

ABUNDANCE INTERNATIONAL LIMITED

(Incorporated in Singapore)

(Co. Reg. No. 197501572K)

MINUTES OF THE ANNUAL GENERAL MEETING

- PLACE** : 168 Robinson Road
Capital Tower #09-04/05
The Brain (Training Rooms)
Singapore 068912
- DATE** : 24 April 2019
- TIME** : 10.00 A.M.
- PRESENT** : Directors Present
Mr Sam Kok Yin
Mr Francis Yau Thiam Hwa
Mr Chan Cher Boon
Mr Tham Hock Chee
- Absent with Apologies
Mr Shi Jiangang
Mr Jiang Hao
- Shareholders
As set out in the attendance record maintained by the Company.
- By Invitation
Ms Tan Pei Shan - Financial Controller
Mr Chang Fook Kay - Foo Kon Tan LLP
Ms Roanne Tang - Foo Kon Tan LLP
- In Attendance
Ms Ong Beng Hong - Company Secretary
Ms Melanie Hong - Stamford Corporate Services Pte Ltd
- NOTICE OF MEETING** : The Notice convening the Meeting was taken as read.
- CHAIRMAN** : Mr Sam Kok Yin was appointed by the Chairman of the Board of Directors, Mr Shi Jiangang, to chair the meeting.

QUORUM

As a quorum was present, the Chairman declared the Meeting open.

The Chairman noted that in his capacity as Chairman of the Meeting, he had been appointed as a proxy by some shareholders and would be voting in accordance with their instructions.

ORDINARY BUSINESS:

1. ADOPTION OF REPORTS AND ACCOUNTS

Resolution 1 on the Agenda was to receive and adopt the Directors' Statement and the Audited Financial Statements of the Company for the financial year ended 31 December 2018 together with the Auditors' Report.

In view that the Directors' Statement, the Audited Financial Statements of the Company for the financial year ended 31 December 2018, the Chairman Message to Shareholders and the Auditors' Report were in the shareholders' hands for the prescribed period, the Chairman proposed, with the shareholders' permission, that the documents be taken as read.

In relation to this resolution, one of the shareholders raised a few questions and the details of these questions and the answers in response thereto are recorded in Annex A as attached hereto.

Ms Tan Pei Shan ("**Ms Tan**") seconded the motion proposed by the Chairman.

The voting result of the poll was as follows:

	Total Votes	Percentage of Total Votes (%)
For the Resolution	226,901,100	100
Against the Resolution	0	0

Based on the above result, the Chairman declared the motion carried and the following resolution was passed:

"Resolved that the Directors' Statement and the Audited Financial Statements of the Company for the financial year ended 31 December 2018 together with the Auditors' Report be and are hereby received and adopted."

2. RE-ELECTION OF MR SHI JIANGANG

Resolution 2 on the Agenda was to re-elect Mr Shi Jiangang who was retiring from office by rotation.

In accordance with Regulation 91 of the Company's Constitution, Mr Shi Jiangang, as a Director, retired by rotation and being eligible, offered himself for re-election. It was noted that Mr Shi Jiangang would, upon re-election as a Director of the Company, remain as an Executive Director of the Company.

As there were no questions raised by the shareholders, the Chairman proposed the motion which was seconded by Ms Tan.

The voting result of the poll was as follows:

	Total Votes	Percentage of Total Votes (%)
For the Resolution	226,901,100	100
Against the Resolution	0	0

Based on the above result, the Chairman declared the motion carried and the following resolution was passed:

“Resolved that Mr Shi Jiangang, who retires by rotation pursuant to Regulation 91 of the Company’s Constitution, be and is hereby re-elected as a Director of the Company.”

3. RE-ELECTION OF MR THAM HOCK CHEE

Resolution 3 on the Agenda was to re-elect Mr Tham Hock Chee who was retiring from office by rotation.

In accordance with Regulation 91 of the Company’s Constitution, Mr Tham Hock Chee, as a Director, retired by rotation and being eligible, offered himself for re-election. It was noted that Mr Tham Hock Chee would, upon re-election as a Director of the Company, remain as an Independent Director of the Company as well as the Chairman of the Remuneration Committee and a member each of the Audit Committee and the Nominating Committee and is considered independent of management.

In relation to this resolution, one of the shareholders raised a question and the details of the question and the answer in response thereto are recorded in Annex A as attached hereto.

Ms Tan seconded the motion proposed by the Chairman.

The voting result of the poll was as follows:

	Total Votes	Percentage of Total Votes (%)
For the Resolution	226,901,100	100
Against the Resolution	0	0

Based on the above result, the Chairman declared the motion carried and the following resolution was passed:

“Resolved that Mr Tham Hock Chee, who retires by rotation pursuant to Regulation 91 of the Company’s Constitution, be and is hereby re-elected as a Director of the Company.”

4. APPROVAL OF DIRECTORS’ FEES

Resolution 4 on the Agenda was to approve the payment of Directors’ fees for the financial year ended 31 December 2018. It was noted that the Board of Directors had recommended the payment of a sum of S\$99,000 as Directors’ fees for the financial year ended 31 December 2018.

In relation to this resolution, one of the shareholders raised a few questions and the details of these questions and the answers in response thereto are recorded in Annex A as attached hereto.

Ms Tan seconded the motion proposed by the Chairman.

The voting result of the poll was as follows:

	Total Votes	Percentage of Total Votes (%)
For the Resolution	226,901,100	100
Against the Resolution	0	0

Based on the above result, the Chairman declared the motion carried and the following resolution was passed:

“Resolved that the payment of Directors’ fees of S\$99,000 for the financial year ended 31 December 2018 be and is hereby approved.”

5. RE-APPOINTMENT OF AUDITORS

Resolution 5 on the Agenda was to re-appoint Foo Kon Tan LLP as the Company’s Auditors and to authorise the Directors to fix their remuneration.

In relation to this resolution, one of the shareholders raised a few questions and the details of these questions and the answers in response thereto are recorded in Annex A as attached hereto.

Ms Tan seconded the motion proposed by the Chairman.

The voting result of the poll was as follows:

	Total Votes	Percentage of Total Votes (%)
For the Resolution	226,901,100	100
Against the Resolution	0	0

Based on the above result, the Chairman declared the motion carried and the following resolution was passed:

“Resolved that Foo Kon Tan LLP be re-appointed as the Company’s Auditors and the Directors be authorised to fix their remuneration.”

SPECIAL BUSINESS:

6. SHARE ISSUE MANDATE

Resolution 6 on the Agenda was to seek the shareholders’ approval for the Directors to be granted the authority to allot and issue new shares and convertible securities in the Company, the details of which are set out in the text of the Ordinary Resolution in item 6 of the Notice of Annual General Meeting.

In relation to this resolution, one of the shareholders raised a few questions and the details of these questions and the answers in response thereto are recorded in Annex A as attached hereto.

Ms Tan seconded the motion proposed by the Chairman.

The voting result of the poll was as follows:

	Total Votes	Percentage of Total Votes (%)
For the Resolution	226,901,100	100
Against the Resolution	0	0

Based on the above result, the Chairman declared the motion carried and the following resolution was passed:

“Resolved that pursuant to Section 161 of the Companies Act, Cap. 50 (the “Act”) and Rule 806 of the Listing Manual (Section B: Rules of Catalist) of the Singapore Exchange Securities Trading Limited (“SGX-ST”), authority be given to the Directors of the Company to issue

shares (“**Shares**”) whether by way of rights, bonus or otherwise, and/or 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 to such persons as the Directors may, in their absolute discretion, deem fit provided that:

- (a) the aggregate number of Shares (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed hundred percent (100%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) (as calculated in accordance with sub-paragraph (b) below) in the capital of the Company at the time of the passing of this Resolution, of which the aggregate number of Shares and convertible securities to be issued other than on a pro rata basis to all shareholders of the Company (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) shall not exceed fifty percent (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 (b) below);
- (b) (subject to such manner of calculation and adjustments 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 (a) above, the total number of issued Shares (excluding treasury shares and subsidiary holdings) shall be based on the total number of issued Shares (excluding treasury shares and subsidiary holdings) of the Company as at the date of the passing of this Resolution, after adjusting for:
 - (i) new shares arising from the conversion or exercise of convertible securities;
 - (ii) new shares arising from exercising share options or vesting of Share awards outstanding or subsisting at the time this Resolution is passed; and
 - (iii) any subsequent bonus issue, consolidation or subdivision of shares;and in sub-paragraph (a) above and this sub-paragraph (b), “subsidiary holdings” has the meaning given to it in the Listing Manual of the SGX-ST, Section B: Rules of Catalist;
- (c) and that such authority shall, unless revoked or varied by the Company in general meeting, continue in force (i) until the conclusion of the Company’s next Annual General Meeting or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is earlier or (ii) in the case of shares to be issued in accordance with the terms of convertible securities issued, made or granted pursuant to this Resolution, until the issuance of such shares in accordance with the terms of such convertible securities.”

7. RENEWAL OF INTERESTED PERSON TRANSACTIONS MANDATE

Resolution 7 on the Agenda was to seek the shareholders’ approval for the renewal of the interested person transactions mandate (the “**IPM Mandate**”), the details of which are set out in the text of the Ordinary Resolution in item 7 of the Notice of Annual General Meeting.

The Chairman invited the shareholders to raise questions if they required clarification or had any queries pertaining to the resolution.

In relation to this resolution, one of the shareholders raised a few questions and the details of these questions and the answers in response thereto are recorded in Annex A as attached hereto.

Ms Tan seconded the motion proposed by the Chairman.

The voting result of the poll was as follows:

	Total Votes	Percentage of Total Votes (%)
For the Resolution	226,901,100	100
Against the Resolution	0	0

Based on the above result, the Chairman declared the motion carried and the following resolution was passed:

“Resolved That:

- (a) approval be and is hereby given, for the renewal of the IPT Mandate for the purposes of Chapter 9 of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) (“**Chapter 9**”), for the Company, its subsidiaries and associated companies that are considered to be “entities at risk” under Chapter 9, or any of them, to enter into the interested person transactions pursuant to Chapter 9 (“**IPTs**”) with the Interested Persons, particulars of which are set out in the Letter to Shareholders dated 9 April 2019 provided that such transactions are (i) made on normal commercial terms and will not be prejudicial to the interest of the Company and its minority shareholders and (ii) in accordance with the review procedures for such IPTs;
- (b) the IPT Mandate shall, unless revoked or varied by the Company in general meeting, continue in force until the conclusion of the next annual general meeting of the Company;
- (c) the Non-Interested Directors of the Company and each of them be and are hereby authorised to do all acts and things as they or each of them deem desirable, necessary or expedient to give effect to the IPT Mandate as they or each of them may in their or each of their absolute discretion deem fit in the interests of the Company; and
- (d) the Audit Committee of the Company be and is hereby authorised to take such action as it deems proper in respect of procedures and/or to modify or implement such procedures as may be necessary to take into consideration any amendment to Chapter 9 which may be prescribed by the SGX-ST from time to time.

8. TERMINATION

There being no other business to transact, the Chairman declared the Annual General Meeting of the Company closed and thanked everyone for their attendance.

Sam Kok Yin
Chairman of the Meeting

Notes:

Definitions

“Audit Committee” means the audit committee of the Company which comprises of Mr Chan Cher Boon, Mr Tham Hock Chee and Mr Francis Yau Thiam Hwa.

"Interested Persons" means interested person(s) of the Company who fall within the IPT Mandate, as further described in section 5 of the Letter to Shareholders.

"IPs" has the meaning ascribed to it in section 3.2 of the Letter to Shareholders.

“Non-Interested Directors” means the Directors who are deemed to be independent for the purposes of making a recommendation on the IPT Mandate, namely, Mr Sam Kok Yin, Mr Jiang Hao, Mr Chan Cher Boon, Mr Tham Hock Chee and Mr Francis Yau Thiam Hwa.

ANNEX A

QUESTIONS RAISED BY SHAREHOLDERS AT THE COMPANY'S ANNUAL GENERAL MEETING HELD ON 24 APRIL 2019 IN RELATION TO THE RESOLUTIONS AND THE RESPONSES MADE IN RELATION THERETO

(Capitalised terms used in this Annex A have the same meaning as their respective definitions in the minutes of the Annual General Meeting held on 24 April 2019 and the Company's 2018 Annual Report.)

NO.	QUESTIONS	RESPONSES
<u>Resolution 1 – Adoption of the Directors' Statement and the Audited Financial Statements for the financial year ended 31 December 2018 together with the Auditors' Report</u>		
1.	Shareholder A referred to <i>paragraph 2 on page 4</i> of the Company's annual report whereby it was stated that the Company and its subsidiaries (the " Group ") recorded US\$413.4 million of revenue, mainly arising from the chemical trading business undertaken by the Group's wholly-owned subsidiary, Orient-Salt Chemicals Pte. Ltd. and its subsidiaries (the " OSC Group "). Shareholder A queried on the reason for no dividend declared.	<p>Mr Sam Kok Yin ("Mr Sam") clarified that the US\$413.4 million recorded was revenue and not profit. Mr Sam noted that this revenue of US\$413.4 million mainly arise from the OSC Group, which engages in the trading of chemicals, i.e. buying and selling of chemicals. Mr Sam explained that whilst the revenue for trading of chemicals was high, the profit margin was low.</p> <p>Mr Sam referred to <i>paragraph 2 on page 4</i> of the Company's annual report and further explained that even though the OSC Group had achieved a profit after tax of US\$1.4 million, the profit was at subsidiary level. Mr Sam added that there was a loss recorded at the Group level due mainly to non-cash item(s). Mr Sam referred to the depreciation of the Company's factory in Singapore and the issue of bonds and warrants in 2017 as examples of non-cash item(s).</p> <p>Mr Sam addressed Shareholder A's concern of no dividend declared and noted that moving forward, the Company will consider declaring dividend if there are profits.</p>
2.	Shareholder A noted that whilst the revenue of the OSC Group was high, the net profit of the OSC Group was only US\$1.4 million. Shareholder A queried on the huge difference between the revenue and net profit of the OSC Group.	Mr Sam reiterated that it was due mainly to a low profit margin, which was in line with the nature of the business of the OSC Group, i.e. trading of chemicals. Mr Sam explained that trading of chemicals consists of buying and selling chemicals only and there would not be any capital expenditure, therefore the profit margin would typically be very low.
3.	Shareholder A queried if the net profit could be increased.	Mr Sam noted that whilst the Company could increase the net profit, the risks will increase correspondingly as well. Mr Sam explained that the Company could require their sales team to deliver higher results, but the sales team would have to undertake more risks. Mr Sam noted that the Company does not wish to encourage their

		sales team to undertake such risks and the Company only stocks what is necessary. Mr Sam further noted that the Company is working on improving the net profit by changing the mix of the chemicals that the Company deals with.
<u>Resolution 3 – Re-election of Mr Tham Hock Chee</u>		
4.	Shareholder A queried on Mr Tham Hock Chee’s (“Mr Tham”) length of service as a Director of the Company.	Mr Sam noted that Mr Tham had been with the Company since 2 January 2015.
<u>Resolution 4 – Approval of Directors’ fees</u>		
5.	Shareholder A commented that the Directors’ fees of S\$99,000 was high and queried if the Directors’ fees of S\$99,000 was for one Director only and if they are paid in arrears.	Mr Sam clarified that the Directors’ fees of S\$99,000 was for the three Independent Directors and payment is in arrears.
6.	Shareholder A queried whether the Directors’ fees would be reduced if the Company does not perform well.	Mr Sam clarified that the Directors’ fees are in line with market rates. Mr Sam noted that the Directors are mindful of the costs but there are other ways to manage costs as well. Mr Sam added that conversely, if the Company performs well, the Company could also consider increasing the Directors’ fees to be fair.
<u>Resolution 5 – Re-appointment of Auditors</u>		
7.	Shareholder A queried on the Auditors’ length of service with the Company.	Mr Sam noted that the Auditors had been with the Company for many years, since before the current Management.
8.	Shareholder A queried if the Auditors’ fees were competitive compared to other audit firms. Shareholder A commented that the Company should not go for branded audit firms.	Mr Sam stated that the Auditors’ fees quoted by Foo Kon Tan LLP was competitive given the level of service and work provided.
<u>Resolution 6 – Share Issue Mandate</u>		
9.	Shareholder A queried if the Company would be relying on the share issue mandate after the approval of the same.	Mr Sam clarified that as at the date of the Annual General Meeting, the Company did not have any intention to issue and allot new shares and convertible securities.
10.	Shareholder A queried on the frequency of the Company undertaking rights issue.	Mr Sam clarified that the Company would not undertake securities offering if there was no requirement for additional cash. Mr Sam added that the Company would not issue shares for the sake of issuing shares as it will dilute shareholding of Shareholders.
11.	Shareholder A opined that he hopes that the Company would not practice rights issue as the shares would become diluted.	Mr Sam replied in the affirmative. Mr Sam reiterated that the Company would not issue shares for the sake of issuing shares as it will dilute shareholding of Shareholders.
12.	Shareholder A queried if the Company would consider placement since it was cheaper.	Mr Sam noted that placement and rights issue are two different offerings and in deciding which type of offering to do, it is more than a matter of fees.

Resolution 7 – Renewal of Interested Person Transactions Mandate

13.	Shareholder A queried if there were any interested person transactions.	Mr Sam referred to the Letter to Shareholders on the interested person transactions and noted that the details of these transactions could be found inside the Letter to Shareholders.
<u>Others</u>		
14.	Shareholder A queried about the sale of the Company's factory.	Mr Sam noted that the Company is open to selling the factory and is looking for buyers. Mr Sam noted that the Company is exploring ways to use the factory, including for paper management, pending the sale.