



PNE INDUSTRIES LTD

Company Registration no. 199905792R
(Incorporated in the Republic of Singapore)

Registered Office: 996 Bendemeer Road, #07-06, Singapore 339944

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that pursuant to the Covid-19 (Temporary Measures) Act 2020, the Twenty First Annual General Meeting of PNE Industries Ltd will be convened and held by way of electronic means on Thursday, 21 January 2021 at 9.00 a.m., to transact the following business:

AS ORDINARY BUSINESS

- To receive and adopt the Directors' Statement and Financial Statements for the year ended 30 September 2020 and the Auditors' Report thereon.
- (a) To declare a final dividend of S\$0.03 (2019: S\$0.03) per ordinary share for the year ended 30 September 2020.
- (b) To declare a special dividend of S\$0.02 (2019: S\$0.03) per ordinary share for the year ended 30 September 2020.
- To approve the Directors' Fees of S\$150,000/- (2019: S\$150,000/-) for the year ended 30 September 2020.
- (a) To re-elect Mr Tan Koon Chwee, the Director retiring pursuant to Regulation No. 93 of the Company's Constitution.
- (b) To re-elect Mr Tan Kwong Soon, the Director retiring pursuant to Regulation No. 93 of the Company's Constitution.
- (c)(i) To re-elect Mr Tan Lee Khiang, the Director retiring pursuant to Regulation No. 93 of the Company's Constitution.
- (c)(ii) To approve Mr Tan Lee Khiang's appointment as an Independent Director in anticipation of Rule 210(5)(d)(iii) of the SGX-ST Listing Manual that will take effect on 1 January 2022.
- To re-appoint Messrs Deloitte & Touche LLP as the Company's Auditors and to authorise the Directors to fix their remuneration.

AS SPECIAL BUSINESS

To consider and, if thought fit, pass the following Resolution No. 6 as Ordinary Resolution:

- "That pursuant to Section 161 of the Companies Act, Cap. 50, authority be and is hereby given to the Directors to:
 - (aa) issue shares in the Company ("Shares") whether by way of rights, bonus or otherwise; and/or
 - (bb) make or grant offers, agreements or options (collectively, "Instruments") that might or would require Shares to be issued during the continuance of this authority or thereafter, including but not limited to the creation and issue of (as well as adjustments to) 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
 - (ii) issue Shares in pursuance of any Instrument made or granted by the directors while such authority was in force (notwithstanding that such issue of Shares pursuant to the Instruments may occur after the expiration of the authority contained in this resolution),

Provided that:

- (iii) the aggregate number of the Shares to be issued pursuant to such authority (including the Shares to be issued in pursuance of Instruments made or granted pursuant to such authority), does not exceed 50% of the total number of issued Shares (as calculated in accordance with paragraph (iv) below), and provided further that where shareholders of the Company ("Shareholders") are not given the opportunity to participate in the same on a pro-rata basis ("non-pro-rata basis"), then the Shares to be issued under such circumstances (including the Shares to be issued in pursuance of Instruments made or granted pursuant to such authority) shall not exceed 20% of the total number of issued Shares (as calculated in accordance with paragraph (iv) below);
- (iv) (subject to such manner of calculation as may be prescribed by the Singapore Exchange Securities Trading Limited (the "SGX-ST")) for the purpose of determining the aggregate number of the Shares that may be issued under paragraph (iii) above, the total number of issued Shares shall be based on the total number of issued Shares of the Company (excluding treasury shares) at the time such authority was conferred, after adjusting for:
 - new Shares arising from the conversion or exercise of any convertible securities;
 - new Shares arising from exercising share options or the vesting of share awards which are outstanding or subsisting at the time such authority was conferred; and
 - any subsequent bonus issue, consolidation or subdivision of the Shares;and, in relation to an Instrument, the number of Shares shall be taken to be that number as would have been issued had the rights therein been fully exercised or effected on the date of the making or granting of the Instrument; and
- (v) (unless revoked or varied by the Company in general meeting), the authority so conferred 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."

- To transact any other business.

By Order of the Board

TAN MENG SIEW

Company Secretary

Singapore

Date: 5 January 2021

Notes:

- The AGM is being convened, and will be held, by electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) (Amendment No. 2) Order 2020. This Notice and the accompanying proxy form will be sent to members by electronic means via publication on the Company's website at the URL <http://www.pne.com.sg/industries/index.html>. This Notice and the accompanying proxy form will also be made available on the SGX website at the URL <https://www.sgx.com/securities/company-announcements>.

- Due to the current Covid-19 restriction orders in Singapore, members will not be able to attend the AGM in person. A member (whether individual or corporate) must appoint the Chairman of the Meeting as his/her/its proxy to attend, speak and vote on his/her/its behalf at the AGM if such member wishes to exercise his/her/its voting rights at the AGM.**

Where a member (whether individual or corporate) appoints the Chairman of the Meeting as his/her/its proxy, he/she/it **must give specific instructions** as to voting, or abstentions from voting, in respect of a resolution in the form of proxy, failing which the appointment of the Chairman of the Meeting as proxy for that resolution will be treated as invalid.

- The Chairman of the Meeting, as proxy, need not be a member of the Company.

- The instrument appointing the Chairman of the Meeting as proxy must be submitted to the Company in the following manner:

- if submitted by post, be deposited at the Registered office of the Company, 996 Bendemeer Road #07-06, Singapore 339944; or
- if submitted electronically, be submitted via email to the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. at RSVP@boardroomlimited.com,

in either case **not less than 72 hours** before the time appointed for holding the Annual General Meeting, ie. by 9.00 a.m. on 18 January 2021.

A member who wishes to submit an instrument of proxy must first download, complete and sign the proxy form, before submitting it by post to the address provided above, or by scanning and sending it via email to the email address provided above.

CPF or SRS investors who wish to appoint the Chairman of the Meeting as proxy should approach their respective CPF Agent Banks or SRS Operators to submit their votes by 5.00 p.m. on 12 January, 2021 (being 7 working days before the AGM).

In view of the current Covid-19 situation and the related safe distancing measures which may make it difficult for members to submit completed proxy forms by post, members are strongly encouraged to submit completed proxy forms electronically via email.

- Alternative arrangements relating to attendance at the AGM via electronic means (including arrangements by which the meeting can be electronically accessed via live webcast or live audio only feed.**

Pre-Registration

Members who wish to participate in the AGM by observing the AGM proceedings via "live" webcast or listening to the AGM proceedings via "live" audio only feed (the "AGM Webcast") should pre-register at <https://septusiasia.com/pne-agm-registration/> **at least 3 working days before the AGM, ie. by 9.00 a.m. on 18 January 2021 (the "Registration Deadline")**.

At the pre-registration page, members can indicate whether to attend the AGM via the "live" webcast or via the "live" audio only feed. Authenticated members will receive an email containing a URL with their login credentials to access the "live" audio-and-visual webcast and/or a Singapore telephone number and password to access the "live" audio-only feed of the AGM proceedings (the "Confirmation Email").

Submitting Questions in Advance

Members will not be able to ask questions "live" via the AGM Webcast. Any questions on matters related to the AGM may be submitted in advance to the Chairman of the AGM by post to the Registered office of the Company, 996 Bendemeer Road #07-06, Singapore 339944 stating your question and full name. Alternatively, members can also submit their questions via the pre-registration website at <https://septusiasia.com/pne-agm-registration/>. All the questions must be submitted **by 9.00 a.m. on 18 January 2021**. Any question without the relevant identification details will not be entertained. The Company will endeavour to respond to substantial and relevant questions received from members via an announcement on SGXNET prior to the AGM, or during the AGM.

Members who have pre-registered by the Registration Deadline but do not receive an email response by 20 January 2021, 9.00 a.m. may contact the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at +65 6536 5355 or RSVP@boardroomlimited.com, with the following details included: (i) the full name of the shareholder, and (ii) his/her/its identification/registration number.

NOTICE OF BOOK CLOSURE

NOTICE IS HEREBY GIVEN that the Share Transfer Books and Register of Members of PNE Industries Ltd will be closed at 5.00 p.m. on 29 January 2021 for the preparation of dividend entitlement and shall reopen on the following working day.

Duly completed and stamped registrable transfers received by the Company's Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 50 Raffles Place #32-01 Singapore Land Tower, Singapore 048623 up to 5.00 p.m. on 29 January 2021 will be registered to determine shareholders' entitlements to the said dividend. Members whose securities accounts with The Central Depository (Pte) Limited are credited with shares at 5.00 p.m. on 29 January 2021 will be entitled to the proposed dividend.

Payment of the dividend, if approved by the members at the AGM to be held on 21 January 2021, will be made on 26 February 2021.

EXPLANATORY NOTE TO RESOLUTION 4(a):

Mr. Tan Koon Chwee is an Executive Managing Director of the Company. He will, upon re-election, continue to serve as Executive Managing Director of the Company. Mr. Tan Koon Chwee was last re-elected in 2019.

EXPLANATORY NOTE TO RESOLUTION 4(b):

Mr. Tan Kwong Soon is a Non-Executive Director of the Company and a member of Audit Committee. He will, upon re-election, continue to serve as a Non-Executive Director of the Company and as a member of the Audit Committee. Mr. Tan Kwong Soon was last re-elected in 2018.

EXPLANATORY NOTE TO RESOLUTION 4(c)(i):

Mr. Tan Lee Khiang is an Independent Director of the Company. He is the Chairman of the Nominating Committee and a member of the Audit and Remuneration Committees. He will, upon re-election, continue to serve as Chairman of the Nominating Committee and a member of the Audit and Remuneration Committees respectively. Mr. Tan Lee Khiang was last re-elected in 2019.

EXPLANATORY NOTE TO RESOLUTION 4(c)(ii):

Notwithstanding that SGX-ST Listing Manual Rule 210(5)(d)(iii) has yet to take effect, Mr. Tan Lee Khiang, who has been a Director for an aggregate period of more than 9 years will, subject to the passing of resolution 4(c)(i), upon the passing of this resolution, continue to serve as an Independent Director, until the earlier of his retirement or resignation, or the conclusion of the third annual general meeting following the passing of this resolution. For the purpose of this resolution, the directors and chief executive officer of the Company, and their respective associates are not allowed to vote.

EXPLANATORY NOTES ON SPECIAL BUSINESS TO BE TRANSACTED:

The ordinary resolution proposed in item (6) above if passed will empower the Directors of the Company from the date of the above Meeting to issue shares in the Company up to an amount not exceeding in total 50% of the total number of issued shares in the capital of the Company, with a sub-limit of 20% for issue of shares other than on a pro-rata basis, to shareholders for the time being for such purposes as they consider would be in the interests of the Company. This authority will, unless previously revoked or varied at a general meeting, expire at the next Annual General Meeting of the Company.

PERSONAL DATA PRIVACY:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Annual General Meeting and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the preparation and compilation of the attendance lists, minutes and other documents relating to the Annual General Meeting (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of the member's proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.