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No

GENERAL ANNOUNCEMENT::MINUTES OF ANNUAL GENERAL MEETING

Announcement Title

General Announcement

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Minutes of Annual General Meeting

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Submitted By (Co./ Ind. Name)

Tan Sock Kiang

Designation

Group Company Secretary

Description (Please provide a detailed description of the event in the box below)

PLEASE REFER TO ATTACHMENT.

Attachments

[SPCorp Minutes 2020AGM 16Apr2020.pdf](#)

[Appendix A SPCorp AGM Presentation.pdf](#)

Total size =426K MB

SP CORPORATION LIMITED
Incorporated in the Republic of Singapore
Registration No. 195200115K
(the “Company”)

Minutes of the 67th Annual General Meeting of the Company held by “live” webcast (“Live Webcast AGM”) at 9 Oxley Rise #03-02 The Oxley, Singapore 238697 on Thursday, 16 April 2020 at 11.30 a.m.

CHAIRMAN

The meeting was chaired by the Chairman of the Board of Directors, Mr Peter Sung.

QUORUM

The quorum was met by the attendance of:

- (1) The Chairman who had been appointed as proxy for various Shareholders⁽¹⁾; and
- (2) Mr William Nursalim alias William Liem, Interim Executive Director, who was the proxy for Tuan Sing Holdings Limited, the controlling shareholder of the Company⁽²⁾.

OPENING

The Chairman welcomed Shareholders to the Live Webcast AGM.

The Chairman explained that due to the limit on the number of attendees imposed by the authorities, the Company’s Independent Directors, Mr Cheng Hong Kok and Mr Tan Lye Huat were participating virtually in the meeting.

NOTICE OF MEETING

The Company Secretary informed that the Notice of the AGM (“**AGM Notice**”) was sent to all members and advertised in the Business Times on 18 March 2020. In view of the Covid-19 situation, the Company made an SGX announcement on 8 April 2020 (“**SGX Announcement**”) to change the physical AGM to this “live” webcast meeting.

Note:

⁽¹⁾ In accordance with the joint guidance issued by the Accounting and Corporate Regulatory Authority (“**ACRA**”), the Monetary Authority of Singapore (“**MAS**”) and the Singapore Exchange Regulation (“**SGX RegCo**”) on 13 April 2020 after the Covid-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debentures Holders) Order 2020 was issued by the Ministry of Law.

⁽²⁾ As permitted by Article 66 of the Company’s Constitution.

PRESENTATION ON GROUP'S PERFORMANCE FOR FY2019

Mr William Nursalim alias William Liem gave a presentation on the Group's financial performance for FY2019 and its Business Focus. A copy of the presentation slides is annexed hereto and marked as **Appendix A** for identification purpose.

In terms of Business Focus, Mr Liem shared that the Company was exploring other business models and investment opportunities and believed that the current COVID-19 pandemic could bring about business opportunities for consideration.

Mr Liem added that the Company was in the process of identifying suitable candidates possessing the relevant skill sets and attributes to lead the Group forward.

POLL VOTING PROCEDURE

The Company Secretary explained the poll voting procedure.

All resolutions at the Live Webcast AGM were voted by poll pursuant to the Company's Constitution and Listing Rule 730A(2) of the Singapore Exchange Securities Trading Limited ("SGX-ST"). In accordance with the joint guidance issued by ACRA-MAS-SGX RegCo and the Company's Constitution on absentia voting as outlined in the SGX Announcement, the poll votes were collected and the results would be presented at the Live Webcast AGM.

FINOVA BPO Pte. Ltd. was appointed as the Company's Scrutineer for purposes of the poll.

BUSINESS OF MEETING

The Chairman proceeded with the formal business of the Live Webcast AGM.

All the resolutions and poll voting results were presented during the Live Webcast AGM. Please refer to Appendix A.

Ordinary resolutions 1 to 7 set out below were duly passed.

Ordinary Business

1 Adoption of Directors' Statement, Audited Financial Statements and Independent Auditor's Report

The number of "For" votes was 28,890,819 shares (99.84%) and the number of "Against" votes was 45,100 shares (0.16%). Based on the poll results, Ordinary Resolution 1 was declared carried.

It was resolved that the Directors' Statement and Audited Financial Statements for the financial year ended 31 December 2019 and the Auditors' Report thereon be and were received and adopted.

2 Approval of Directors' Fees

The number of "For" votes was 28,884,319 shares (99.82%) and the number of "Against" votes was 51,600 shares (0.18%). Based on the poll results, Ordinary Resolution 2 was declared carried.

It was resolved that the Directors' Fees of S\$214,010 for the financial year ended 31 December 2019 be and were approved.

3 Re-election of Mr Peter Sung as Director

The number of "For" votes was 28,890,819 shares (99.84%) and the number of "Against" votes was 45,100 shares (0.16%). Based on the poll results, Ordinary Resolution 3 was declared carried.

It was resolved that Mr Peter Sung, a Director retiring in accordance with Article 105 of the Company's Constitution, be and was re-elected as a Director of the Company.

It was noted that Mr Peter Sung would continue to serve as Chairman of the Board of Directors and Chairman of the Remuneration Committee, and he would be considered an Independent Director of the Company.

4 Re-election of Mr Cheng Hong Kok as Director

The number of "For" votes was 28,890,819 shares (99.84%) and the number of "Against" votes was 45,100 shares (0.16%). Based on the poll results, Ordinary Resolution 4 was declared carried.

It was resolved that Mr Cheng Hong Kok, a Director retiring in accordance with Article 105 of the Company's Constitution, be and was re-elected as a Director of the Company.

It was noted that Mr Cheng Hong Kok would continue to serve as Chairman of the Audit and Risk Committee, Chairman of the Nominating Committee and a member of the Remuneration Committee, and he would be considered an Independent Director of the Company.

5 Re-appointment of Deloitte & Touche LLP as Auditors and authorisation for Directors to fix their remuneration

The number of "For" votes was 28,890,819 shares (99.84%) and the number of "Against" votes was 45,100 shares (0.16%). Based on the poll results, Ordinary Resolution 5 was declared carried.

It was resolved that Deloitte & Touche LLP be and was re-appointed Auditors of the Company to hold office until the conclusion of the next annual general meeting and the Directors be authorised to fix their remuneration.

SPECIAL BUSINESS

6 Authority to allot and issue shares up to ten per centum (10%) of the issued shares

The number of “For” votes was 28,884,319 shares (99.82%) and the number of “Against” votes was 51,600 shares (0.18%). Based on the poll results, Ordinary Resolution 6 was declared carried.

It was resolved that pursuant to Section 161 of the Companies Act, Cap. 50 (the “**Companies Act**”), the Directors be empowered to allot and issue shares in the capital of the Company at any time and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit provided that the aggregate number of shares to be allotted and issued pursuant to this Resolution shall not exceed ten per centum (10%) of the issued shares in the capital of the Company at the time of the passing of this Resolution and that such authority shall, unless revoked or varied by the Company in general meeting, continue in force until the conclusion of the Company’s next annual general meeting or the date by which the next annual general meeting of the Company is required by law to be held, whichever is earlier.

It was noted that the 10% limit was lower than the prescribed limit allowed under the SGX-ST Listing Rules.

7 Renewal of the Shareholders’ Mandate for Interested Person Transactions

The number of “For” votes was 744,500 shares (94.29%) and the number of “Against” votes was 45,100 shares (5.71%). Based on the poll results, Ordinary Resolution 7 was declared carried.

It was resolved that:

- (a) approval be and was given, for the purposes of Chapter 9 of the Listing Manual (“**Chapter 9**”) of the Singapore Exchange Securities Trading Limited, for the Company, its subsidiaries and associated companies that are considered to be “entities at risk” under Chapter 9, or any of them, to enter into any of the transactions falling within the types of Interested Person Transactions described in the Company’s Letter to Shareholders dated 18 March 2020 (the “**Letter**”), with any party who is of the Classes of Interested Persons described in the Letter, provided that such transactions are carried out in the ordinary course of business and on normal commercial terms, will not be prejudicial to the interests of the Company and its minority shareholders and are in accordance with the guidelines and review procedures for Interested Person Transactions as set out in the Letter (the “**Shareholders’ Mandate**”);
- (b) such Shareholders’ Mandate shall, unless revoked or varied by the Company in general meeting, continue in force until the conclusion of the next annual general meeting of the Company; and
- (c) the Directors of the Company be and were authorised to complete and do all such

acts and things (including executing all such documents as may be required) as they may consider expedient or necessary or in the interests of the Company to give effect to the Shareholders' Mandate and/or this Resolution.

It was noted that details of the Shareholders' Mandate were set out in the Company's Letter to Shareholders dated 18 March 2020. The controlling shareholder, Tuan Sing Holdings Limited, being an interested person, had abstained from voting on this Resolution.

QUESTIONS & ANSWERS

The Chairman informed that there was no question received from Shareholders. However, the Chairman addressed certain matters which might be of interest to Shareholders. Please refer to page 18 of the presentation slides set out in Appendix A for details.

CONCLUSION

There being no other business, the Chairman declared the meeting closed.

The Chairman thanked everyone for watching the Live Webcast AGM and hoped that all would stay safe during this period.

CONFIRMED BY

Peter Sung
Chairman

APPENDIX A



SP CORPORATION LIMITED

67th ANNUAL GENERAL MEETING

16 April 2020



Group's Performance for FY2019

Group's Performance Financial Year Ended 31 December 2019

Presented by

**Mr William Nursalim alias William Liem
Interim Executive Director**



Group's Performance for FY2019

- ❖ **Financial Performance for FY2019**
- ❖ **Financial Position as at 31 December 2019**
- ❖ **Segment Results for FY2019**



Financial Performance for FY2019

	FY2019 (\$'000)	FY2018 (\$'000)	Flux (\$'000)	Flux (%)
Revenue	93,076	136,379	(43,303)	(32%)
Gross profit	2,402	3,215	(813)	(25%)
Profit before tax	2,969	2,310	659	29%
Profit after tax	2,503	1,898	605	32%
Net profit attributable to shareholders	2,503	1,898	605	32%
Earnings per share (cents)	7.13	5.41	1.72	32%

Net profit attributable to shareholders for FY2019 was \$2.5 million (FY2018: \$1.9 million), an increase of \$0.6 million or 32%. The increase was mainly due to \$1.6 million higher interest income largely from the loan granted to a related party in FY2018 (\$1.1 million).



Financial Position as at 31 December 2019

	31 Dec 2019 (\$'000)	31 Dec 2018 (\$'000)	Flux (\$'000)	Flux (%)
Total assets	64,178	67,728	(3,550)	(5%)
Total liabilities	8,432	14,285	(5,853)	(41%)
Total borrowings (trust receipts)	5,125	-	5,125	n.m
Cash and bank balances	5,483	10,460	(4,977)	(48%)
Shareholders' funds	55,746	53,443	2,303	4%
Net assets per share (cents)	1.59	1.52	0.07	5%

n.m: not meaningful

Shareholders' funds was \$55.7 million (2018: 53.4 million). The increase was due to operating profits made during the year, net of foreign currency translation losses.



Segment Results for FY2019

	Revenue			Profit before tax		
	FY2019 (\$'000)	FY2018 (\$'000)	Flux (%)	FY2019 (\$'000)	FY2018 (\$'000)	Flux (%)
Commodities trading	92,767	136,379	(32%)	1,388	1,905	(27%)
Investment	-	-	-	1,507	346	336%
Corporate and others [^]	309	-	n.m	74	59	25%
Group total	93,076	136,379	(32%)	2,969	2,310	29%

[^] Comprise mainly group-level services and consolidation adjustments

n.m: not meaningful

Commodities trading segment revenue for FY2019 was \$92.8 million (FY2018: \$136.4 million), a decrease of \$43.6 million or 32%. The decrease was mainly due to lower revenue for rubber and coal trading. Coal trading, which is the core business, contributed about 88% to the Group's revenue in FY2019, higher than 72% in FY2018.

Investment segment profit before tax for FY2019 was \$1.5 million (FY2018: \$0.3 million), an increase of \$1.2 million. The increase was mainly due to the recognition of the full year's interest income in FY2019, as compared to FY2018 where 3 months' interest income was recognised.



Business Focus

The Group discontinued with the tyre distribution business in 2017 and is focused on coal trading at present. Management's focus moving forward will be to:

- ❑ Continue exploring new business opportunities to achieve long term growth for the benefit of its shareholders.
- ❑ The coal business with a long-term trading partner provides stability both in terms of volume and profit for the Group.
- ❑ The Group has also commenced supplying rubber to a US-based customer. However, as this is a new business, the financial impact will take time to come to fruition.
- ❑ Management is evaluating all available options in relation to the Sanya Integrated Development Project. The developer, Sanya Summer Real Estate Co Ltd, is in the midst of restarting construction after works were temporarily halted due to the COVID-19 outbreak. The estimated time for completion of main works will be in 2H2021.



Resolutions and Poll Results

Presented by

Mr Peter Sung

Chairman



Ordinary Business

Ordinary Resolution 1

To receive and adopt the Directors' Statement and the Audited Financial Statements for the financial year ended 31 December 2019 and the Independent Auditor's Report thereon.

Poll Results

"For" Votes		"Against" Votes		Total Votes	
No. of Shares	Percentage %	No. of Shares	Percentage %	No. of Shares	Percentage %
28,890,819	99.84	45,100	0.16	28,935,919	100

Ordinary Resolution 1 is carried.



Ordinary Business

Ordinary Resolution 2

To approve the payment of \$214,010 as Directors' fees for the financial year ended 31 December 2019 (FY2018: \$193,719).

Poll Results

"For" Votes		"Against" Votes		Total Votes	
No. of Shares	Percentage %	No. of Shares	Percentage %	No. of Shares	Percentage %
28,884,319	99.82	51,600	0.18	28,935,919	100

Ordinary Resolution 2 is carried.



Ordinary Business

Ordinary Resolution 3

To re-elect Mr Peter Sung as Director

Upon re-election as a Director of the Company, Mr Peter Sung will continue to serve as Chairman of the Board and Chairman of the Remuneration Committee and he will be considered an Independent Director of the Company.

Poll Results

“For” Votes		“Against” Votes		Total Votes	
No. of Shares	Percentage %	No. of Shares	Percentage %	No. of Shares	Percentage %
28,890,819	99.84	45,100	0.16	28,935,919	100

Ordinary Resolution 3 is carried.



Ordinary Business

Ordinary Resolution 4

To re-elect Mr Cheng Hong Kok as Director

Upon re-election as a Director of the Company, Mr Cheng Hong Kok will continue to serve as Chairman of the Audit and Risk Committee, Chairman of the Nominating Committee and a member of the Remuneration Committee and he will be considered an Independent Director of the Company.

Poll Results

“For” Votes		“Against” Votes		Total Votes	
No. of Shares	Percentage %	No. of Shares	Percentage %	No. of Shares	Percentage %
28,890,819	99.84	45,100	0.16	28,935,919	100

Ordinary Resolution 4 is carried.



Ordinary Business

Ordinary Resolution 5

To re-appoint Deloitte & Touche LLP as Auditors of the Company and to authorise the Directors to fix their remuneration.

Poll Results

“For” Votes		“Against” Votes		Total Votes	
No. of Shares	Percentage %	No. of Shares	Percentage %	No. of Shares	Percentage %
28,890,819	99.84	45,100	0.16	28,935,919	100

Ordinary Resolution 5 is carried.



Special Business

Ordinary Resolution 6

Authority for Directors to issue and allot shares up to 10% of the Company's issued share capital pursuant to Section 161 of the Singapore Companies Act.

The 10% limit is lower than the prescribed limit allowed under the SGX Listing Rule 806(2).

Poll Results

"For" Votes		"Against" Votes		Total Votes	
No. of Shares	Percentage %	No. of Shares	Percentage %	No. of Shares	Percentage %
28,884,319	99.82	51,600	0.18	28,935,919	100

Ordinary Resolution 6 is carried.



Special Business

Ordinary Resolution 7

To approve the renewal of shareholders' mandate for Interested Person Transactions.

Details of the mandate are set out in the Company's Letter to Shareholders dated 18 March 2020.

The controlling shareholder, Tuan Sing Holdings Limited, being an interested person, has abstained from voting in this transaction.

Poll Results

"For" Votes		"Against" Votes		Total Votes	
No. of Shares	Percentage %	No. of Shares	Percentage %	No. of Shares	Percentage %
744,500	94.29	45,100	5.71	789,600	100

Ordinary Resolution 7 is carried.



Questions and Answers

Presented by

Mr Peter Sung

Chairman



- **There is no question received from Shareholders.**
- **However, we will address some matters which may be of interest to Shareholders.**



Q&A

- ❑ At the beginning of this year, the Company lost its Managing Director and Chief Executive Officer.
- ❑ In his place, the Company has appointed Mr William Liem as the Interim Executive Director. Mr William Liem has been a director of the Company and the executive director / chief executive officer of its major shareholder for several years. He has an intimate knowledge of the Company. He is accustomed to managing a diverse group of companies and would have no difficulty in helming this Company.
- ❑ Even so, the Company is sourcing for suitable persons to lead it and that is why Mr Liem is Executive Director ad interim.
- ❑ The Company has long been aware of the narrow focus of its activities and has been looking for new business opportunities.
- ❑ One such opportunity we have found is the Sanya Integrated Development project.
- ❑ The progress of the Sanya project has been satisfactory. However, the outbreak of the COVID-19 would have an impact on this business and we shall review progress when restrictions on business activities and travel ease.



Thank You