



XMH HOLDINGS LTD.
(Company Registration No. 201010562M)
(Incorporated in Republic of Singapore)
(the "Company")

MINUTES OF ANNUAL GENERAL MEETING

PLACE : In Singapore via electronic means

DATE : Wednesday, 30 September 2020

TIME : 10.00 a.m.

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

IN ATTENDANCE : As set out in the attendance records maintained by the Company.

CHAIRMAN : Mr. Tan Tin Yeow

INTRODUCTION

On behalf of the Chairman and the Board of Directors (the "**Board**"), the Company Secretary welcomed all Shareholders to the annual general meeting of the Company (the "**Meeting**"), and informed the Shareholders that the Meeting was conducted via electronic means, in view of the current COVID-19 measures that have been put in place.

The Company Secretary proceeded to introduce the members of the Board and Mr. Tan Leong Kim, the Chief Financial Officer of the Company to those present at the Meeting via live webcast.

The Company Secretary also informed Shareholders that all questions submitted by 10:00 a.m. on 28 September 2020 had been answered and published on the SGXNet and Company's website on 29 September 2020. The summary of questions and answers is annexed hereto and marked as Appendix A.

QUORUM

For avoidance of doubt, Mr. Tan Tin Yeow is the Chairman of the Meeting and the Company Secretary is assisting him on the conduct and proceedings of the Meeting.

As a quorum was present, on behalf of the Chairman, the Meeting was called to order at 10.00 a.m. by the Company Secretary and proceeded with the formal business of the Meeting.

NOTICE

The Notice of the Meeting dated 8 September 2020 had been published on the SGXNet and the Company's website on 7 September 2020. The Notice is also contained in the Annual Report for the financial year ended 30 April 2020 together with the Addendum available for download from the Company's website as well as from the SGXNet. In support of environmental sustainability efforts to conserve natural resources, the Company had dispensed with printing hardcopies of the Annual Reports. All pertinent information relating to the proposed Resolutions tabled for the Meeting were set out in the Annual Report and the Addendum.

With the consent of the Meeting, the Notice convening the Meeting was taken as read.

CONDUCT OF POLL

In compliance with Rule 730A of the Listing Manual of Singapore Exchange Securities Trading Limited (“**SGX-ST**”), the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020 and the Guidance on the Conduct of General Meetings Amid The Evolving COVID-19 Situation issued by the SGX-ST, all resolutions at the Meeting were voted by way of poll and all the resolutions were deemed to have been duly proposed and seconded.

Voting at the Meeting was by proxy only and by appointing the Chairman as proxy to vote on behalf of Shareholders.

All the proxy forms lodged have been checked, counted and verified by the polling agent and scrutineers and found to be in order.

Tricor Singapore Pte. Ltd. had been appointed as the polling agent and Complete Corporate Services Pte Ltd had been appointed as the scrutineers for the poll voting.

ORDINARY BUSINESSES:

1. DIRECTORS’ STATEMENT AND AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020 – RESOLUTION 1

The first agenda of the Meeting was to receive and adopt the Directors’ Statement and the Audited Financial Statements of the Company and the Group for the financial year ended 30 April 2020 together with the Auditors’ Report thereon.

Resolution 1 on the Agenda was to put the following motion to the vote:

Resolution 1

“**RESOLVED** that the Directors’ Statement and the Audited Financial Statements of the Company and the Group for the financial year ended 30 April 2020, together with the Auditors’ Report thereon, be received and adopted.”

The result of the poll was as follows:

	Number of Shares	Percentage (%)
For the Resolution	91,089,506	100.00
Against the Resolution	0	0.00
Total number of valid votes cast	91,089,506	100.00

Based on the above result, on behalf of the Chairman, the Company Secretary declared Resolution 1 carried.

2. DIRECTORS’ FEES FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020 – RESOLUTION 2

The Board had recommended the payment of S\$160,123.50 as Directors’ fees for the financial year ended 30 April 2020.

Resolution 2 on the Agenda was to put the following motion to the vote:

Resolution 2

"RESOLVED that the payment of Directors' fees of S\$160,123.50 for the financial year ended 30 April 2020, be approved."

The result of the poll was as follows:

	Number of Shares	Percentage (%)
For the Resolution	91,083,506	99.99
Against the Resolution	6,000	0.01
Total number of valid votes cast	91,089,506	100.00

Based on the above result, on behalf of the Chairman, the Company Secretary declared Resolution 2 carried.

3. RE-ELECTION OF MS. TAN GUAT LIAN AS A DIRECTOR – RESOLUTION 3

Ms. Tan Guat Lian who was retiring as a Director of the Company pursuant to Regulation 89 of the Company's Constitution, had consented to continue in office. The Meeting noted that Ms. Tan Guat Lian, upon being duly re-elected as a Director of the Company, remains as an Executive Director and would be considered non-independent.

Resolution 3 on the Agenda was to put to the following motion to the vote:

Resolution 3

"RESOLVED that Ms. Tan Guat Lian, be re-elected as a Director of the Company."

The result of the poll was as follows:

	Number of Shares	Percentage (%)
For the Resolution	84,183,562	99.60
Against the Resolution	336,200	0.40
Total number of valid votes cast	84,519,762	100.00

Based on the above result, on behalf of the Chairman, the Company Secretary declared Resolution 3 carried.

4. RETIREMENT OF MR. NG SEY MING AS A DIRECTOR OF THE COMPANY

The Meeting noted that Mr. Ng Sey Ming was retiring as a Director of the Company, and would not be seeking re-election at the Meeting.

Following Mr. Ng Sey Ming's retirement as a Director at the conclusion of the Meeting, his various appointments on the Board Committees also ceased.

The Board recorded its appreciation to Mr. Ng Sey Ming for his invaluable contributions to the Company and the Group during his tenure as a Director.

5. RE-APPOINTMENT OF AUDITORS – RESOLUTION 4

The retiring auditors, Messrs Ernst & Young LLP, had expressed their willingness to be re-appointed as the Auditors of the Company.

Resolution 4 on the Agenda was to put the following motion to the vote:

Resolution 4

“RESOLVED that Messrs Ernst & Young LLP be re-appointed as Auditors of the Company until the conclusion of the next Annual General Meeting, and that the Directors be authorised to fix their remuneration.”

The result of the poll was as follows:

	Number of Shares	Percentage (%)
For the Resolution	91,089,506	100.00
Against the Resolution	0	0.00
Total number of valid votes cast	91,089,506	100.00

Based on the above result, on behalf of the Chairman, the Company Secretary declared Resolution 4 carried.

6. ANY OTHER BUSINESS

As no notice of any other ordinary business to be transacted at the Meeting had been received, the Meeting proceeded to deal with the special business of the Meeting.

SPECIAL BUSINESSES:

7. AUTHORITY TO ALLOT AND ISSUE SHARES – RESOLUTION 5

The Meeting was informed on the purpose and effect of Resolution 5, the full text of the resolution was set out under item 7 in the Notice of the Meeting on pages 142 to 143, and the explanatory note on page 146 of the Annual Report 2020.

Resolution 5 on the Agenda was to put the following motion to the vote:

The full text of Resolution 5 under item 7 is reproduced herein for record:

Resolution 5

“RESOLVED that pursuant to Section 161 of the Companies Act, Chapter 50 and Rule 806 of the Listing Manual of the SGX-ST, the Directors of the Company be authorised and empowered to:

- (a) (i) issue shares in 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 (as well as adjustments to) options, 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 of the Company may in their absolute discretion deem fit; and

- (b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue Shares pursuant to any Instrument made or granted by the Directors of the Company while this Resolution was in force,

(the "**Share Issue Mandate**")

provided that:

- (1) the aggregate number of Shares (including Shares to be issued pursuant to the Instruments, made or granted pursuant to this Resolution) and Instruments to be issued pursuant to this Resolution shall not exceed fifty per cent (50%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of Shares and Instruments to be issued other than on a *pro rata* basis to existing shareholders of the Company shall not exceed twenty per cent (20%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below);
- (2) (subject to such calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of Shares and Instruments that may be issued under sub-paragraph (1) above, the total number of issued Shares and Instruments shall be based on the number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company at the time of the passing of this Resolution, after adjusting for:
- (a) new shares arising from the conversion or exercise of the Instruments or any convertible securities;
- (b) new shares arising from exercising share options or vesting of share awards, provided the share options or share awards were granted in compliance with Part VIII of Chapter 8 of Listing Manual of the SGX-ST; and
- (c) any subsequent bonus issue, consolidation or subdivision of Shares;

Adjustments in accordance with sub-paragraph (2)(a) or sub-paragraph (2)(b) above are only to be made in respect of new Shares arising from convertible securities, share options or share awards which were issued and outstanding or subsisting at the time of the passing of this Resolution.

- (3) in exercising the Share Issue Mandate conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the Constitution of the Company; and
- (4) unless revoked or varied by the Company in a general meeting, the Share Issue Mandate shall continue in force (i) until the conclusion of the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is earlier or (ii) in the case of shares to be issued in

pursuance of the Instruments, made or granted pursuant to this Resolution, until the issuance of such shares in accordance with the terms of the Instruments.”

The result of the poll was as follows:

	Number of Shares	Percentage (%)
For the Resolution	90,753,306	99.63
Against the Resolution	336,200	0.37
Total number of valid votes cast	91,089,506	100.00

Based on the above result, on behalf of the Chairman, the Company Secretary declared Resolution 5 carried.

8. AUTHORITY TO ISSUE SHARES UNDER THE XMH SHARE OPTION SCHEME – RESOLUTION 6

The Meeting was informed on the purpose and effect of Resolution 6, the full text of the resolution was set out under item 8 in the Notice of the Meeting on page 144 and the explanatory note on page 146 of the Annual Report 2020.

Shareholders who are entitled to participate in the Share Option Scheme, including Group Employees and Group Non-executive Directors who are also shareholders, should abstain from voting on the resolution.

Resolution 6 on the Agenda was to put the following motion to the vote:
The full text of Resolution 6 under item 8 is reproduced herein for record:

Resolution 6

“RESOLVED that pursuant to Section 161 of the Companies Act, Chapter 50, the Directors of the Company be authorised to issue from time to time such number of shares in the capital of the Company as may be required to be issued pursuant to the exercise of share options granted by the Company under the XMH Share Option Scheme (“Scheme”), whether granted during the subsistence of this authority or otherwise, provided always that the aggregate number of additional ordinary shares to be issued pursuant to the Scheme shall not exceed fifteen per cent (15%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company from time to time and that such authority shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is earlier.”

The result of the poll was as follows:

	Number of Shares	Percentage (%)
For the Resolution	38,990,562	99.15
Against the Resolution	336,200	0.85
Total number of valid votes cast	39,326,762	100.00

Based on the above result, on behalf of the Chairman, the Company Secretary declared Resolution 6 carried.

9. PROPOSED RENEWAL OF THE SHARE BUYBACK MANDATE – RESOLUTION 7

The Meeting was informed on the purpose and effect of Resolution 7, the details and rationale were set out in the Addendum to Annual Report 2020 on pages 148 to 172. The full text of the resolution was set out under item 9 in the Notice of the Meeting on pages 144 and 145 and the explanatory note on page 146 of the Annual Report 2020.

As disclosed in the Addendum under Section 2.9.4 (Pages 168 to 169 of the Annual Report 2020), there is no obligation to make a general offer by the concert group, and it is not expected that the shareholdings and/or voting rights of any of the other shareholders would be increased to 30% or more, thereby triggering a requirement to make a general offer under the Take-over Code.

Resolution 7 on the Agenda was to put the following motion to the vote:

The full text of Resolution 7 under item 9 is reproduced herein for record:

Resolution 7

"RESOLVED that:

- (a) for the purposes of the Companies Act, Chapter 50 of Singapore ("**Act**"), the exercise by the Directors of the Company of all the powers of the Company to purchase or otherwise acquire the ordinary shares in the capital of the Company ("**Shares**") not exceeding in aggregate the Prescribed 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 purchases (each a "**Market Purchase**") on the SGX-ST; and/or
- (ii) off-market purchases (each an "**Off-Market Purchase**") effected otherwise than on the SGX-ST in accordance with any equal access schemes as may be determined or formulated by the Directors of the Company as they consider fit, which schemes shall satisfy all the conditions prescribed by the Companies Act, and otherwise in accordance with all other provisions of the Companies Act and listing rules of the SGX-ST as may for the time being be applicable,

and is hereby authorised and approved generally and unconditionally ("**Share Buyback Mandate**");

- (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 passing of this Resolution and expiring on the earlier of:
- (i) the date on which the next AGM of the Company is held or required by law to be held;
 - (ii) the date on which the Share Buyback is carried out to the full extent mandated; or
 - (iii) the date on which the authority contained in the Share Buyback Mandate is varied or revoked;

(c) in this Resolution:

“**Prescribed Limit**” means 10% of the issued ordinary share capital of the Company as at the date of 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 Companies Act, at any time during the Relevant Period, 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 and subsidiary holdings that may be held by the Company from time to time);

“**Relevant Period**” means the period commencing from the date on which the forthcoming AGM is held and the resolution relating to the Share Buyback Mandate is passed and expiring on the date the next AGM is held or is required by law to be held, whichever is the earlier; and

“**Maximum Price**” in relation to a Share to be purchased, means an amount (excluding brokerage, stamp duties, 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;
- (ii) in the case of an Off-Market Purchase: 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-day period; and

(d) the Directors of the Company 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.”

The result of the poll was as follows:

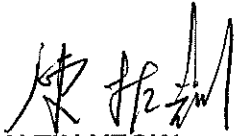
	Number of Shares	Percentage (%)
For the Resolution	91,089,506	100.00
Against the Resolution	0	0.00
Total number of valid votes cast	91,089,506	100.00

Based on the above result, on behalf of the Chairman, the Company Secretary declared Resolution 7 carried.

CONCLUSION

As all the matters tabled for the Meeting had been duly completed and there was no other business to transact, on behalf of the Chairman, the Company Secretary declared the Meeting closed at 10.15 a.m. and thanked everyone for their attendance at the Meeting.

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A handwritten signature in black ink, appearing to be 'Tan Tin Yeow', written in a cursive style.

**TAN TIN YEOW
CHAIRMAN**

APPENDIX A

Question 1

On Page 54 of XMH Annual Report 2020, it was noted that the management had obtained a desktop property valuation from an external valuation firm for the property located in Tuas as at 30 March 2020.

During the last AGM on 27 August 2019, I asked for the valuation of the Tuas Building but was told there was no valuation done. However, I was given an impression it would probably be in the S\$77 million area. I stand to be corrected.

Since there is an external valuation done this year, can the Company please disclose this property valuation to the shareholders?

Company's Response to Question 1

The property is valued at S\$87 million based on the desktop valuation report done by Premas Valuers & Property Consultants Pte Ltd dated 30 March 2020.

Question 2

It has been almost 5 years since the Group had moved into the Tuas Building.

Is there a moratorium period on the sale of the Tuas Building together with the leased land? If so, please advise.

Company's Response to Question 2

Yes. Based on the lease agreement, there is a moratorium period. We are able to sell the building from 1 September 2021 subject to certain terms and conditions and JTC's approval.

Question 3

On Page 100 of XMH Annual Report 2020, it was noted that the net carrying amount as at 30 April 2020 of the Tuas Building was S\$42,188,000.

On Page 118 of the same Report, it was disclosed that the Group breached the covenants of a bank loan during the financial year. The management had successfully obtained a 12-month waiver from the bank.

In view of the above disclosure and the Group's priority to ensure that there is sufficient liquidity to sustain its operations and to ride through this crisis, does it not make sense for XMH to seriously explore "Selling & Leasing back" the Tuas building to an Industrial Reit or other similar buyers? By leasing back the building, there would be minimal disruption to the Group's operations.

Furthermore, the other benefits will be as follow:

- (i) assuming the S\$77 million valuation price is achievable, there will be a potential capital gain of S\$34.8 million before tax or 31.9 cent per share. That would have the potential to lift the current NAV at 44.1 cent per share to 76 cent per share.
- (ii) there will be a huge improvement in the Group's capital structure with the potential of swinging the Group from a Net Debt to a Net Cash position.

(iii) this exercise should accelerate the company's effort to pull itself out of the SGX Watchlist.

Please kindly comment on the above.

Company's Response to Question 3

At the moment, the Group has sufficient liquidity to sustain our operations and to ride through the crisis.

In determining our strategy on monetizing assets, the Group will consider this holistically with its needs for working capital, capital structure, market condition/opportunity to divest specific assets and shareholders' value creation, amongst other factors. We are aware of the benefits as you have pointed out and will continue to monitor the above factors and when the right moment arises, we will not rule out considering any appropriate action to maximise shareholders' value.

Question 4

Please refer to Page 90 of XMH Annual Report 2020 pertaining to the "Provision for onerous contract" of S\$1.2 million that was charged to the profit and loss account of which S\$0.5 million out of the total provision was paid.

Can you please elaborate further on this onerous contract? Is there any possibility of recovering part of the S\$0.5 million already paid, for example taking some loss by selling the used generators back to the original vendor or to other potential buyers?

Company's Response to Question 4

As announced and disclosed on 3 August 2020, we were in the process of setting up a new business together with an Indonesian business partner to lease out generator sets to Independent Power Plant Project, the Group performed viability and market studies in Myanmar and Indonesia and further committed to a single purchase of 7 used generator sets and the related accessories amounting to S\$1.2 million from an unrelated third party. The Group had subsequently aborted this project due to the lack of cooperation from the Indonesian business partner that in turn increased the business risk significantly. Accordingly, the plan for the new business was aborted, the cooperation with the Indonesian business partner was terminated and the contract to purchase these used generators was deemed to be onerous as the Group had no intention to take physical delivery and was hence charged to the profit and loss account.

The Group has explored all known avenues to recover value from the used generators and this has been factored into the "Provision for onerous contract".

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**TAN TIN YEOW
CHAIRMAN**