

CSE GLOBAL LIMITED
(Company Registration No. 198703851D)
(Incorporated in Singapore)

MINUTES OF ANNUAL GENERAL MEETING

PLACE : Suntec Singapore Convention & Exhibition Centre, Room No. 303 & 304 (Level 3), 1 Raffles Boulevard, Singapore 039593

DATE : Thursday, 18 April 2019

TIME : 2.30 p.m.

PRESENT : Please see attendance list.

IN ATTENDANCE : Please see attendance list.

CHAIRMAN : Mr Lim Ming Seong

QUORUM

As a quorum was present, the Chairman declared the meeting open at 2.30 p.m.

The Chairman introduced the Board of Directors and Chief Financial Officer, Mr Eddie Foo (the "CFO").

NOTICE

The Notice convening the meeting was taken as read.

The Chairman informed the Meeting that as some shareholders have appointed him as their proxy to vote on their behalf, he shall be voting "For" and/or "Against" certain motions to be voted on at this Annual General Meeting according to such shareholders' instructions.

INTRODUCTION

Before proceeding with the meeting proper, the Chairman invited the Group Managing Director, Mr Lim Boon Kheng and the Chief Financial Officer, Mr Eddie Foo to present the Group FY2018 operational performance and financial performance.

After the presentation, the Chairman invited shareholders to raise questions before each resolution was put to vote. The questions raised and the responses are attached to these minutes as Appendix "A"

The Chairman informed the meeting that voting at this meeting would be conducted by electronic polling. Boardroom Corporate & Advisory Services Pte Ltd had been appointed the polling agent and DrewCorp Services Pte Ltd had been appointed the scrutineer. The electronic poll voting procedures were explained to shareholders, with a short video demonstration.

ORDINARY BUSINESS:**1. DIRECTORS' STATEMENT AND AUDITED FINANCIAL STATEMENTS – RESOLUTION 1**

The meeting proceeded to receive and adopt the Directors' Statement and Audited Financial Statements for the year ended 31 December 2018 and the Auditors' Report.

The Chairman proposed the following motion and was seconded by Mr Lau Soon Leong:-

“That the Directors' Statement and Audited Financial Statements of the Company for the year ended 31 December 2018 together with the Auditors' Report be received and adopted.”

As there was no question or comment raised, the motion was put to vote.

Valid votes received, were displayed on the screen, as follows:

Number of valid votes “For”	:	313,270,729 (99.54%)
Number of valid votes “Against”	:	1,454,900 (0.46%)
Total number of valid votes received	:	314,725,629 (100%)

Based on the results, the Chairman declared the ordinary resolution carried.

2. FINAL DIVIDEND – RESOLUTION 2

The Directors had recommended the payment of a final (one-tier tax exempt) dividend of 1.5 Singapore cents per ordinary shares for the year ended 31 December 2018.

The dividend, if approved, would be paid on 17 May 2019.

The Chairman proposed the following motion, seconded by Dr Lim Boh Soon, and was put to vote:-

“That the payment of a final (one-tier tax exempt) dividend of 1.5 Singapore cents per ordinary share for the year ended 31 December 2018 be approved.”

Valid votes received, were displayed on the screen, as follows:

Number of valid votes “For”	:	312,007,129 (99.95%)
Number of valid votes “Against”	:	141,400 (0.05%)
Total number of valid votes received	:	312,148,529 (100%)

Based on the results, the Chairman declared the ordinary resolution carried.

3. RE-ELECTION OF DIRECTOR – RESOLUTION 3

The next item on the Agenda dealt with the re-election of Dato' Dr. Ir. Mohd Abdul Karim Bin Abdullah. Dato' Karim had signified his consent to continue in office.

The Chairman proposed the following motion and was seconded by Mr Lau Soon Leong:-

“That Dato' Dr. Ir. Mohd Abdul Karim Bin Abdullah be re-elected as a Director of the Company.”

There being no questions, the motion was put to vote.

Valid votes received, were displayed on the screen, as follows:

Number of valid votes “For”	:	299,327,340 (95.71%)
Number of valid votes “Against”	:	13,418,693 (4.29%)
Total number of valid votes received	:	312,746,033 (100.00%)

Based on the results, the Chairman declared the ordinary resolution carried.

4. RE-ELECTION OF DIRECTOR – RESOLUTION 4

Resolution 4 dealt with the re-election of Mr Syed Nazim Bin Syed Faisal. Mr Syed had signified his consent to continue in office.

The Chairman proposed the following motion and was seconded by Mr Lau Soon Leong:-

“That Mr Syed Nazim Bin Syed Faisal be re-elected as a Director of the Company.”

There being no questions, the motion was put to vote.

Valid votes received, were displayed on the screen, as follows:

Number of valid votes “For”	:	301,445,255 (95.85%)
Number of valid votes “Against”	:	13,066,974 (4.15%)
Total number of valid votes received	:	314,512,229 (100.00%)

Based on the results, the Chairman declared the ordinary resolution carried.

5. RE-ELECTION OF DIRECTOR – RESOLUTION 5

The next item on the Agenda dealt with the re-election of Mr Tan Chian Khong. Mr Tan had signified his consent to continue in office and would, upon re-election as a Director of the Company, remained as a member of the Audit and Risk Committee, and would be considered independent. Mr Tan would be re-designated as the Chairman of the Audit and Risk Committee following the retirement of Mr Phillip Lee at the close of the AGM.

The Chairman proposed the following motion and was seconded by Mr S. Nalla:-

“That Mr Tan Chian Khong be re-elected as a Director of the Company.”

There being no questions raised, the motion was put to vote.

Valid votes received, were displayed on the screen, as follows:

Number of valid votes “For”	:	311,736,029 (99.15%)
Number of valid votes “Against”	:	2,678,604 (0.85%)
Total number of valid votes received	:	314,414,633 (100.00%)

Based on the results, the Chairman declared the ordinary resolution carried.

6. RE-ELECTION OF DIRECTOR – RESOLUTION 6

The next item on the Agenda dealt with the re-election of Mr Lim Boon Kheng. Mr Lim had signified his consent to continue in office and would, upon re-election as a Director of the Company, remained as a member of the Compensation Committee.

The Chairman proposed the following motion and was seconded by Mr S. Nalla:-

“That Mr Lim Boon Kheng be re-elected as a Director of the Company.”

A shareholder complimented Mr Lim for his role as the CEO of the Group.

There being no question raised, the motion was put to vote.

Valid votes received, were displayed on the screen, as follows:

Number of valid votes “For”	:	291,083,148 (95.29%)
Number of valid votes “Against”	:	14,392,881 (4.71%)
Total number of valid votes received	:	305,476,029 (100%)

Based on the results, the Chairman declared the ordinary resolution carried.

7. RE-ELECTION OF DIRECTOR – RESOLUTION 7

The next item on the Agenda dealt with the re-election of Mr Sin Boon Ann. Mr Sin had signified his consent to continue in office and would, upon re-election as a Director of the Company, remained as a member of the Audit and Risk Committee, and would be considered independent.

The Chairman proposed the following motion and was seconded by Mr S. Nalla:-

“That Mr Sin Boon Ann be re-elected as a Director of the Company.”

There being no question raised, the motion was put to vote.

Valid votes received, were displayed on the screen, as follows:

Number of valid votes "For"	:	280,468,161 (89.23%)
Number of valid votes "Against"	:	33,856,468 (10.77%)
Total number of valid votes received	:	314,324,629 (100%)

Based on the results, the Chairman declared the ordinary resolution carried.

8. RETIREMENT OF DIRECTOR

The next item was to note the retirement of Mr Lee Soo Hoon, Phillip as a Director of the Company.

The Chairman informed that Mr Lee who was retiring under Article 95(2) of the Company's Constitution had indicated that he does not wish to seek re-election at this Annual General Meeting. Mr Lee would retire from the office of Director and ceased to be the Chairman of the Audit and Risk Committee and member of the Nominating Committee following the conclusion of this meeting. The retirement of Mr Philip Lee was also part of the board renewal process.

Consequently, Mr Tan Chian Khong would be re-designated as Chairman of the Audit and Risk Committee and appointed as member of the Nominating Committee.

The Board thanked Mr Lee for his invaluable contributions to the Board and the Group over the years and wished him well for his future endeavours.

9. DIRECTORS' FEES – RESOLUTION 8

The Board had recommended the payment of a sum of S\$355,091 as Directors' fees for the year ended 31 December 2018.

The following motion was proposed by Mr S. Nalla and seconded by Mr Lau Soon Leong:

"That the Directors' fees of S\$355,091 for the year ended 31 December 2018 be approved for payment."

Valid votes received, were displayed on the screen, as follows:

Number of valid votes "For"	:	305,462,042 (97.99%)
Number of valid votes "Against"	:	6,279,987 (2.01%)
Total number of valid votes received	:	311,742,029 (100%)

Based on the results, the Chairman declared the ordinary resolution carried.

10. RE-APPOINTMENT OF AUDITORS – RESOLUTION 9

The retiring auditors, Ernst & Young LLP, had expressed their willingness to continue in office.

The following motion was proposed by the Chairman and seconded by Mr S. Nalla:

“That Ernst & Young LLP be re-appointed as Auditors of the Company until the conclusion of the next Annual General Meeting and that the Directors be authorised to fix their remuneration.”

Valid votes received, were displayed on the screen, as follows:

Number of valid votes “For”	:	313,825,229 (99.91%)
Number of valid votes “Against”	:	291,900 (0.09%)
Total number of valid votes received	:	314,117,129 (100%)

Based on the results, the Chairman declared the ordinary resolution carried.

11. ANY OTHER BUSINESS

As no notice of any other business has been received by the Secretary, the Meeting proceeded to deal with the special business of the meeting.

SPECIAL BUSINESS:**12. AUTHORITY TO ISSUE SHARES – RESOLUTION 10**

The following motion was proposed by the Chairman and was seconded by Mr S. Nalla:

“That pursuant to Section 161 of the Companies Act, Cap. 50 and Rule 806 of the Listing Manual of the Singapore Exchange Securities Trading Limited (“SGX-ST”), the Directors of the Company be authorised and empowered to:

- (a) (i) issue shares in 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 (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 may 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 Instruments 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) to be issued pursuant to this Resolution shall not exceed fifty per centum (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 to be issued other than on a pro rata basis to shareholders of the Company shall not exceed twenty per centum (20%) 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);
- (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 and subsidiary holdings) 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 any convertible securities;
- (b) new shares arising from the exercise of share options or vesting of share awards which are outstanding or subsisting at the time of the passing of this Resolution; 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 for the time being in force (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 of the Company is required by law to be held, whichever is earlier.”

Valid votes received, were displayed on the screen, as follows:

Number of valid votes “For”	:	230,588,039 (74.05%)
Number of valid votes “Against”	:	80,805,490 (25.95%)
Total number of valid votes received	:	311,393,529 (100%)

Based on the results, the Chairman declared the ordinary resolution carried.

There being no other business to transact, the Chairman declared the Annual General Meeting of the Company closed at 4.00 p.m. and invited shareholders to stay for the Extraordinary General Meeting who was held immediately following the conclusion of the Annual General Meeting.

CONFIRMED AS TRUE RECORD OF PROCEEDINGS HELD

[Signed]

**LIM MING SEONG
CHAIRMAN**

CSE GLOBAL LTD
(Incorporated in Singapore)

**QUESTIONS AND ANSWERS AT THE ANNUAL GENERAL MEETING
HELD ON 18 APRIL 2019**

- Question (“Q”) : A shareholder enquired on what is the Company’s plan to mitigate the foreign exchange translation issue that may arise from the infrastructure business in Australia on the back of a weak AUD?
- Answer (“A”) : Approximately 90% of the Group’s transactions are naturally hedged. Hence, the foreign exchange exposure for the Group is not significant. Nonetheless, the Group would do its best to mitigate the foreign exchange exposure.
- Q : A shareholder enquired on what kind of collaboration is CSE expecting from Serba especially in the Middle East where the Group no longer has a physical presence.
- A : The synergy between CSE and Serba allows both entities to leverage on each other’s strengths and bid for relevant projects in jurisdictions where CSE and Serba are present.
- Petronas is expanding aggressively into Texas market where CSE has a strong presence. Hence, CSE and Serba intend to collaborate in terms of its technical capabilities and network to bid for projects from Petronas as CSE’s capabilities in United States are relevant to the Petronas expansion plans. At this juncture, CSE and Serba are working towards getting CSE registered as a supplier/service provider for Petronas.
- This was also the primary reason behind the proposed Interested Person Transaction Mandate which would be instrumental to the collaboration between Serba and CSE.
- Q : A shareholder referred the Board to Page 28 of the Company’s Annual Report (the “Annual Report”) and asked if there is an intention to exit the EMEA market given that the revenue registered a significant dip in FY2018. He also requested the Board to comment on the reason for exiting the Middle East market and if the exit was due to Serba’s presence there?
- A : The Company no longer has a physical presence in Middle East since end of 2018. The business environment in Middle East is challenging. Since its entry into the Middle East market in 2009, the Company had encountered several problems and suffered losses. The regulations around doing business in Middle East has become more challenging than before. The lesson that the Board learnt from the one-off settlement in 2017 was to re-assess the viability of continuing the business in Middle East from a realistic commercial standpoint and the associated risks. If there are new opportunities in the Middle East and should such opportunities to be commercially feasible, the Group remains open to business in this jurisdiction.
- Q : A shareholder asked the Board to share on what are the opportunities in Asia Pacific such as Singapore and Australia and are there more projects that the Company can take up in the Australia’s mining sector. In addition, to comment on how is the Oil and Gas business in the United States and if there is any growing momentum in the Group’s performance thus far?
- A : The Singapore Government projects constitute one third of the Infrastructure business, where Australia projects make up the rest.
- Mining is only a small portion of the business In Australia. In Australia, the Company focuses on energy solutions such as grid substation, power network

protection and electrification of railway and radio business such as providing two-way radio communication products and services to airports, ports and bus interchange in Perth, Adelaide and Darwin.

The collaboration with Motorola would strengthen the Company's foothold in the radio network sector in New Zealand.

The Company remains active in shale oil production sector in the US. Half of the Oil and Gas business consist of onshore shale and related equipment. The Company has secured some businesses outside of US such as Caribbean which are also grouped under US given that production takes place in US.

The Company expects an increase in activities in the existing markets with more stable pricing environment in 2019.

Q : A shareholder complimented the Board for a well-managed company. He noted that Oil and Gas business made up two-third of CSE's revenue in FY2018. With the shift in demand for more clean and renewable energy, he enquired on how this trend would affect the Group's Oil and Gas business moving forward?

A : The demand for fossil fuel would be here to stay for a while even though there are strong voices for energy diversification in many economies. Oil and gas will still have a market, though a reduced one, in supplying feedstock.

The Group acknowledged that the energy market would see a greater change with the shift in demand for more clean and renewable energy and CSE has since been involved in alternative energy management supply chain such as providing solution for hydropower station and wind farms.

Q : A shareholder enquired which sector would drive the Group's growth in 2019 and if the Singapore Government projects are capital intensive.

A : The Singapore Government project does not require significant cash upfront. Although there is a S\$10 million backlog from the two large greenfield projects, the Company does not only rely on these two projects in FY2019. The Company depends on all three sectors to grow in FY2019.

Q : Can the Board comment on the profit margin for the Singapore Government infrastructure project?

A : There is no significant margin compression for the said project.

Comment/Question from a shareholder : A shareholder complimented Management for turning around the performance for FY2018. He referred the Board to page 28 of the Annual Report on the lower operating expenses due to a one-off impairment of receivables in 2017 and enquired if such impairment would occur again in FY2019. He also enquired on the likelihood of a positive cashflow for FY2019.

A : The impairment in receivables recorded in FY2017 is one-off and is not expected to happen again in FY2019. Excluding the impact of impairment, the operating expenses in 2018 would be similar to 2017.

The Board is confident that the Company would continue to generate positive cashflow in FY2019 and Management reviews the work-in-progress and receivables regularly in an effort to convert it into cash.

Q : Can the Board share on what is the competitive advantage of CSE?

A : The Company strongly adheres to its name, "customer satisfaction every time" hence the key feature of CSE is to be a customer centric company. The Company builds close relationships with all its customer and honor its commitment therefore we always see return customers.

Q : The Directors' fees of S\$355,091 is for how many Directors?

A : The Directors' fees are for payment of all the Non-Executive Directors.