy of which was inserted in the annual reports placed at the meeting to which some shareholders had taken note of. Chairman re-iterated that the acquisition of GZQH would be a meaningful backward integration for the Group, which will enhance the Group's ability to grow its market position of its China accessories business.

As mentioned in the SGXNET announcement, the GZQH acquisition is subject to the completion of all legal and financial due diligence on GZQH, the results of which must be satisfactory to Qian Hu, as well as the necessary approval from all relevant regulatory authorities. Upon the successful completion of the acquisition, GZQH would become a wholly-owned subsidiary of the Company.

Value-added Statement

With reference to page 31 of the Annual Report, the value-added statement indicated that out of the total value-added generated in FY 2018, 77% (FY 2017: 78%) of the value-added was distributed to employees, while the amount of value-added retained in the business for re-investment and future growth was 14% and 13% in FY 2018 and FY 2017 respectively. Chairman explained that employees are important assets of the Group and they are the key elements in driving the Group's success. He expressed that such human resources investment incurred was for the long-term and was inevitable, which he believed should result in constructive contribution in the coming years.



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Long tenured directors

Chairman gave a brief summary on the background of all the independent directors and their contributions to the Board and the Group. On the requirement to comply with the revised Code of Corporate Governance 2018 issued by the Monetary Authority of Singapore (MAS) in August 2018 and the amendments to the Listing Rules which came into effect on 1 January 2019, Chairman informed that the Company has kick-started a process to refresh its existing Board. The long tenured independent directors would retire upon the completion of their existing term. As part of the renewal process, appropriate individuals with the relevant experience and expertise to contribute to the development of the Group's strategy and the performance of its business would be appointed to the Board by Year 2022. The Board would also review and make adjustment to its Board size along the way.

Sustainability Reporting

As disclosed on page 44 of the Annual Report, the Sustainability Reporting Team consists of members from all the operating entities in Singapore, Malaysia, China, Thailand and Indonesia. It consists of representatives from all level of each operating entities within the Group, across all major functions and divisions. More details on the "Governance Structure" was documented on page 44 of the Annual Report.

Chairman informed that the senior management team engages in frequent dialogues and training sessions with all employees to create awareness on sustainability practices throughout the Group. He added that Qian Hu has been awarded the ISO 14000 certification for its environmental management standards. He assured that the Group embraces its responsibilities to all stakeholders and is well aware of its financial, social and environmental obligations.

Chairman further informed that the Company had received a question through email from one of the shareholders who was unable to attend the AGM. The shareholder voiced his concerns on the sluggish financial performance of the Group in the recent years, which had affected the share price of the Company. Acknowledging that the Group's financial performance and key ratios for the recent years had been disappointing, Chairman commented that there were various circumstances which gave rise to the unsatisfactory performance of the Group. Whilst he recognised the low profit generated from the Group's business, he opined that Qian Hu had endorsed sound corporate governance practices and had managed its sustainability issues and risk management procedures appropriately, which to him, are essential foundation in crafting business excellence regardless of profit level. Chairman was of the view that Qian Hu's business model and fundamentals remain robust and strong. He is committed to pursue sustainable business strategies and uphold operational best practices and policies which would derive business viability which should take Qian Hu to the next growth level.

Chairman then invited questions from the shareholders present on the Reports and Financial Statements for the financial year ended 31 December 2018.

A shareholder complimented the Group on its achievement on the aquaculture business. He then sought further clarification on the expected repayment date on the receivables due from GZQH as mentioned earlier. He noticed that the receivables, which was partially guaranteed by a major shareholder of the Company and a director of the Company, had been long overdue. Chairman informed that upon the completion of the acquisition of GZQH in the current financial year, the Group would take over the management of GZQH. It would then be able to review and manage the cash flow of GZQH and prioritise the necessary payments to be made. He added that, with GZQH becoming a wholly-owned subsidiary of the Group,



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the guarantee on the outstanding receivables would be discharged and accordingly, there would be no guarantee fee payable by the Company.

The same shareholder went on to request for an update on the development of the Group's aquaculture business. Chairman shared that aquaculture business is a new source of revenue to enhance the Group's substantiality over the longer term and at the same time addressing the economic and environmental needs of society. Currently, the Group has two farms located in the Hainan Province, China, dealing in the farming of edible fish fingerlings for supplying to the domestic and export market, as well as the export of a variety of edible fish to the South-east Asia countries. He added that it is always the Group's intention to expand the type of edible fish species to be exported, to identify reliable supply sources for its export business, and to be able to export to more countries, given the immense potential the market holds.

Chairman further commented that since the aquaculture business started in FY 2017, it had overcome various teething issues and had grasped the mechanism of running this business. He highlighted that Qian Hu's aquaculture business, leveraging on the Group's proprietary Hydro-Pure technology filtration technology, know-how in fish nutrition and antibiotic-free mediation, had been focusing on value creation and differentiation. The aquaculture business had since created a platform to open up more business opportunities for the Group, at the same time, to inaugurate collaboration with other parties in aquaculture industry. The Company would update shareholders of any new developments in this aspect via its SGXNET announcements or other presentation means.

Another shareholder present referred to page 153 of the Annual Report and would like to know the location and the use of the freehold land held in Thailand. She noted that the freehold land was mortgaged for a Thai Baht loan that had been fully repaid in FY 2018. Mr Andy Yap Ah Siong, Executive Director & Deputy Managing Director, responded that the said freehold land is situated in the Ratchaburi Province, which is 80 kilometres west of Bangkok. He then mentioned that the freehold land has been used as a breeding farm for ornamental fish.

The shareholder continued to enquire on the rationale for the disposal of one of the Group's wholly-owned subsidiaries, Shanghai Qian Hu Aquarium and Pets Co., Ltd ("SHQH"). Chairman replied that, as mentioned earlier, the disposal of SHQH was to consolidate the various China operations into a single location. It was noted that the gain on disposal of the subsidiary (SHQH) was \$66K as disclosed on page 181 of the Annual Report.

To the follow-on question from the same shareholder to clarify the difference between brooder stocks and breeder stocks, Ms Lai Chin Yee, Finance Director, explained that the brooder stocks are the parents stocks of dragon fish, held for the breeding of dragon fish, while breeder stocks are the off-springs of brooder stocks, held for trading purposes. She added that the Group's accounting policies for brooder stocks and breeder stocks were set out on pages 126 and 127 of the Annual Report.

On the request from the same shareholder to present the breakdown of the revenue and profit contributions by the different business segments of the Group using visual aids (such as slides, charts, etc), Ms Lai Chin Yee referred to page 34 of the Annual Report which set out the performance of the respective business segments in both financial numbers and visual charts.



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When enquired by a different shareholder as to whether there would be other sources of revenue from the aquaculture business, such as the sale of fish feeds, medication and the filtration technology, besides selling of fingerlings and edible fish, Chairman replied that there were plans in the pipeline, such as introducing the use of proprietary fish feed formula and herbal-based medication to like-minded farmers who embrace changes in technology. Chairman elaborated that the primary focus of the Group at present was to cultivate the production yield derived from the aquaculture farms, it would then be able to distinguish the uniqueness and sustainability of its eco-system from its competitors in China. The Group would like to expand this business globally eventually with the sales of antibiotic-free edible fish, along with its complementary products, as well as to showcase the eco-system to interested parties.

The same shareholder requested more details on the nature of the handling income of approximately \$1.4 million as disclosed on page 161 of the Annual Report, and whether it was a one-off transaction in FY 2018. Chairman clarified that the amount was income derived from the handling of transhipments in relation to the aquaculture business. He affirmed that the handling income would recur in FY 2019.

Another shareholder, noting that the Group had paid off its secured loan in FY 2018, would like to understand the reason whereby the rest of the loans were taken up on an unsecured basis, which usually command higher interest rate. Ms Lai Chin Yee explained that the secured loan was a term loan taken up by the Group's subsidiary in Thailand that was payable over 50 instalments from September 2014. Accordingly, it was fully settled in FY 2018. The unsecured loans consisted of loans with different amounts and tranches granted by various banks in Singapore. It was difficult to provide any form of securities to any one of the banks at any point in time as all the banks had requested for all borrowings to be ranked *pari passu* (i.e. on equal footing). Ms Lai Chin Yee added that, in any case, these unsecured loans are revolving bank loans that bore interest at rates ranging from 2.5% to 3.0% per annum, which were not absurd rates much higher than secured borrowings. The shareholder concurred that the stipulated rates were deemed favourable, based on his understanding of the current interest rate environment.

In relation to the aquaculture business, the same shareholder observed that there were many "container farms" in China which were equipped with temperature monitoring system and CCTV, etc. He would like to know if Qian Hu has the intention to implement such vertical farming techniques in its China farms and suggested that it should consider introducing such techniques into Singapore in view of the food security and land scarcity issues faced by local businesses, coupled with the high land costs in Singapore. Chairman informed that, currently, the Group has sufficient land deployed for its aquaculture business in China. He explained that the existing aquaculture business undertaken in Hainan was not land intensive. He believed that by leveraging on our competencies, the farms should realise considerable production yield with moderate land and appropriate human resources.

On the proposition for the Company to look into vertical farming in Singapore, Chairman shared that the cost structure in Singapore and China was comparatively different. Nonetheless, the management team would explore the feasibility in harnessing the eco-system put in place in the Hainan farms to Singapore for its edible fish farming.

As there were no further questions, Ordinary Resolution No. 1 was put to a vote by poll. Shareholders were informed to cast their votes using the hand held device provided.



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The voting results of the poll were as follows:

Ordinary Resolution 1 – Adoption of Directors' Statement and Audited Financial Statements

| | <u>No. of Votes</u> | <u>In Percentage</u> |
|----------------------------|---------------------|----------------------|
| Number of votes "FOR" | : 60,754,317 | 100.00 |
| Number of votes "AGAINST" | : 1,700 | 0.00 |
| Total number of votes cast | : <u>60,756,017</u> | <u>100.00</u> |

Chairman declared Ordinary Resolution 1 carried.

2. Declaration of final dividend

The following Ordinary Resolution No. 2 was duly proposed and seconded:-

"That a final dividend of 0.2 cents Singapore Dollar per ordinary share one-tier tax exempt for the financial year ended 31 December 2018 be paid on 25 April 2019 to members registered in the books of the Company on 12 April 2019"

As there were no questions, Ordinary Resolution No. 2 was put to a vote by poll. Shareholders were informed to cast their votes using the hand held device provided.

The voting results of the poll were as follows:

Ordinary Resolution 2 – Declaration of final dividend

| | <u>No. of Votes</u> | <u>In Percentage</u> |
|----------------------------|---------------------|----------------------|
| Number of votes "FOR" | : 60,754,067 | 100.00 |
| Number of votes "AGAINST" | : 1,950 | 0.00 |
| Total number of votes cast | : <u>60,756,017</u> | <u>100.00</u> |

Chairman declared Ordinary Resolution 2 carried.

3. Re-election of Director – Ms Lai Chin Yee

Chairman informed the meeting that Ms Lai Chin Yee, Dr Ling Kai Huat and Mr Andy Yap Ah Siong were to retire pursuant to Regulation 91 of the Company's Constitution.

Ms Lai Chin Yee and Dr Ling Kai Huat had consented to offer themselves for re-election. Mr Andy Yap Ah Siong had decided not to seek for re-election and shall retire as director of the Company after the conclusion of the meeting. Chairman informed that the retirement of Mr Andy Yap Ah Siong was the start of a board refreshment process, firstly, to comply with the revised Code of Corporate Governance 2018 issued by the Monetary Authority of Singapore



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(MAS) and the amendments to the Listing Rules, as well as to reduce the Board size of the Company. Mr Andy Yap Ah Siong will remain as the Deputy Managing Director. He will continue to guide and oversee the Group's ornamental fish and aquaculture business operations.

The Board put on record its gratitude and appreciation to Mr Andy Yap Ah Siong for his invaluable contributions during his tenure of office.

The meeting would vote on the re-election of Ms Lai Chin Yee and Dr Ling Kai Huat one at a time.

The following Ordinary Resolution No. 3 was duly proposed and seconded:-

"That Ms Lai Chin Yee, who retired pursuant to Regulation 91 of the Company's Constitution, being eligible and offering herself 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 using the hand held device provided. Ms Lai Chin Yee was abstained from voting.

The voting results of the poll were as follows:

Ordinary Resolution 3 – Re-election of Director – Ms Lai Chin Yee

| | <u>No. of Votes</u> | <u>In Percentage</u> |
|----------------------------|---------------------|----------------------|
| Number of votes "FOR" | : 60,589,905 | 99.99 |
| Number of votes "AGAINST" | : 7,263 | 0.01 |
| Total number of votes cast | : <u>60,597,168</u> | <u>100.00</u> |

Chairman declared Ordinary Resolution 3 carried.

4. Re-election of Director – Dr Ling Kai Huat

The following Ordinary Resolution No. 4 was duly proposed and seconded:-

"That Dr Ling Kai Huat, who retired pursuant to Regulation 91 of the Company's Constitution, 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 using the hand held device provided.



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The voting results of the poll were as follows:

Ordinary Resolution 4 – Re-election of Director – Dr Ling Kai Huat

| | <u>No. of Votes</u> | <u>In Percentage</u> |
|----------------------------|---------------------|----------------------|
| Number of votes “FOR” | : 60,686,892 | 99.95 |
| Number of votes “AGAINST” | : 32,063 | 0.05 |
| Total number of votes cast | : <u>60,718,955</u> | <u>100.00</u> |

Chairman declared Ordinary Resolution 4 carried.

It was noted that Dr Ling Kai Huat would be considered an independent director of the Company and would remain as member of the Company’s Audit Committee and Nominating Committee and the Chairman of the Risk Management Committee.

5. Approval of Directors' Fees

The following Ordinary Resolution No. 5 was duly proposed and seconded:-

“That the payment of Directors’ fees of \$108,000/- for the financial year ended 31 December 2018 be and is hereby approved.”

As there were no questions, Ordinary Resolution No. 5 was put to a vote by poll. Shareholders were informed to cast their votes using the hand held device provided. Mr Tan Tow Ee and Mr Chang Weng Leong abstained from voting.

The voting results of the poll were as follows:

Ordinary Resolution 5 – Approval of Directors’ Fees

| | <u>No. of Votes</u> | <u>In Percentage</u> |
|----------------------------|---------------------|----------------------|
| Number of votes “FOR” | : 60,568,955 | 99.80 |
| Number of votes “AGAINST” | : 121,763 | 0.20 |
| Total number of votes cast | : <u>60,690,718</u> | <u>100.00</u> |

Chairman declared Ordinary Resolution 5 carried.

6. Re-appointment of Auditors

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



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The following Ordinary Resolution No. 6 was duly proposed and seconded:-

“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. 6 was put to a vote by poll. Shareholders were informed to cast their votes using the hand held device provided.

The voting results of the poll were as follows:

Ordinary Resolution 6 – Re-appointment of Auditors

| | <u>No. of Votes</u> | <u>In Percentage</u> |
|----------------------------|---------------------|----------------------|
| Number of votes “FOR” | : 60,652,142 | 100.00 |
| Number of votes “AGAINST” | : 1,700 | 0.00 |
| Total number of votes cast | : 60,653,842 | 100.00 |

Chairman declared Ordinary Resolution 6 carried.

7. Any Other Business

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

SPECIAL BUSINESS

Ordinary Resolution

8. General Mandate to authorise the Directors to issue shares or convertible securities

The following Ordinary Resolution No. 7 was duly proposed and seconded:-

“That pursuant to Section 161 of the Companies Act, Chapter 50 (the “Act”), the Constitution 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



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- (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 and subsidiary holdings, 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 10% of the Company's total number of issued Shares (excluding treasury shares and subsidiary holdings, 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 and subsidiary holdings, if any) shall be calculated based on the total number of issued Shares (excluding treasury shares and subsidiary holding, 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;
 - (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 Constitution 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.”



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As there were no questions, Ordinary Resolution No. 7 was put to a vote by poll.
Shareholders were informed to cast their votes using the hand held device provided.

The voting results of the poll were as follows:

Ordinary Resolution 7 – 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” | : 60,570,449 | 99.79 |
| Number of votes “AGAINST” | : 126,887 | 0.21 |
| Total number of votes cast | : <u>60,697,336</u> | <u>100.00</u> |

Chairman declared Ordinary Resolution 7 carried.

There being no further business, the meeting ended at 12.20 p.m. Chairman thanked the support of all the shareholders of Qian Hu.

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

**KENNY YAP KIM LEE
CHAIRMAN**