

## INTERNATIONAL CEMENT GROUP LTD.

("the Company")

(Co. Reg. No. 201539771E)

(Incorporated in the Republic of Singapore)

Minutes of the Annual General Meeting of the Company held at Kent Ridge Guild House, Evans Room at 9 Kent Ridge Drive, Singapore 119241 on 29 April 2019 at 10.30am.

Present	:	Members – 8 Proxy – 7 (see attendance list)	
		Directors:-	
		Mr Ma Zhaoyang	- EC
		Mr Chng Beng Hua	- ED
		Mr Kan Ah Chye @ Kan Poh Thong	- ID, Lead Independent Director
		Ms Lisa Sam Hui Min (Lisa Cen Huimin)	- ID
		Mr Sin Ee Wuen (Xian Yiwen)	- ID
Absent with apologies		Mr Zhang Zengtao	- NINED
In Attendance	:	Ms Lee Zhen Jesica Ms Ong Yee Nei Ms Kong Siew Lee	- CFO / Company Secretary - Secretariat - Secretariat
By Invitation	:	Ms Grace Zhao Mr Milton Chng  Ms Ling Su Min Mr Wu Zern Chin	- General Counsel - Assistant General Manager (Corporate Affairs) - KPMG LLP - KPMG LLP
Others	:	As per attendance list	

EC: Executive Chairman

ED: Executive Director

ID: Independent Director

NINED: Non-Executive Non-Independent Director

CFO: Chief Financial Officer

### CHAIRMAN

Mr Chng Beng Hua ("Chairman"), an ED of the Company presided as Chairman of the Meeting. On behalf of the Board of Directors ("the Board"), he welcomed all present.

The Chairman informed the members that Mr Zhang Zengtao, a NINED of the Company, had sent his apologies for not being able to be present at this Meeting due to prior commitments.

### QUORUM

The Secretary confirmed that a quorum was present. Chairman declared the meeting opened at 10.30am.

## **NOTICE**

The Notice convening the Meeting, having been in the hands of the shareholders for the requisite statutory period, was, with the permission of the members, taken as read.

## **COMMENCEMENT OF MEETING**

Chairman informed the members present that in compliance with Rule 730A(2) of the Listing Manual and pursuant to Article 69(2)(i) of the Constitution of the Company which empowers the Chairman of the Meeting to demand for a poll on the resolutions set forth at the Meeting, he shall exercise his right as the Chairman of this Meeting to demand that all resolutions as set out in the Notice of this Meeting be voted on by way of a poll.

Chairman proposed that for ease of operation, the Meeting shall go through all the agenda items first by getting a proposer and a seconder for the proposed motions and provide opportunities to members to ask questions. The poll would then be taken after that.

Chairman informed the members that the Company had appointed Entrust Advisory Pte. Ltd. ("EA") and Tricor Evatthouse Corporate Services ("Tricor") as the scrutineers and poll counting agent respectively for the poll exercise. EA and Tricor would assist with the verification and counting of votes as well as the tabling of the voting results. Chairman invited the representative from EA to brief the members on the polling procedures.

## **ORDINARY BUSINESS**

### **1. DIRECTORS' REPORT AND AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018**

The Board of Directors tabled the Directors' Report and Audited Financial Statements ("AFS") for the financial year ended 31 December 2018 ("FY2018") together with the Auditors' Report thereon for adoption by the members.

Chairman invited the floor for questions.

The following were the questions raised by Messrs Chew Ah Kong and Chong Ah Pok pertaining to the AFS for FY2018. Their queries were duly answered by the Board and the Management. The questions and answers are summarized below:-

- (1) The consolidated statement of profit and loss had combined the revenue for the aluminium and cement business segments. What is the breakdown of the revenue for each business segment?

CFO responded that the breakdown of the revenue for each of the business segments has been disclosed on page 93 of the Company's Annual Report 2018 ("AR 2018") under Note 25 on 'Operating segments'.

- (2) What has the Company done to achieve the revenue and profits for the cement business segment?

CFO responded that the revenue and profits before tax of S\$94.796 million and S\$36.184 million respectively for the cement business segment for FY2018 was mainly generated from the Company's cement plant located in Tajikistan.

- (3) Who are your cement customers?

CFO responded that about 50% of the cement customers (50%) are located in Tajikistan and the rest are from Afghanistan and Uzbekistan. Contribution of revenue from customers in Tajikistan, Afghanistan and Uzbekistan has been disclosed on page 94 of the AR 2018 under Note 25 on 'Operating segments'.

- (4) Is the Company capitalizing on the Belt and Road initiatives?

CFO responded that the Company saw the opportunities arising from the Belt and Road initiatives and identified Central Asia as the place to set up/operate the cement business.

- (5) Is Mr Zhang Zengtao ("Mr Zhang") the Managing Director of the Company?

Chairman responded that Mr Zhang had stepped down as the Managing Director/Chief Executive Officer on 08 March 2019 when the listing status of Compact Metal Industries Ltd. was transferred to the Company following the completion of the Scheme of Arrangement on 06 March 2019. Mr Zhang has remained on the Board as a Non-Independent Non-Executive Director of the Company.

- (6) The Company has made profits in FY2018. Why did the Company not declare a dividend for FY2018? Are the profits sustainable?

Chairman explained that the Company is still expanding its cement business and needs the funds for expansion. The Company's cement plant in Kazakhstan is under construction and it should be completed by end of the year. Once the Kazakhstan plant is completed and commences operations, it will be able to contribute revenue and profits to the Company.

- (7) Is the profit of S\$26.7 million from the cement business genuine?

Ms Ling Su Min ("Ms Ling"), the partner in-charge from KPMG LLP, the Company's external auditors explained that KPMG Singapore had worked with the KPMG's overseas office which audited the relevant entity's financials for FY2018. The auditors had verified the revenue, cash, contracts and receivables of the overseas entity.

- (8) Does the Company have any plan to consolidate the shares?

Chairman said that the Company has to exit from the Minimum Trading Price ("MTP") watch-list by June 2020, the deadline given by the Singapore Exchange Securities Trading Limited. The Board will decide by middle of the year whether to consolidate the shares to meet the MTP requirement before the deadline.

- (9) Referring to Note 20 on 'Revenue' on page 85 of the AR 2018, the shareholder wanted to know if the revenue of S\$11.974 million for construction contracts were made on completed or non-completed contracts.

Ms Ling explained that for construction contracts, revenue cannot be recognised if the work has not been performed. The revenue can only be recognised if the work has been performed and certified by the customers, in

accordance with the Group's accounting policies. For the sale of cement, the revenue is recognised upon delivery of the cement to the customers.

(10) What is the amount of the uncompleted contracts?

CFO highlighted that the Company had disclosed the order book for the Aluminium segment as at 31 December 2018 in its fourth quarter 2018 results announcement. The revenue recognized in the profit and loss of the Group for FY2018 represented contracts from both completed and uncompleted projects where work has been performed and certified by the customers during FY2018. Whereas, the actual cost incurred during FY2018 in the execution of these projects had been recognized in the profit and loss of the Group for FY2018.

There being no further questions on the AFS, the following motion was proposed by Mr Milton Chng (Proxy) and seconded by Mr Cai Qiangsheng (Proxy):

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

## **2. RE-ELECTION OF MR CHNG BENG HUA AS A DIRECTOR**

Chairman informed that Resolution 2 was to re-elect Mr Chng Beng Hua as a Director of the Company. As he was the subject of the proposed resolution, he handed the Chair to Mr Kan Ah Chye @ Kan Poh Thong ("Mr Kan"), the Lead Independent Director.

Mr Kan took over the Chair. He informed the members that in accordance with Article 106 of the Constitution of the Company, Mr Chng would have to retire from office at the close of this Meeting, and being eligible, he had offered himself for re-election. Mr Kan informed the members that Mr Chng, if re-elected, would remain as the Executive Director of the Company.

There being no questions raised, the following motion was proposed by Mr Milton Chng (Proxy) and seconded by Mr Cai Qiangsheng (Proxy):

"That Mr Chng Beng Hua be re-elected as a Director of the Company."

Having finished with the agenda item, Mr Kan handed the Chair back to the Chairman.

## **3. RE-ELECTION OF MR KAN AH CHYE @ KAN POH THONG AS A DIRECTOR**

Chairman informed that Resolution 3 was to re-elect Mr Kan Ah Chye @ Kan Poh Thong ("Mr Kan"). In accordance with Article 106 of the Constitution of the Company, Mr Kan would have to retire from office at the close of this Meeting, and being eligible, he had offered himself for re-election. The Chairman informed the members that Mr Kan, if re-elected, would remain as the Chairman of the Audit Committee and Remuneration Committee and a member of the Nominating Committee. Mr Kan is considered independent for the purpose of Rule 704(8) of the Listing Manual of the Singapore Exchange Securities Trading Limited.

There being no questions raised, the following motion was proposed by Mr Milton Chng (Proxy) and seconded by Mr Cai Qiangsheng (Proxy):

“That Mr Kan Ah Chye be re-elected as a Director of the Company.”

#### **4. RE-ELECTION MS LISA SAM HUIMIN (LISA CEN HUIMIN) AS A DIRECTOR**

Chairman informed that Resolution 4 was to re-elect Ms Lisa Sam Huimin (Lisa Cen Huimin) (“Ms Sam”). In accordance with Article 106 of the Constitution of the Company, Ms Sam would have to retire from office at the close of this Meeting, and being eligible, she had offered herself for re-election. Chairman informed the members that Ms Sam, if re-elected, would remain as the Chairman of the Nominating Committee and a member of the Audit Committee and the Remuneration Committee. Ms Sam is considered independent for the purpose of Rule 704(8) of the Listing Manual of the Singapore Exchange Securities Trading Limited.

There being no questions raised, the following motion was proposed by Mr Milton Chng (Proxy) and seconded by Mr Cai Qiangsheng (Proxy):

“That Ms Lisa Sam Huimin (Lisa Cen Huimin) be re-elected as a Director of the Company.”

#### **5. RE-ELECTION OF MR SIN EE WUEN (XIAN YIWEN) AS A DIRECTOR**

Chairman informed that Resolution 5 was to re-elect Mr Sin Ee Wuen (Xian Yiwen) (“Mr Sin”). In accordance with Article 106 of the Constitution of the Company, Mr Sin would have to retire from office at the close of this Meeting, and being eligible, he had offered himself for re-election. The Chairman informed the members that Mr Sin, if re-elected, would remain as the member of the Audit Committee and Remuneration Committee.

There being no questions raised, the following motion was proposed by Mr Milton Chng (Proxy) and seconded by Mr Cai Qiangsheng (Proxy):

“That Mr Sin Ee Wuen (Xian Yiwen) be re-elected as a Director of the Company.”

#### **6. DIRECTORS' FEES FOR THE FINANCIAL YEAR ENDING 31 DECEMBER 2019**

Chairman informed that the Directors had recommended payment of Directors' Fees of S\$185,000.00 for the financial year ending 31 December 2019 and had requested members' approval to grant the authority to the Directors to exercise the option of paying the said fees quarterly in arrears.

There being no questions raised, the following motion was proposed by Mr Milton Chng (Proxy) and seconded by Mr Cai Qiangsheng (Proxy):

“That the payment of Directors' Fees of S\$185,000.00 for the financial year ending 31 December 2019 be approved and that the Directors be authorized to exercise the option of paying the said fees quarterly in arrears.”

#### **7. RE-APPOINTMENT OF AUDITORS**

The meeting was informed that the retiring auditors, Messrs KPMG LLP had

expressed their willingness to accept re-appointment as auditors for the financial year ending 31 December 2019.

There being no questions raised, the following motion was proposed by Mr Milton Chng (Proxy) and seconded by Mr Cai Qiangsheng (Proxy):

“That Messrs KPMG LLP be re-appointed as Auditors of the Company for the financial year ending 31 December 2019 and the Directors be authorized to fix their remuneration.”

## **8. OTHER BUSINESS**

The Secretary confirmed that no notice was received for transacting of any other business at this Meeting. Chairman moved on with the Special Business to be transacted at the Meeting.

## **SPECIAL BUSINESS**

### **9. AUDITED FINANCIAL STATEMENTS OF COMPACT METAL INDUSTRIES LTD.**

Chairman informed that under Special Business, Resolution 8 was to seek shareholders' approval is to receive and adopt the Audited Financial Statements of Compact Metal Industries Ltd. for the financial year ended 31 December 2018 together with the Directors' Statement and the Auditors' Report thereon.

Mr Chew Ah Kong enquired about the reason to have a separate agenda item to approve the Audited Financial Statements of Compact Metal Industries Ltd..

CFO explained that Compact Metal Industries Ltd. (“CMIL”) was the listed entity in FY2018 and the listing status was only transferred to the Company on 08 March 2019 following the completion of the Scheme of Arrangement on 06 March 2019 where CMIL became a wholly-owned subsidiary of the Company. Both CMIL and the Company share the same set of audited financial statements. At the Annual General Meeting of the Company, the Directors have to table the audited financial statements for shareholders' approval. As CMIL was the listed entity in FY2018, the legal counsel has advised that the Company should also seek shareholders' approval for the Audited Financial Statements of CMIL for the financial year ended 31 December 2018.

There being no further questions on the AFS, the following motion was proposed by Mr Milton Chng (Proxy) and seconded by Mr Cai Qiangsheng (Proxy):

“That the Audited Financial Statements of Compact Metal Industries Ltd. for the financial year ended 31 December 2018 together with the Directors' Report and Auditors' Report thereon be and are hereby received and adopted.”

### **10. AUTHORITY TO ISSUE SHARES**

Resolution 9 was to seek shareholders' approval for granting authority to the Directors to allot and issue shares in the capital of the Company pursuant to the provisions of Section 161 of the Companies Act, Cap 50 and the Listing Manual of Singapore Exchange Securities Trading Limited (“SGX-ST”).

There being no questions raised, the following motion was proposed by Mr Milton

Chng (Proxy) and seconded by Mr Cai Qiangsheng (Proxy):

“That pursuant to Section 161 of the Companies Act, Chapter 50, and the Listing Manual of SGX-ST, authority be and is hereby given to the Directors of the Company to:

- (a) (i) issue shares in the capital of the Company whether by way of rights, bonus or otherwise;
- (ii) make or grant offers, agreements or options that might or would require shares to be issued or other transferable rights to subscribe for or purchase shares (collectively, “Instruments”) including but not limited to the creation and issue of warrants, debentures or other instruments convertible into shares;
- (iii) issue additional Instruments arising from adjustments made to the number of Instruments previously issued in the event of rights, bonus or capitalisation issues,

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

- (b) (notwithstanding that the authority conferred by the shareholders may have ceased to be in force) issue shares in pursuance of any Instrument made or granted by the Directors while the authority was in force,

provided always that

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 Company’s total number of issued shares (excluding treasury shares), of which the aggregate number of shares (including shares to be issued in pursuance of Instruments made or granted pursuant to this resolution) to be issued other than on a pro rata basis to shareholders of the Company does not exceed 20% of the total number of issued shares (excluding treasury shares) in the Company, and for the purpose of this resolution, the total number of issued shares (excluding treasury shares) shall be the Company’s total number of issued shares (excluding treasury shares) at the time this resolution is passed, after adjusting for:

- (a) new shares arising from the conversion or exercise of convertible securities;
- (b) new shares arising from exercising 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 Listing Manual of the SGX-ST, and
- (c) any subsequent bonus issue, consolidation or subdivision of the Company’s shares, and such authority shall, unless revoked or varied by the Company at a general meeting, continue in force until the conclusion of the next AGM or the date by which the next AGM of the Company is required by law to be held, whichever is the earlier.”

## 11. CONDUCT OF THE POLL

As all the resolutions set forth at this Meeting had been duly proposed and seconded, the poll was duly conducted. Chairman adjourned the Meeting at 11.20am for the votes to be counted.

*While the votes were being counted, the CFO delivered a presentation on the cement business.*

## 12. DECLARATION OF POLL RESULTS

The Meeting resumed at 11.36am when the poll results were handed to the Chairman. Chairman then proceeded to declare the poll results:-

### 12.1 Resolution No. 1

With 4,733,166,450 votes for and 0 votes against, the motion was carried.

### 12.2 Resolution No. 2

With 4,734,666,450 votes for and 0 votes against, the motion was carried.

### 12.3 Resolution No. 3

With 4,733,165,450 votes for and 1,501,000 votes against, the motion was carried.

### 12.4 Resolution No. 4

With 4,734,666,450 votes for and 0 votes against, the motion was carried.

### 12.5 Resolution No. 5

With 4,734,665,450 votes for and 1,000 votes against, the motion was carried.

### 12.6 Resolution No. 6

With 4,733,135,300 votes for and 31,150 votes against, the motion was carried.

### 12.7 Resolution No. 7

With 4,734,665,450 votes for and 1,000 votes against, the motion was carried.

### 12.8 Resolution No. 8

With 4,733,165,300 votes for and 1,150 votes against, the motion was carried.

### 12.9 Resolution No. 8

With 4,733,161,450 votes for and 1,505,000 votes against, the motion was carried.

The poll results is annexed to this set of minutes and marked as 'Appendix A' for identification purpose.

## **CONCLUSION**

The Chairman thanked the shareholders for their attendance and declared the Meeting closed at 11.38am.

Signed as a correct record of proceedings

- *Signed* -

CHNG BENG HUA  
Chairman of the Meeting

**INTERNATIONAL CEMENT GROUP LTD.**  
("the Company")  
(Co. Reg. No. 201539771E)  
(Incorporated in the Republic of Singapore)

ANNUAL GENERAL MEETING HELD ON  
29 APRIL 2019

**POLL RESULTS**

<b>RESOLUTION 1</b>			
	<b>FOR</b>	<b>AGAINST</b>	<b>TOTAL NO. OF VALID VOTES</b>
NO. OF SHARES	<b>4,733,166,450</b>	<b>0</b>	<b>4,733,166,450</b>
PERCENTAGE	<b>100%</b>	<b>0%</b>	<b>100%</b>
<b>RESOLUTION 2</b>			
	<b>FOR</b>	<b>AGAINST</b>	<b>TOTAL NO. OF VALID VOTES</b>
NO. OF SHARES	<b>4,734,666,450</b>	<b>0</b>	<b>4,734,666,450</b>
PERCENTAGE	<b>100%</b>	<b>0%</b>	<b>100%</b>
<b>RESOLUTION 3</b>			
	<b>FOR</b>	<b>AGAINST</b>	<b>TOTAL NO. OF VALID VOTES</b>
NO. OF SHARES	<b>4,733,165,450</b>	<b>1,501,000</b>	<b>4,734,666,450</b>
PERCENTAGE	<b>99.9683%</b>	<b>0.0317%</b>	<b>100%</b>
<b>RESOLUTION 4</b>			
	<b>FOR</b>	<b>AGAINST</b>	<b>TOTAL NO. OF VALID VOTES</b>
NO. OF SHARES	<b>4,734,666,450</b>	<b>0</b>	<b>4,734,666,450</b>
PERCENTAGE	<b>100%</b>	<b>0%</b>	<b>100%</b>

## POLL RESULTS

<b>RESOLUTION 5</b>			
	<b>FOR</b>	<b>AGAINST</b>	<b>TOTAL NO. OF VALID VOTES</b>
NO. OF SHARES	4,734,665,450	1,000	4,734,666,450
PERCENTAGE	99.99998%	0.00002%	100%
<b>RESOLUTION 6</b>			
	<b>FOR</b>	<b>AGAINST</b>	<b>TOTAL NO. OF VALID VOTES</b>
NO. OF SHARES	4,733,135,300	31,150	4,733,166,450
PERCENTAGE	99.99934%	0.00066%	100%
<b>RESOLUTION 7</b>			
	<b>FOR</b>	<b>AGAINST</b>	<b>TOTAL NO. OF VALID VOTES</b>
NO. OF SHARES	4,734,665,450	1,000	4,734,666,450
PERCENTAGE	99.99998%	0.00002%	100%
<b>RESOLUTION 8</b>			
	<b>FOR</b>	<b>AGAINST</b>	<b>TOTAL NO. OF VALID VOTES</b>
NO. OF SHARES	4,733,165,300	1,150	4,733,166,450
PERCENTAGE	99.99998%	0.00002%	100%
<b>RESOLUTION 9</b>			
	<b>FOR</b>	<b>AGAINST</b>	<b>TOTAL NO. OF VALID VOTES</b>
NO. OF SHARES	4,733,161,450	1,505,000	4,734,666,450
PERCENTAGE	99.96821%	0.03179%	100%