



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

Minutes of the Fifteenth Annual General Meeting of the Company held at No. 71 Jalan Lekar, Singapore 698950 on Tuesday, 18 March 2014 at 11.00 a.m.

Present

Board of Directors/Company Secretary

1. Mr Kenny Yap Kim Lee
 - (i) Executive Chairman & Managing Director
 - (ii) Shareholder
 - (iii) Proxy for:
 - Qian Hu Holdings Pte Ltd
 - Ms Ang Kim Sua
 - Mr Gerard Charles Holland Oates
 - Mr Goh Ngian Boon
 - Mr Keh Boon Kheng
 - Mr Keith Andrew Ong Boon Kit
 - Mr Koh Kim Hoe
 - Mr Kwee Kim Kian
 - Mr Lee Kim Hwat
 - Mr Lim Boo Hua
 - Mr Lim Peng Chuan
 - Mr Lim Peng Yian
 - Mr Lim Yik Kiang
 - Mr Low Eng Hua
 - Mr Ng Kim Chai
 - Mr Ng Wah Hong
 - Ms Pae Bee Yong
 - Mr Poh Hock Eng
 - Mr Tan Boon Kee
 - Mr Tan Boon Kim
 - Mr Teoh Ai Huat
 - Mr Tho Thiam Chye
 - Ms Yap Ai Choo
 - Ms Yap Ai Hua
 - Ms Yap Ai Tin
 - Ms Yap Chew Ring
 - Ms Yap Chew See Susie
 - Mr Yap Hey Cha
 - Mr Yap Hock Huat
 - Mr Yap Kim Choon
 - Mr Yap Kim Chuan
 - Mr Yap Ping Heng
 - Ms Yap Saw Chin
 - Ms Yap Yock Ran
2. Mr Alvin Yap Ah Seng (Director)
Shareholder
3. Mr Andy Yap Ah Siong (Director)
Shareholder

Shareholders

1. Mr Hsien Yoong How
2. Ms Ho Hai Pang
3. Mr Choo Chee Kiong
4. Mr Chien Yuk Chun Dennis
5. Mr Sim Seng Yong
6. Mr Seah Chye Ann
7. Ms Ong Kim Key
8. Mr Lim Oh Teo
9. Mr Shiao Chung Chiang
10. Mr Ng Bak Seng
11. Ms Chong Aik Boo
12. Mr Chua Ghim Hock
13. Mr Chiam Hock Poh
14. Mr Ng Thin Kong
15. Mr Ng Guch Hwa
16. Mr Mccallum John Charles
17. Mr Oon Eng Hwa
18. Ms Ong Siang Ling
19. Mr Yeo Heng Kit
20. Mr Ow Yong Eng Seng
21. Mr Tan See Wah
22. Mr Tan Kwong Moh
23. Mr Goh Lian Teck
24. Mr Leong Seng Kei @ Tan Beng Guan
25. Ms Wong Ai Cheng
26. Mr Manohar P Sabnani
27. Mr Quek Soon Chong
28. Mr Goh Aik Tshin
29. Mr Lok Weng Kit
30. Ms Wong Po Kew
31. Mr Tong Wai Yean @ Tong Yean
32. Mr Chew Kim Hoong
33. Mr Sim Juay Cheow
34. Mr Tan Aik Hin

Proxies

35. Ms Chiam Heng Hsien
Proxy for Mr Ng Ah Leck
36. Mr Lin Jia Ren
Proxy for Mr Ng Ah Leck
37. Mr Chong Kim Leong
Proxy for Mr Ng Kim Yong
38. Ms Lim Yue Li
Proxy for Mr Lim Whay Chung
39. Ms Ng Guat Hwa
Proxy for Mr Lee Liang Seok



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Board of Directors/Company Secretary (cont'd)

4. Ms Lai Chin Yee (Director/Company Secretary)
Shareholder
5. Mr Chang Weng Leong (Director)
Shareholder
6. Mr Tan Tow Ee (Director)
Shareholder
7. Ms Sharon Yeoh Kar Choo (Director)

In Attendance

1. Ms Kum Chew Foong
KPMG LLP
2. Ms Ong May May
KPMG LLP
3. Ms Angeline Chiang
Corporate Alliance Pte. Ltd.
4. Ms Frannie Chuah
Corporate Alliance Pte. Ltd.
5. Ms Karen Goh
Corporate Alliance Pte. Ltd.
6. Mr Oli Lim
Corporate Alliance Pte. Ltd.
7. Mr Iskander Namazie
M & C Services Private Limited
8. Ms Amelia Wong
M & C Services Private Limited
9. Ms Christine Loh
M & C Services Private Limited

Proxies (cont'd)

40. Mr Tan Tian Siew
Proxy for Ms Hoe Quee Mui

Observer

41. Ms He Min Hong (Yang Xin Hao)

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. 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.



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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 Articles of Association of the Company. The meeting also noted that under the Articles of Association, 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.

Chairman announced that polling services would be provided by M & C Services Private Limited (“M & C”).

The meeting noted that there would be nine 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.

Chairman then invited Ms Christine Loh, representative of M & C to brief the meeting on the polling procedures.

ORDINARY BUSINESS

1. Adoption of Reports and Financial Statements

The following Ordinary Resolution No. 1 was proposed by Chairman and seconded by Mr Shiao Chung Chiang:-

“That the Directors’ Report and Audited Accounts for the financial year ended 31 December 2013 and the Auditors’ Report thereon be and are hereby received and adopted.”

Chairman then invited questions from shareholders on the Reports and Financial Statements for the financial year ended 31 December 2013 (“FY 2013”).

Mr Manohar P Sabnani (“Mr Mano”), a shareholder, complimented the informative Annual Report 2013 (“Annual Report”). Chairman thanked him and informed that the Group has considered comments made by various shareholders during the previous AGMs. As such, it has increased its coverage on the Group’s accessories business in its Annual Report. He added that in this Annual Report, which has a “magazine style” design, there is ample write-up and introduction of the Group’s new range of innovative accessories products.

Mr Mano also praised the Company for scheduling its AGM as early as in mid-March, which is ahead of many other listed companies having the same financial year end.

Although there was an improvement in the Group’s profitability in FY 2013, Mr Mano was concerned about the overall performance of the Group. Referring to page 28 of the Annual Report, he highlighted that the net profit attributable to equity holders for FY 2013 was \$302K, which was lower than the CEO’s pay of approximately \$304K as disclosed on page 133 of the Annual Report. He further commented that while the loss of \$9.1 million incurred in FY 2012 was due to the disposal of a major subsidiary in Malaysia, the Group did manage to register higher net profit of approximately \$6.5 million, \$4.2 million and \$3.5 million in FY 2009, FY 2010 and FY 2011 respectively. With the reduction in earnings, the Group’s financial ratios had deteriorated over the years. The market capitalisation of the Company stood at \$39.05 million as at 13 January 2014 (first trading day after the announcement of its audited results) as compared to \$74.02 million as at 12 January 2010. Mr Mano would like to know of the Group’s business plan on turning in a respectable return going forward.



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Chairman admitted that the Group has not performed up to expectation for the past few years and the reasons were explained in the Group's annual reports/SGXNET announcements as well as at the past relevant AGMs. Since FY 2010, the Group's ornamental fish export business was affected by the prolonged period of uncertainties and continuous weakening purchasing sentiments from the European markets. Simultaneously, its Dragon Fish sales were faced with intense price competition caused by the oversupply of these fish which has resulted in a significant dip in the Group's overall revenue and profitability. Despite the multiple whammy, the Group had never remained status quo. It continued to enhance its productivity as well as to strengthen its market capability so as to create opportunities in new markets. Chairman emphasised that in moving to the next level of growth, innovation has become a vital strategic thrust for Qian Hu, a key to the industry's long term sustainability.

Chairman elaborated that the Group has many initiatives in the pipeline in relation to innovations. Moving forward, Qian Hu will gradually enter into the phase to becoming a company powered by technology & innovation and not merely a service provider of ornamental fish and related accessories. Since FY 2012, the Group has managed to incorporate certain technologies into its own innovative products which have created positive impact and could revolutionise the ornamental fish industry. These innovation products and efforts had won Qian Hu the Innovation Excellence Award, awarded by SPRING Singapore, at the Business Excellence Awards 2013. This award is the highest accolade given to innovative organisations in Singapore and is based on the business excellence niche standard for innovation. He added that as part of the stringent review process stipulated by the SPRING assessors, the Group had shared with these assessors what the Group has lined-up in respect of innovation in great confidentiality. Unfortunately, such information will remain as trade secrets which cannot be disclosed to the shareholders and to the public.

At this juncture, Mr Tan Tow Ee, Chairman of the Audit Committee, commented that the Group had spent a lot of research money on the innovative products featured on pages 6 and 7 of the Annual Report. He commented that these products, especially the HYDRA STREAM and the AR-G1 Arowana pellet feeds, are newly innovative products which are totally different from the traditional ones. He felt that the market has yet to not know of the value and the potential of such products can bring to the Group.

As to the comment on the CEO's pay was higher than the net profit of the Group in FY 2013, Chairman felt that the Qian Hu's co-founders had shown discipline by not increasing their salary for the last two years as well as forgoing all their bonus entitlement. With strict discipline instilled in the management team and that no one should take advantage of the situation, he vowed to continue to strategise the transformation of the Group and is set to build a company that can last through generations, not only in sustaining profitability, but placing a high priority on the various expectations of stakeholders as well. He is confident that when the Group makes a return, it will come back in a different form and with stronger fundamentals. Chairman asked shareholders to be patient and allow the management some time in making such a return. He urged for shareholders to believe in the Company, the management team and its impending future as he felt that Qian Hu is one of the listed SMEs in Singapore with much potential.

Making reference to pages 32 and 33 of the Annual Report, Mr Mano sought clarification on the low profit margins derived from both the Group's ornamental fish and accessories business segments. He agreed with Mr Tan Tow Ee that the new innovative products should have potential markets; however, the sale of these products did not seem to have lifted the profit



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margins in FY 2013. He would like to know from management if there is any solution to improve the overall profit margins of the Group.

Ms Lai Chin Yee, Finance Director, replied that the profitability of the Group's ornamental fish segment was affected by the swift decline in the selling prices of Dragon Fish since FY 2012 due to its oversupply, coupled with the gradual increase in overall operational costs as thorough efforts were made to expand market share. Nonetheless, the profit margin from this business segment had recuperated as the selling prices of these fish had stabilised by the end of the 1st half of 2013. The Group should see a steady growth in its ornamental fish's revenue and profitability in FY 2014. She further informed that the resilience of the ornamental fish export business had continued to turn in improved revenue and generate respectable profit margins.

As for the accessories business segment, Chairman pointed out that the innovation products were mostly launched in the 2nd half of 2013. As such, time is needed to penetrate markets and to realise the full potential of these new products. The Group would prefer to familiarise its customers with these innovative products through a learning process before the customers could appreciate the revolutionary nature of these products. He is convinced that Qian Hu is moving towards the right direction and that positive results should be reflected in the Group's performance for FY 2014.

In reply to Mr Mano's enquiry on whether these innovative products are patented, Chairman confirmed affirmative.

Chairman shared that it is one of the Group's vision objectives to be the world Number 1 ornamental fish exporter. Currently, Qian Hu exports ornamental fish to more than 80 countries around the world from its export hubs in Singapore, Malaysia, Thailand, Indonesia and China, capturing more than 5% of the global market share in terms of ornamental fish export. Its long-term goal is to gradually increase its global market share to 10% and to be able to export ornamental fish to more than 100 countries – this will make Qian Hu the top ornamental fish exporter in the world.

Looking at the current situation, Mr Mano followed-on to enquire if the Company has played out the worst scenario on what can go wrong with the Dragon Fish market. Chairman replied that although the Group experienced a huge loss on the disposal of Kim Kang Aquaculture Sdn Bhd ("Kim Kang") in FY 2012 (the "Disposal") when the Group's Dragon Fish business was faced with intense competition as a result of the oversupply of mass market Dragon Fish which has exerted a downward pressure on selling prices of these fish, it was a timely decision to enable the Group to unlock the value of assets in Kim Kang and to allow the Group to rationalise its financial and capital resources. Citing the Disposal as an example, Chairman has no doubt that the management team is capable of handling different scenarios in the best interest of the Group. In that respect, he was positive that Qian Hu would survive without the Dragon Fish business.

On the protection of the intellectual property ("IP") of the Company, another shareholder, Mr Chew Kim Hoong ("Mr Chew"), commented that certain smaller and less established entities in China generally do not respect IP rights. He would like to know what precautions Qian Hu has undertaken to prevent imitation of the Group's innovative products.

Chairman clarified that certain companies chose not to patent their IPs as their products may involve only straightforward steps/procedures. In addition, the IP registration process would



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require comprehensive disclosure of such rights. He informed that the IPs owned by the Group is deemed advanced and sophisticated such that even with full disclosure it would not be easily comprehended, let alone copying.

Mr Chew cautioned that the revenue and profit margins of a traditional technology company could subject to volatility due to the possible availability of imitation products. To this, Chairman explained that once Qian Hu has embarked to be a company powered by technology with in-built of innovation as part of the Company's culture, it will not rely on just the existing innovative products. There should be more new star products developed each year to embrace the changing environment and to continue differentiating Qian Hu from its competitors.

On the amount due from Guangzhou Qian Hu Aquarium and Pets Accessories Manufacturing Co., Ltd ("GZQH"), a former subsidiary of the Group, which was guaranteed by a major shareholder of the Company of approximately \$11.5 million as at 31 December 2013 as mentioned on page 124 of the Annual Report, Mr Goh Lian Teck, one of the shareholders present, enquired the estimated timeframe for the repayment of this outstanding amount. Chairman informed that as mentioned in the previous AGMs, as there is still on-going business relationship with GZQH, the management had formalised a plan with the management of GZQH to reduce the outstanding amount substantially within four to five years after the divestment in the 4th quarter of 2011.

Another shareholder, Mr Sim Juay Cheow ("Mr Sim"), gave his personal compliment to the Chairman on his contribution to the Company which represents a strong Singapore brand in the market.

Mr Sim then referred to the tenure of the leasehold land parcel, 69 & 71 Jalan Lekar, which was renewable every three years, and would like to know whether the revised rental charges has increased, hence affecting the profitability of the Company. He also enquired how the white paper on the proposed re-development of the Sungei Tengah & its surrounding area would affect the said leasehold land. Chairman commented that the Singapore Land Authority (SLA) has extended the lease term of the leasehold land in November 2013 for three years with a lower rental rate. As to the future lease terms upon renewal in Year 2016, he explained that the Animal and Veterinary Authority (AVA) is currently working on and would emerge with a formula to measure the productivity and innovation efforts implemented on the leasehold land as a basis to determine the period of lease eventually. In any case, he understood that the leasehold land was catered for agriculture, green space and recreation purposes.

As there were no further questions, Ordinary Resolution No. 1 was put to a vote by poll. Shareholders were informed to cast their votes on the polling slips provided.

It was noted that the polling slip would be collected by M & C, acting as Scrutineers ("Scrutineers"), for verification after all nine resolutions put to the AGM had been voted upon.



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2. Declaration of final dividend

The following Ordinary Resolution No. 2 was duly proposed by Chairman and seconded by Mr Shiao Chung Chiang:-

“That a final dividend of 0.1 cents per ordinary share one-tier tax exempt for the financial year ended 31 December 2013 be paid on 15 April 2014 to members registered in the books of the Company on 2 April 2014.”

Another shareholder present, Mr Chua Ghim Hock (“Mr Chua”), pointed out that although it is the Group’s intention to move towards becoming a debt-free company with high dividend payout, referring to pages 36 and 37 of the Annual Report, it was indicated that there was reduction in bank borrowings from \$16.9 million in FY 2009 to \$13.0 million in FY 2013; nonetheless, the dividend payout in FY 2013 has not increased as compared to FY 2009. He asked for a specific timeframe of when the Company can be debt-free. Chairman replied that becoming a debt-free company with a high dividend payout is a general direction set by the Board. As to when it can be achieved would depend on the Group’s results and the amount of cash flow generated from its operations. He added that the profitability of the Group was adversely affected by its sluggish performance in the past few years. However, it was still able to generate cash to reduce its bank borrowings as well as for the payment of dividends, although the rate was slow. Chairman emphasised that the proposed dividend payout each year has to take into consideration the Group’s profit growth, the cash position, positive cash flow generated from operations and the projected capital requirements for business growth.

Mr Chua further commented that as the performance of a technology-related company could be unpredictable, he is of the view that it does not seem to align with the Group’s direction of becoming a debt-free and high dividend payout company. Chairman replied that Qian Hu has no intention to turn into a typical technology company which could be faced with instability in performance. He reiterated that the export of ornamental fish and the distribution of accessories continue to be the core business activities of the Group. The process of transformation is to utilise technology to enhance productivity and to develop innovative products so as to further differentiate itself from other industry players. Technology is an added element to its sustainability and a new perspective of looking at the business model. It enables the Company to realise its concept of being a next generation ornamental fish company.

As there were no further questions, Ordinary Resolution No. 2 was put to a vote by poll. Shareholders were informed to cast their votes on the polling slips provided.

3. Re-election of Director – Mr Alvin Yap Ah Seng

Chairman informed the meeting that Mr Alvin Yap Ah Seng, Mr Andy Yap Ah Siong and Mr Tan Tow Ee retired as directors pursuant to Article 89 of the Company’s Articles of Association. All three directors had consented to offer themselves for re-election. The meeting would vote on the re-election one at a time.

The following Ordinary Resolution No. 3 was duly proposed by Chairman and seconded by Mr Mano: -

“That Mr Alvin Yap Ah Seng, who retired pursuant to Article 89 of the Company’s Articles of Association, being eligible and offering himself for re-election be and is hereby re-elected as Director of the Company.”



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As there were no questions, Ordinary Resolution No. 3 was put to a vote by poll. Shareholders were informed to cast their votes on the polling slips provided. Mr Alvin Yap Ah Seng abstained from voting.

4. Re-election of Director – Mr Andy Yap Ah Siong

The following Ordinary Resolution No. 4 was duly proposed by Chairman and seconded by Mr Goh Lian Teck: -

“That Mr Andy Yap Ah Siong, who retired pursuant to Article 89 of the Company’s Articles of Association, 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 on the polling slips provided. Mr Andy Yap Ah Siong abstained from voting.

5. Re-election of Director – Mr Tan Tow Ee

The following Ordinary Resolution No. 5 was duly proposed by Chairman and seconded by Ms Lim Yue Li: -

“That Mr Tan Tow Ee, who retired pursuant to Article 89 of the Company’s Articles of Association, 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. 5 was put to a vote by poll. Shareholders were informed to cast their votes on the polling slips provided. Mr Tan Tow Ee abstained from voting.

It was noted that Mr Tan Tow Ee would be considered an independent director of the Company, and would remain a member of the Nominating Committee, Remuneration Committee and the Chairman of the Audit Committee.

6. Approval of Directors' Fees

Chairman informed shareholders that at this AGM, shareholders’ approval would be sought on the payment of director’s fee of \$30,000 to Mr Tan Tow Ee (Chairman of the Audit Committee) and \$25,000 each to Mr Chang Weng Leong and Ms Sharon Yeoh, totaling \$80,000/- (as per FY 2012 – \$80,000/-).

It was noted that the executive directors did not receive directors’ fees.

The following Ordinary Resolution No. 6 was duly proposed by Chairman and seconded by Mr Shiao Chung Chiang:-

“That the payment of Directors’ fees of \$80,000/- for the financial year ended 31 December 2013 be and is hereby approved.”



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As there were no questions, Ordinary Resolution No. 6 was put to a vote by poll. Shareholders were informed to cast their votes on the polling slips provided. Mr Chang Weng Leong and Mr Tan Tow Ee abstained from voting.

7. Re-appointment of Auditors

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

The following Ordinary Resolution No. 7 was duly proposed by Chairman and seconded by Mr Shiao Chung Chiang:-

“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.”

A shareholder, Mr Ow Yong Eng Seng, would like to know whether it was necessary for the Company to engage a big four auditing firm (i.e. KPMG LLP) as the Company’s external auditors. He was of the view that the Company would be able to save cost by engaging a second-tier auditing firm. To this, Chairman commented that the Audit Committee reviews the cost effectiveness of the audit and the independence and objectivity of the external auditors. It always seeks to balance the maintenance of objectivity of the external auditors and their ability to provide value-for-money professional services. He added that, as disclosed on page 131 of the Annual Report, the audit fee charged by KPMG LLP for the financial year ended 31 December 2013 was \$90,000 (FY 2012 - \$87,000) for the Group, which was deemed reasonable in relation to the operations and the reporting timeline of the Group. Chairman opined that until KPMG LLP proposes any unreasonable fees hike, the Board will retain its audit services.

As there were no further questions, Ordinary Resolution No. 7 was put to a vote by poll. Shareholders were informed to cast their votes on the polling slips provided.

8. Any Other Business

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

SPECIAL BUSINESS

Ordinary Resolution

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

The following Ordinary Resolution No. 8 was duly proposed by Chairman and seconded by Mr Shiao Chung Chiang:-

“That pursuant to Section 161 of the Companies Act, Chapter 50 (the “Act”), the Articles of Association 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:-



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- (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

- (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, 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 15% of the Company’s total number of issued Shares (excluding treasury shares, 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, if any) shall be calculated based on the total number of issued Shares (excluding treasury shares, 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 Articles of Association for the time being of the Company; and*



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- (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.”*

As there were no questions, Ordinary Resolution No. 8 was put to a vote by poll. Shareholders were informed to cast their votes on the polling slips provided.

10. Renewal of Share Buyback Mandate

The Chairman informed the shareholders that the Share Buyback Mandate which had been approved by the shareholders at the last Annual General Meeting of the Company held on 15 March 2013 would expire at this meeting and under the Companies Act, the renewal of the Share Buyback Mandate (the “Mandate”) would require the consent of the shareholders at each AGM. A copy of the “Appendix to shareholders in relation to the proposed renewal of Share Buyback Mandate” relating to the proposed renewal of the Mandate had been despatched together with the Notice of AGM to the shareholders for reference.

The following Ordinary Resolution No. 9 was duly proposed by Chairman and seconded by Ms Lim Yue Li:-

“That:

- (a) *for the purposes of the Companies Act, Chapter 50 of Singapore (the “Act”), the exercise by the Directors of the Company of all the powers of the Company to purchase or otherwise acquire ordinary shares in the capital of the Company (the “Shares”) not exceeding in aggregate the Maximum 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 purchase(s) (each a “Market Purchase”) transacted through the SGX-ST’s ready market or, as the case may be, on another stock exchange on which the Shares are listed, through one or more duly licensed stockbrokers appointed by the Company for the purpose; and/or*
 - (ii) *off-market purchase(s) (each an “Off-Market Purchase”) effected pursuant to an equal access scheme (as defined in Section 76C of the Act) as may be determined or formulated by the Directors as they consider fit, which scheme shall satisfy all the conditions prescribed by the Act and the Listing Rules,*
- be and is hereby authorized and approved generally and unconditionally (the “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 date of the passing of this Resolution and expiring on the earlier of:*
- (i) *the date on which the next Annual General Meeting (“AGM”) of the Company is held or required by the law to be held;*



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- (ii) *the date on which the authority conferred by the Share Buyback Mandate is revoked or varied; or*
 - (iii) *the date on which Share Buybacks are carried out to the full extent mandated;*
- (c) *in this Resolution:*
- “Maximum Limit”** *means 10% of the Shares as at the date of the 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 Act, at any time during the Relevant Period (as hereinafter defined), 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 that may be held by the Company from time to time);*
- “Relevant Period”** *means the period commencing from the date on which the last AGM was held and expiring on the date the next AGM is held or is required by law to be held, whichever is the earlier, after the date of this Resolution; and*
- “Maximum Price”**, *in relation to a Share to be purchased or acquired, means the purchase price (excluding brokerage, stamp duties, commission, 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; and*
 - (ii) *in the case of an Off-Market Purchase, pursuant to an equal access scheme, 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 Market Days period; and*
- (d) *the Directors of the Company and/or any of them be and are hereby authorized 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.”*

As there were no questions, Ordinary Resolution No. 9 was put to a vote by poll. Shareholders were informed to cast their votes on the polling slips provided.

The polling slips were collected by the Scrutineers for counting and verification.

Chairman informed that the results would be announced after the Scrutineers had verified the polling slips. He proposed for the meeting to be adjourned for 30 minutes. The meeting had no objection to the adjournment.

The meeting resumed at 12.20 p.m. with the requisite quorum.

Ms Christine Loh, representing M & C which acted as Scrutineers, then read out the results of poll on each resolutions put to vote at the AGM as follows :-



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

Ordinary Resolution 1 - Adoption of Reports and Financial Statements

	<u>No. of Votes</u>	<u>In Percentage</u>
Number of votes "FOR" :	260,189,616	100
Number of votes "AGAINST" :	0	0
Total number of votes cast :	<u>260,189,616</u>	<u>100.00</u>

Chairman declared Ordinary Resolution 1 carried.

Ordinary Resolution 2 – Declaration of final dividend

	<u>No. of Votes</u>	<u>In Percentage</u>
Number of votes "FOR" :	260,179,616	100
Number of votes "AGAINST" :	10,000	0
Total number of votes cast :	<u>260,189,616</u>	<u>100.00</u>

Chairman declared Ordinary Resolution 2 carried.

Ordinary Resolution 3 – Re-election of Director – Mr Alvin Yap Ah Seng

	<u>No. of Votes</u>	<u>In Percentage</u>
Number of votes "FOR" :	244,362,814	100
Number of votes "AGAINST" :	0	0
Total number of votes cast :	<u>244,362,814</u>	<u>100.00</u>

Chairman declared Ordinary Resolution 3 carried.

Ordinary Resolution 4 – Re-election of Director – Mr Andy Yap Ah Siong

	<u>No. of Votes</u>	<u>In Percentage</u>
Number of votes "FOR" :	244,467,366	100
Number of votes "AGAINST" :	0	0
Total number of votes cast :	<u>244,467,366</u>	<u>100.00</u>

Chairman declared Ordinary Resolution 4 carried.



QIAN HU CORPORATION LIMITED
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Ordinary Resolution 5 – Re-election of Director – Mr Tan Tow Ee

	<u>No. of Votes</u>	<u>In Percentage</u>
Number of votes “FOR”	: 259,967,366	100
Number of votes “AGAINST”	: 0	0
Total number of votes cast	: <u>259,967,366</u>	<u>100.00</u>

Chairman declared Ordinary Resolution 5 carried.

Ordinary Resolution 6 – Approval of Directors’ Fees

	<u>No. of Votes</u>	<u>In Percentage</u>
Number of votes “FOR”	: 259,828,766	100
Number of votes “AGAINST”	: 0	0
Total number of votes cast	: <u>259,828,766</u>	<u>100.00</u>

Chairman declared Ordinary Resolution 6 carried.

Ordinary Resolution 7 – Re-appointment of Auditors

	<u>No. of Votes</u>	<u>In Percentage</u>
Number of votes “FOR”	: 260,189,616	100
Number of votes “AGAINST”	: 0	0
Total number of votes cast	: <u>260,189,616</u>	<u>100.00</u>

Chairman declared Ordinary Resolution 7 carried.

Ordinary Resolution 8 – 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”	: 259,934,866	99.95
Number of votes “AGAINST”	: 129,750	0.05
Total number of votes cast	: <u>260,064,616</u>	<u>100.00</u>

Chairman declared Ordinary Resolution 8 carried.



QIAN HU CORPORATION LIMITED
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Ordinary Resolution 9 – Renewal of Share Buyback Mandate

	<u>No. of Votes</u>	<u>In Percentage</u>
Number of votes “FOR”	: 260,042,366	99.99
Number of votes “AGAINST”	: 22,250	0.01
Total number of votes cast	: <u>260,064,616</u>	<u>100.00</u>

Chairman declared Ordinary Resolution 9 carried.

There being no further business, the meeting ended at 12.30 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