

# UNITED ENGINEERS LIMITED

(Incorporated in the Republic of Singapore)  
(Company Registration Number 191200018G)

## MINUTES OF 105TH ANNUAL GENERAL MEETING

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Date : Tuesday, 30 April 2019

Time : 2.30 p.m.

Place : UE Convention Centre  
4 Changi Business Park Avenue 1  
Singapore 486016

Present : Please see the Attendance List attached hereto

Chairman : Mr Tan Chee Keong Roy

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### **QUORUM**

As a quorum was present, the Chairman declared the Annual General Meeting (the "Meeting") open.

### **NOTICE**

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

### **VOTING**

It was noted that in accordance with Article 67(a) of the Constitution of the Company, the ordinary resolutions put to vote at the Meeting shall be decided on a poll. Tricor Evatthouse Corporate Services was appointed as the Company's Scrutineers.

Executive Chairman, Mr Zhong Sheng Jian, opened the Meeting by welcoming all shareholders and he has requested the Group Managing Director, Mr Tan Chee Keong Roy, to be the Chairman of the Meeting ("Chairman"). Following an introduction of each director, Tan Chee Keong Roy presented an overview of the Group's operational and financial performance for the financial year ended 31 December 2018.

The Meeting proceeded to seek the approval of shareholders in relation to the ordinary and special resolutions as set out in the Notice.

### **ORDINARY RESOLUTION 1**

**To receive and adopt the Directors' Statement and Audited Financial Statements for the year ended 31 December 2018 and the Auditor's Report.**

*RESOLVED THAT:*

*The Directors' Statement and Audited Financial Statements for the year ended 31 December 2018 together with the Auditor's Report thereon, as laid before this Meeting, be received and adopted.*

After dealing with questions from shareholders relating to Ordinary Resolution 1, Chairman proposed the motion which was seconded by WHB.

The motion was put to vote by way of a poll.

There were 415,640,862 shares voting for the motion representing approximately 99.66% and 1,402,100 shares voting against the motion representing approximately 0.34%. Accordingly, Ordinary Resolution 1 was passed by a majority vote.

### **ORDINARY RESOLUTION 2**

**To declare a first and final dividend of 7.5 cents (one-tier tax exempt) per cumulative preference share for the year ended 31 December 2018, as recommended by the Directors.**

*RESOLVED THAT:*

*A first and final dividend of 7.5 cents (one-tier tax exempt) per Cumulative Preference Share be declared for the year ended 31 December 2018.*

As there were no questions from shareholders relating to Ordinary Resolution 2, Chairman proposed the motion which was seconded by HKW.

The motion was put to vote by way of a poll.

There were 415,559,796 shares voting for the motion representing approximately 99.67% and 1,368,166 shares voting against the motion representing approximately 0.33%. Accordingly, Ordinary Resolution 2 was passed by a majority vote.

### **ORDINARY RESOLUTION 3**

**To declare a first and final dividend of 3 cents (one-tier tax exempt) per ordinary stock unit for the year ended 31 December 2018, as recommended by the Directors.**

*RESOLVED THAT:*

*A first and final dividend of 3 cents (one-tier tax exempt) per ordinary stock unit be declared for the year ended 31 December 2018.*

As there were no questions from shareholders relating to Ordinary Resolution 3, Chairman proposed the motion which was seconded by STG.

The motion was put to vote by way of a poll.

There were 415,704,642 shares voting for the motion representing approximately 99.67% and 1,385,800 shares voting against the motion representing approximately 0.33%. Accordingly, Ordinary Resolution 3 was passed by a majority vote.

### **ORDINARY RESOLUTION 4**

**To re-elect Mr Teo Ser Luck, a Director retiring by rotation pursuant to Article 99 of the Constitution of the Company and who, being eligible, offers himself for re-election.**

*RESOLVED THAT:*

*Mr Teo Ser Luck be and is hereby re-elected as a Director of the Company.*

As there were no questions from shareholders relating to Ordinary Resolution 4, Chairman proposed the motion which was seconded by HKW.

The motion was put to vote by way of a poll.

There were 414,129,434 shares voting for the motion representing approximately 99.33% and 2,777,828 shares voting against the motion representing approximately 0.67%. Accordingly, Ordinary Resolution 4 was passed by a majority vote.

**ORDINARY RESOLUTION 5**

**To re-elect Mr Tan Chee Keong Roy, a Director retiring pursuant to Article 99 of the Constitution of the Company and who, being eligible, offers himself for re-election.**

*RESOLVED THAT:*

*Mr Tan Chee Keong Roy be and is hereby re-elected as a Director of the Company.*

As there were no questions from shareholders relating to Ordinary Resolution 5, CSY proposed the motion which was seconded by NPL.

The motion was put to vote by way of a poll.

There were 415,263,372 shares voting for the motion representing approximately 99.87% and 530,824 shares voting against the motion representing approximately 0.13%. Accordingly, Ordinary Resolution 5 was passed by a majority vote.

**ORDINARY RESOLUTION 6**

**To approve Directors' Fees of \$365,000 for the year ended 31 December 2018 (2017: S\$755,587).**

*RESOLVED THAT:*

*The Directors' Fees of \$365,000 for the year ended 31 December 2018 be approved.*

As there were no questions from shareholders relating to Ordinary Resolution 6, Chairman proposed the motion which was seconded by FK.

The motion was put to vote by way of a poll.

There were 415,326,816 shares voting for the motion representing approximately 99.66% and 1,406,046 shares voting against the motion representing approximately 0.34%. Accordingly, Ordinary Resolution 6 was passed by a majority vote.

**ORDINARY RESOLUTION 7**

**To re-appoint Ernst & Young LLP as Auditor and to authorise the Directors to fix their remuneration.**

*RESOLVED THAT:*

*Ernst & Young LLP be and are hereby re-appointed as Auditor to hold office until the next Annual General Meeting at a remuneration to be fixed by the Directors at a later date.*

As there were no questions from shareholders relating to Ordinary Resolution 7, Chairman proposed the motion which was seconded by CGL.

The motion was put to vote by way of a poll.

There were 414,826,970 shares voting for the motion representing approximately 99.52% and 2,006,504 shares voting against the motion representing approximately 0.48%. Accordingly, Ordinary Resolution 7 was passed by a majority vote.

### **ORDINARY RESOLUTION 8**

#### **Authority to allot and issue shares in the capital of the Company (“Shares”) - Share Issue Mandate**

*RESOLVED THAT:*

*Pursuant to Section 161 of the Companies Act, Chapter 50 (the “Act”) and Rule 806 of the Listing Manual (the “Listing Manual”) of the Singapore Exchange Securities Trading Limited (“SGX-ST”), authority be and is hereby given to the Directors of the Company to:*

- (A) (i) *allot and issue shares in the capital of the Company (the “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 the Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) options, warrants, debentures or other instruments convertible into Shares,*

*at any time and upon such terms and conditions and for such purposes and to such persons as the Directors of the Company shall in their absolute discretion deem fit; and*

- (B) *(notwithstanding 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 of the Company while this Resolution was in force,*

*Provided that:*

- (1) *the aggregate number of Shares (including Shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution) and convertible securities to be issued pursuant to this Resolution shall not exceed fifty per cent. (50%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of Shares and convertible securities to be issued other than on a pro-rata basis to the shareholders of the Company shall not exceed twenty per cent. (20%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as at the time of passing of this Resolution);*
- (2) *(subject to such calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of Shares and convertible securities that may be issued under sub-paragraph (1) above on a pro-rata basis, the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company shall be based on the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company at the time of the passing of this Resolution, after adjusting for:*

- (a) *new Shares arising from the conversion or exercise of convertible securities;*
  - (b) *new Shares arising from exercising share options or vesting of share awards outstanding or subsisting at the time of the passing of this Resolution, provided the options or awards were granted in compliance with the rules of the Listing Manual of the SGX-ST; 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 Manual of the SGX-ST as amended from time to time (unless such compliance has been waived by the SGX-ST) and the Constitution of the Company; and*
- (4) *unless revoked or varied by the Company in a general meeting, such authority 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 is required by law to be held, whichever is the earlier."*

As there were no questions from shareholders relating to Ordinary Resolution 8, TSS proposed the motion which was seconded by BKTF.

The motion was put to vote by way of a poll.

There were 391,019,955 shares voting for the motion representing approximately 93.69% and 26,339,827 shares voting against the motion representing approximately 6.31%. Accordingly, Ordinary Resolution 8 was passed by a majority vote.

### **ORDINARY RESOLUTION 9**

#### **Proposed renewal of the Share Buyback Mandate**

RESOLVED THAT:

- (1) *For the purposes of Sections 76C and 76E 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 acquire issued ordinary stock units in the capital of the Company ("**Shares**") not exceeding in aggregate the Maximum Percentage (as defined below), at such price or prices as may be determined by the Directors of the Company from time to time up to the Maximum Price (as defined below), whether by way of:*
- (a) *on market purchases on the Singapore Exchange Securities Trading Limited ("**SGX-ST**") ("**Market Purchase**"; and/or*
  - (b) *off-market purchases (if effected otherwise than on the SGX-ST) in accordance with any equal access scheme(s) as may be determined or formulated by the Directors of the Company as they consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Act ("**Off-Market Purchase**"),*
- and otherwise in accordance with all other laws, regulations and rules of the SGX-ST as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (the "**Share Buyback Mandate**");*
- (2) *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 of the Company at any time and from time to time during the period commencing from the date of the passing of this Ordinary Resolution and expiring on the earliest of:*
- (a) *the date on which the next annual general meeting of the Company is held;*

- (b) *the date by which the next annual general meeting of the Company is required by law to be held;*
- (c) *the date when such mandate is revoked or varied by the Shareholders of the Company in general meeting; or*
- (d) *the date on which the share buyback is carried out to the full extent mandated,*  
*whichever is earliest;*

(3) *in this Ordinary Resolution:*

**“Maximum Percentage”** means that number of issued Shares representing 10% of the total number of issued Shares as at the date of the passing of this Ordinary Resolution (excluding any Shares which are held as treasury shares and subsidiary holdings as at that date); and

- (a) *in the case of a Market Purchase, 105% of the Average Closing Price (as defined below) of the Shares; and*
- (b) *in the case of an Off-Market Purchase pursuant to an equal access scheme, 110% of the Average Closing Price of the Shares,*

*(the “Maximum Price”) in each case, excluding related expenses of the purchase or acquisition.*

*For the above purposes:*

**“Average Closing Price”** means the average of the closing market prices of a Share over the last five (5) market days on which transactions in the Shares were recorded, before the day on which Shares are transacted on the SGX-ST or, as the case may be, such securities exchange on which the Shares are listed or quoted, immediately preceding the date of the Market Purchase or, as the case may be, the date of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted, in accordance with the rules of the SGX-ST, for any corporate action that occurs after the relevant five day period; and

**“date of the making of the offer”** means the date on which the Company makes an offer for the purchase or acquisition of Shares from Shareholders, stating the purchase price (which shall not be more than the Maximum Price calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase.

- (4) *the Directors of the Company and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing all such documents as may be required) as they and/or he may consider expedient or necessary or in the interests of the Company to give effect to the transactions contemplated and/or authorised by this Ordinary Resolution.”*

As there were no questions from shareholders relating to Ordinary Resolution 9, SNM proposed the motion which was seconded by TTH.

The motion was put to vote by way of a poll.

There were 396,269,407 shares voting for the motion representing approximately 94.96% and 21,041,655 shares voting against the motion representing approximately 5.04%. Accordingly, Ordinary Resolution 9 was passed by a majority vote.

**SPECIAL RESOLUTION 10**

**Proposed adoption of the New Constitution of the Company**

*RESOLVED THAT:*

- (1) the regulations contained in the new Constitution of the Company as set out in Annex A to the letter to members of the Company dated 5 April 2019 be and are hereby approved and adopted as the Constitution of the Company in substitution for, and to the exclusion of, the existing Constitution of the Company; and*
- (2) the Directors of the Company and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing all such documents as may be required) as they and/or he may consider expedient or necessary or in the interests of the Company to give effect to the transactions contemplated and/or authorised by this Special Resolution.*

As there were no questions from shareholders relating to Special Resolution 10, TSS proposed the motion which was seconded by WHB.

The motion was put to vote by way of a poll.

There were 415,695,416 shares voting for the motion representing approximately 99.68% and 1,340,246 shares voting against the motion representing approximately 0.32%. Accordingly, Special Resolution 10 was duly passed.

**CONCLUSION**

There being no other business, the Chairman declared the Meeting closed and thanked all shareholders who attended the Meeting.

Certified as a True Record of Minutes

**Mr Tan Chee Keong Roy**  
Chairman of the Meeting

## UNITED ENGINEERS LIMITED

- Minutes of Annual General Meeting  
Question and Answer

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### Ordinary Resolution 1

- Mr Yen  
Shareholder : Taking into account the Executive Chairman's background in property management and as a substantial shareholder in Yanlord Land Group Limited, may we have more information on his strategic view for the Company going forward?
- Mr Zhong Sheng Jian : The Company and WBL Corporation Limited are companies which have been around for more than 100 years, as compared to Yanlord group of companies which was founded almost 40 years ago. Taking into account the long history of the Company, I feel a strong sense of responsibility to continue to grow the Company to achieve greater heights and build the Company from the good foundation.
- Mr Yen  
Shareholder : In relation to page 21 of the annual report, can you confirm that the Group's effective interest in Shanghai Olympic Garden Property Development Co., Ltd is 31.1%? Who is the owner of the 68.9% interest?
- Mr Tan Chee Keong Roy : Yes, the Group's effective interest in Shanghai Olympic Garden Property Development Co., Ltd is 31.1%. By way of background, the Company indirectly (via a 100% owned subsidiary) owns approximately 69.1% of the shareholding interest of WBL Corporation Limited ("**WBL**") while WBL owns approximately 45.05% of the shareholding interest in Shanghai Olympic Garden Property Development Co., Ltd. The remaining 54.95% shareholding interest in Shanghai Olympic Garden Property Development Co., Ltd is held by a listed company in China (China Sports Industry Group Co., Ltd.), which is unrelated to the Company and/or WBL.
- Mr Yen  
Shareholder : In relation to page 58 of the annual report, 'losses on exchange differences on translation' amounts to approximately S\$14.6 million. Page 146 of the annual report states that approximately 95% of the non-current assets of the Company are located in Singapore and only approximately S\$57.9 million of the non-current assets are located in China. In this respect, the amount of S\$14.6 million for 'losses on exchange differences on translation' appears to be rather large. Could you please provide clarification on the amount which constitutes 'losses on exchange differences on translation'?
- Mr Sonny Tan Kean Min : The 'losses on exchange differences on translation' is unrealised in nature. It arises from currency fluctuation in relation to the Group's net investments ( ie: net assets, and not just the non-current assets on page 146 of the annual report) in foreign subsidiaries (primarily from investments made by the Group in China).
- Mr Yen  
Shareholder : In relation to the Group's unabsorbed tax losses and unutilised capital allowances of approximately S\$186.5 million, which is available for set-off against future assessable income subject to agreement with the tax authorities and compliance with certain provisions of the tax legislation of the respective countries. Does this relate to businesses in which the Company is intending to divest? If this is so, the Company may consider utilising the S\$186.5 million worth of losses to off-set against taxable profit.

**UNITED ENGINEERS LIMITED**

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Additionally, page 114 of the annual report states that there are tax losses of \$64.8 million which will expire between 2019 and 2036. May I suggest that the Company take note of the expiry date to ensure that the tax losses are not lost.

Mr Tan Chee Keong Roy : Thank you for your comments which are duly noted and we do utilise tax losses as best as we can.