



金獅亞太有限公司

LION ASIAPAC LIMITED (Registration No. 196800586R)

A Member of The Lion Group

MINUTES OF THE 54TH ANNUAL GENERAL MEETING

The minutes of the 54th annual general meeting of the Company held in The Conference Room at 10 Arumugam Road, #10-00 LTC Building A, Singapore 409957 on Wednesday, 30 October 2024 at 11.00 a.m.

PRESENT

Directors

Sam Chong Keen (Independent Chairman)
Loh Kgai Mun (Executive Director)
Chai Woon Chew (Independent Director)
Tan Sri Cheng Heng Jem
Koong Lin Loong (Independent Director)
Lim Mooi Lang

In Attendance

Gan Choon Ching (Group Accountant)
Gan Chi Siew (Company Secretary)
Low Ping Hing (Managing Director, Swissma Building Technologies Sdn Bhd)
David Eu (RSM SG Assurance LLP)
Lok Hsiao Wei (RSM SG Assurance LLP)
Helen Tan (B.A.C.S. Private Limited)
Muhammad Farhan (B.A.C.S. Private Limited)
Chris Wong (Complete Corporate Services Pte Ltd)
Ang Qiuyan (Complete Corporate Services Pte Ltd)
Siti Aisyah (Complete Corporate Services Pte Ltd)
Karthi (Complete Corporate Services Pte Ltd)

Shareholders / Invitees

As per the attendance list.

The Chairman extended a warm welcome to all shareholders and attendees to the 54th annual general meeting of the Company (the “AGM”).

QUORUM

As a quorum was present, the Chairman called the AGM to order at 11.00 a.m.

INTRODUCTION

The Chairman introduced the members of the Board and management who were present.

The notice of the AGM, which was published in The Business Times and the SGXNet on 11 October 2024, was taken as read.

The Chairman informed the shareholders that all resolutions tabled at this AGM would be put to vote by way of a poll. He added that the Company had appointed Complete Corporate Services Pte Ltd as the polling agent and B.A.C.S. Private Limited as the scrutineer.

ORDINARY BUSINESS:

1. ADOPTION OF DIRECTORS' STATEMENT, AUDITED FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT

The resolution to receive and adopt the Company's directors' statement, audited financial statements for the financial year ended 30 June 2024 ("FY2024"), and the independent auditor's report (the "**Reports**"), was proposed by Mr Chua Ghim Hock and seconded by Ms Hwee Mei Lai.

The Chairman invited the Company's executive director, Mr Loh Kgai Mun, to present the results of the Group.

The Chairman invited shareholders to raise questions on the Company's FY2024 Financial Statements and Reports.

In response to Mr Lin Yong Sheng Desmond's query on turning around the declining revenue in trading and the Board's intention should the decline continue, Mr Loh replied that the declining revenue was primarily owing to lower orders, and added that at this point of time, he was not expecting the decline to prolong. He supplemented that management had taken actions to respond to the downward trend with the view to improving performance.

Mr Lin asked whether the increase in the lime results which turnaround the segment results from a loss of S\$1.14 million in 2023 to a profit of S\$ 9,000 in 2024 was because of the increasing sale price of limestone or the declining cost of pet coke. Mr Loh responded that many factors affected lime. The lime market is in Peninsular Malaysia. The increased sales of lime was offset by the removal of government subsidies by the Malaysian government and the increase in electricity charges of 2 to 3 times. The price increase is always a challenge in a very competitive market. Responding to Mr Yeo Choon Leong on whether the trading segment was profitable, Mr Loh explained that the main reason why the trading and investment holding segments were reflecting losses was because the listing expenses were disclosed under these 2 segments. He added that management had taken great efforts to ensure that all business transactions entered into by the Group were profitable.

Mr Lin cited that since the lime market was very competitive, he asked whether the Board intended to retain the lime segment assuming the Group had successfully defended the ongoing arbitration. Mr Loh added that the proposed disposal of the lime segment had several issues, which the Board had tried to address.

In response to Mr Lin, Mr Gan Choon Ching explained the allowance for impairment of S\$ 1.4 million arose at the company level of Lion Asiapac Limited (LAP). This impairment relates to the investment of LAP in its subsidiaries.

Referring to page 62, Mr Lin highlighted that roofing reported a segmental profit of S\$ 0.1 million, which represented 0.9% of revenue. Mr Loh explained that this was the first year of integrating the roofing business into the Group and he had been working with the operating management to bring improvements. He continued that the Group had planned to take advantage of the opportunities arising from the development of the construction industry in Malaysia.

Addressing Mr Yeo's query on how profitable the roofing business was when acquired, Mr Loh explained that the roofing was profitable with a gross profit margin of just under 20% and a net profit to sale margin at a single digit.

Mr Yeo asked about the possibility of delisting the Company. The Chairman explained the mechanism of the delisting process and said that should there be any offer to delist the Company at the right price, the Board would consider the matter for the benefit of all shareholders.

On Mr Chua's queries regarding the disposal of the lime division ("Disposal"), Mr Loh responded that the Board, after consultation with the Company's legal counsel, decided to proceed with the Disposal. In the course of consultation with the Singapore Exchange Securities Trading Limited ("SGX") to obtain clearance of the draft circular to shareholders of the Company to approve the Disposal at a general meeting, the SGX informed that it would classify the Company as a cash company after the Disposal. The Board contemplated the consequences of a cash company, cash flow and working capital of the Company, before concluding that it would not be in the interest of the Company to continue with the Disposal and allowed the agreement relating to the Disposal to lapse. The Chairman explained the consequences of a cash company arising from Rule 1018 of the Listing Manual. The arbitration was an unintended consequence. Mr Chia Woon Chew, the independent director of the Company, expressed that he agreed with the decision not to proceed with the Disposal and to continue the lime business was for the best interest of the Company.

Mr Lin referred to page 65 of the AR on other income, he commented that the Group had a sizeable cash pile in China but generating a low-interest income of 1.66%. Mr Loh added that the Board believed that the growth centre remained in China. The management has been looking for suitable investment projects to deploy the funds in a timely manner and to minimise any foreign currency translation differences as well. Mr Lin suggested that the Company could repatriate part of its cash to countries with higher interest rate environments like Malaysia to generate higher interest income. Further, the Company could also repatriate the funds for working capital usage in its subsidiaries in Malaysia taking advantage of the construction development in Malaysia. The Chairman responded that the Company had been repatriating some funds from China as and when necessary but left a certain amount in China for funding trading business and suitable deployment of investment project requirements when opportunities were available. However, foreign exchange control and quotas on remittance have limited the repatriation of funds back to Singapore or Malaysia.

Addressing Mr Lin's query on whether the Company's working capital had been caught up in trade receivables, the Chairman responded that the Audit Committee and Board had been monitoring the receivables, credit limit and credit terms closely. As of 30 June 2024, all trade receivables had been paid on time within the credit limit, hence no impairments or write-offs recorded.

In response to Mr Lin's query on the prospect of the investment in Mindax Limited ("Investment"), the Chairman said that the Group had been monitoring the investment closely since the Investment was not a core activity of the Company, it could be divested at the appropriate time and price. However, it would be premature to divest now.

Mr Lin observed that the remuneration of the top 5 key management personnel had increased 42% from S\$ 488,188 to S\$693,284. Mr Loh explained that the increase was in line with the acquisition of the roofing business.

On shareholders' request for a dividend payout, the Chairman responded that having considered the Group's financial, cash flow, working capital requirements and the impending arbitration, the Board had not recommended any dividend payout for FY2024. However, the Board had taken note of shareholders' requests and would consider a dividend payout at an appropriate time.

Mr Lin sought Tan Sri William Cheng's ("TSWC") opinion on the Group's outlook. TSWC said that currently the return from China was low but the prospect would return in the future. Comparatively, Malaysia would be a better place for investment to generate higher yields. Politically, Malaysia has stabilised over the recent 2 years, hence infrastructure and economic opportunities could be in the pipeline. The Group's business in roofing could reap this opportunity. However, he cautioned that the Group should monitor Malaysia's stability and development closely and that the tightening of the foreign exchange control policy had restricted the repatriation of funds back to Singapore or Malaysia.

With no further questions on the financial statements and Reports, the motion was put to vote.

The poll voting results for Resolution 1 were as follows:

	No. of shares	Percentage
For	55,842,955	99.97%
Against	18,700	0.03%
Total no. of valid votes	55,861,655	100.00%

Based on the results of the poll, the Chairman declared Resolution 1 carried.

IT WAS RESOLVED that the directors' statement and audited financial statements for the year ended 30 June 2024 and the independent auditor's report be received and adopted.

2. RE-ELECTION OF MR SAM CHONG KEEN AS DIRECTOR

Resolution 2 dealt with the re-election of Mr Sam Chong Keen as a director of the Company, who retired according to Article 98 of the constitution of the Company.

Mr Loh took over the Chair from Mr Sam at this juncture, and he proposed that Mr Sam Chong Keen be re-elected as a director of the Company.

Mr Yeo proposed the resolution for the re-election of Mr Sam as a director of the Company, who retired pursuant to Article 98 of the constitution of the Company. The motion was seconded by Mr Lin.

With no question raised, Resolution 2 was put to vote.

The poll voting results for Resolution 2 were as follows:

	No. of shares	Percentage
For	56,040,605	99.94%
Against	32,700	0.06%
Total no. of valid votes	56,073,305	100.00%

Based on the results of the poll, the Mr Loh declared Resolution 2 carried.

IT WAS RESOLVED that Mr Sam Chong Keen, a director retiring by rotation, be re-elected as a director of the Company.

Mr Sam resumed the Chair.

3. RE-ELECTION OF MR KOONG LIN LOONG AS DIRECTOR

Mr Chua proposed the resolution for the re-election of Mr Koong Lin Loong as a director of the Company, who retired pursuant to Article 104 of the constitution of the Company. The motion was seconded by Ms Yeo Siew Wee.

With no question raised, Resolution 3 was put to vote.

The poll voting results for Resolution 3 were as follows:

	No. of shares	Percentage
For	55,896,105	99.88%
Against	69,600	0.12%
Total no. of valid votes	55,965,705	100.00%

Based on the results of the poll, the Chairman declared Resolution 3 carried.

IT WAS RESOLVED that Mr Koong Lin Loong, a director retiring by rotation, be re-elected as a director of the Company.

4. RE-ELECTION OF MS LIM MOOI LANG AS DIRECTOR

Mr Chua proposed the resolution for the re-election of Ms Lim Mooi Lang as a director of the Company, who retired pursuant to Article 104 of the constitution of the Company. The motion was seconded by Mr Lin.

With no question raised, Resolution 4 was put to vote.

The poll voting results for Resolution 4 were as follows:

	No. of shares	Percentage
For	56,030,055	99.96%
Against	20,700	0.04%
Total no. of valid votes	56,050,755	100.00%

Based on the results of the poll, the Chairman declared Resolution 4 carried.

IT WAS RESOLVED that Ms Lim Mooi Lang, a director retiring by rotation, be re-elected as a director of the Company.

5. APPROVAL OF DIRECTORS' FEES FOR FY2024

Mr Lin proposed the resolution to approve the payment of directors' fees of S\$111,000 for FY2024. The motion was seconded by Ms Mah How Gek.

With no question raised, Resolution 5 was put to vote.

The poll voting results for Resolution 5 were as follows:

	No. of shares	Percentage
For	55,866,305	99.85%
Against	81,600	0.15%
Total no. of valid votes	55,947,905	100.00%

Based on the results of the poll, the Chairman declared Resolution 5 carried.

IT WAS RESOLVED that the payment of S\$111,000 as directors' fees for the financial year ended 30 June 2024 be approved.

6. RE-APPOINTMENT OF RSM SG ASSURANCE LLP AS AUDITORS AND TO AUTHORISE DIRECTORS TO FIX THEIR REMUNERATION

The Company's auditors, RSM SG Assurance LLP, had expressed their willingness to accept re-appointment. The Chairman called upon shareholders to propose and second the re-appointment of RSM SG Assurance LLP as auditors of the Company to hold such office until the conclusion of the next annual general meeting, and that directors be authorised to fix the auditors' remuneration.

The motion was proposed by Mr Toh Chew Yak and seconded by Mr Lin.

With no question raised, Resolution 6 was put to vote.

The poll voting results for Resolution 6 were as follows:

	No. of shares	Percentage
For	56,030,055	99.96%
Against	21,250	0.04%
Total no. of valid votes	56,051,305	100.00%

Based on the results of the poll, the Chairman declared Resolution 6 carried.

IT WAS RESOLVED that RSM SG Assurance LLP be re-appointed as auditors of the Company, to hold office until the conclusion of the next annual general meeting, at a fee to be determined by the directors.

AS SPECIAL BUSINESS:

7. GENERAL MANDATE FOR DIRECTORS TO ISSUE SHARES AND INSTRUMENTS

Mr Chua proposed the resolution to authorise the directors to issue new shares and instruments in the Company. The motion was seconded by Mr Toh.

With no question raised, Resolution 7 was put to vote.

The poll voting results for Resolution 7 were as follows:

	No. of shares	Percentage
For	55,873,705	99.66%
Against	191,800	0.34%
Total no. of valid votes	56,065,505	100.00%

Based on the results of the poll, the Chairman declared Resolution 7 carried.

IT WAS RESOLVED:

That pursuant to Section 161 of the Companies Act 1967 of Singapore (the “**Companies Act**”), authority be and is hereby given to the directors of the Company to:

- (a) (i) issue shares in the capital of the Company (“**Shares**”) (whether by way of rights, bonus or otherwise); 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) 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 that the authority conferred by this Resolution may have ceased to be in force) issue Shares in pursuance of any Instrument made or granted by the directors while this Resolution is in force,

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) shall not exceed 50% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of Shares to be issued other than on a pro-rata basis to shareholders of the Company shall not exceed 20% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) (as calculated in accordance with sub-paragraph (2) below);
- (2) (subject to such manner of calculation as may be prescribed by the Singapore Exchange Securities Trading Limited (“**SGX-ST**”)) for the purpose of determining the aggregate number of Shares that may be issued under sub-paragraph (1) above, the percentage of issued Shares shall be calculated based on the total number of issued Shares (excluding treasury shares and subsidiary holdings) at the time that this Resolution is passed, after adjusting for:
 - (i) new Shares arising from the conversion or exercise of convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time that this Resolution is passed; and

- (ii) 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 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 for the time being and
- (4) (unless revoked or varied by the Company in a general meeting) the authority conferred by this Resolution shall continue in force until the conclusion of the next AGM of the Company or the date on which the next AGM of the Company is required by law to be held, whichever is the earlier.

8. RENEWAL OF INTERESTED PERSON TRANSACTIONS MANDATE

Ms Mah proposed the resolution for the renewal of the interested person transactions mandate. The motion was seconded by Mr Toh.

With no further questions raised, Resolution 8 was put to vote.

The poll voting results for Resolution 8 were as follows:

	No. of shares	Percentage
For	1,808,625	91.64%
Against	165,000	8.36%
Total no. of valid votes	1,973,625	100.00%

Based on the results of the poll, the Chairman declared Resolution 8 carried.

IT WAS RESOLVED:

That:

- (a) approval be and is hereby given, for the purposes of Chapter 9 of the Listing Manual of the SGX-ST, for the Company, its subsidiaries and associated companies that are considered “entities at risk” under Chapter 9 of the Listing Manual of the SGX-ST or any of them, to enter into any of the transactions falling within the categories of interested person transactions set out in pages 93 and 94 of the Company's 2024 Annual Report (the “**Annual Report**”), with the interested persons described in pages 92 and 93 of the Annual Report, provided that such transactions are made on normal commercial terms and will not be prejudicial to the interests of the Company and its minority shareholders, and are in accordance with the methods and procedures for interested person transactions as set out in pages 94 to 99 of the Annual Report (the “**IPT Mandate**”);
- (b) the IPT Mandate 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 on which the next AGM of the Company is required by law to be held, whichever is earlier;

- (c) the Audit Committee of the Company be and is hereby authorised to take such actions as it deems proper in respect of the methods and procedures for the IPT Mandate and/or to modify or implement such methods and procedures as may be necessary to take into consideration any amendment to Chapter 9 of the Listing Manual of the SGX-ST which may be prescribed by the SGX-ST from time to time; and
- (d) the directors 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 and/or he may consider necessary, expedient, incidental or in the interests of the Company to give effect to the transactions contemplated and/or authorised by this Resolution.

9. ANY OTHER BUSINESS

As no notice had been received for any other business that might be properly transacted at the AGM, the Chairman declared the AGM closed at 12.15 p.m. and thanked everyone for their attendance.

Confirmed by:

Sam Chong Keen
Chairman