

**FIRST RESOURCES LIMITED**  
(Incorporated in Singapore)  
(Company Registration No. 200415931M)

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**MINUTES OF THE ANNUAL GENERAL MEETING AND EXTRAORDINARY GENERAL MEETING  
HELD ON 1 JUNE 2020**

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First Resources Limited (the “**Company**”) wishes to inform shareholders that in accordance with the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020 and the Additional Guidance on the Conduct of General Meetings During Elevated Safe Distancing Period jointly published by the Accounting and Corporate Regulatory Authority, Monetary Authority of Singapore and Singapore Exchange Regulation on 13 April 2020, minutes of the Annual General Meeting (“**AGM**”) and Extraordinary General Meeting (“**EGM**”) of the Company which were convened and held by way of electronic means on Monday, 1 June 2020 at 2.30 p.m. and 3.05 p.m. respectively, have been recorded and are attached hereto as Annex A and B respectively.

The Company had on 27 May 2020 released on SGXNET its responses to all substantial and relevant questions received from shareholders relating to the agenda of the AGM and EGM.

BY ORDER OF THE BOARD  
FIRST RESOURCES LIMITED

Tan Lay Hong  
Company Secretary  
24 June 2020

**FIRST RESOURCES LIMITED**

(Incorporated in Singapore)

(Company Registration No. 200415931M)

**MINUTES OF ANNUAL GENERAL MEETING HELD BY WAY OF ELECTRONIC MEANS**

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**DATE** : Monday, 1 June 2020**TIME** : 2.30 p.m.**PRESENT** : The following Directors were present at the webcast studio:

Mr Lim Ming Seong	Chairman, Independent Director and Chairman of Nominating Committee and member of the Remuneration Committee
Mr Ciliandra Fangiono	Chief Executive Officer, Executive Director and member of the Nominating Committee

The following Directors were present remotely:

Mr Fang Zhixiang	Deputy Chief Executive Officer and Executive Director
Mr Teng Cheong Kwee	Independent Director and Chairman of Audit Committee and member of the Remuneration Committee
Mr Ong Beng Kee	Independent Director and member of the Audit Committee
Mr Chang See Hiang	Independent Director and member of the Audit and Nominating Committees
Ms Wong Su Yen	Independent Director and Chairman of Remuneration Committee
Mr Peter Ho Kok Wai	Independent Director and member of the Audit Committee
Mr Tan Seow Kheng	Non-Executive, Non-Independent Director and member of the Audit Committee

**SHAREHOLDERS** : As set out in the Audio-visual Webcast and Audio-feed Attendee Report.**PRESENT VIA  
ELECTRONIC MEANS****CHAIRMAN** : Mr Lim Ming Seong**QUORUM**

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

## **INTRODUCTION**

The Chairman informed that in convening the Annual General Meeting (“**AGM**” or the “**Meeting**”) via both (i) a “live” audio-visual webcast; and (ii) a “live” audio-only feed, the Company has adhered to the various advisories and guidance issued by the authorities on holding meetings amid the current COVID-19 outbreak.

Thereafter, the Chairman introduced the Board of Directors who attended either in person or by electronic means and requested Mr Ciliandra Fangiono, Chief Executive Officer (“**CEO**”) to deliver a short presentation on the Group’s FY2019 performance. Copies of the presentation slides, which were posted on the SGXNet and the Company’s website, are annexed to these minutes as **Appendix “A”**. After the presentation, the CEO handed over the proceedings to the Chairman.

## **NOTICE**

The Notice convening the Meeting was taken as read.

The Chairman informed that in accordance with SGX’s guidance issued on 13 April 2020 on the conduct of general meetings during the circuit breaker, all votes on the resolutions tabled at the Meeting would be voted by proxy and only the Chairman of the Meeting might be appointed by proxy. All resolutions tabled at the Meeting would be voted by poll and counted based on the proxy forms that were submitted to the Company at least 72 hours before the Meeting, either by post or via email.

An announcement had been made by the Company on 4 May 2020 via SGXNet and the Company’s website informing shareholders to submit their proxy forms by 2.30 p.m. on 29 May 2020 to appoint the Chairman of the Meeting to cast votes on their behalf.

The Chairman further informed that in his capacity as Chairman of the Meeting, he has been appointed by numerous shareholders as proxy and would be voting with their instructions. Boardroom Corporate & Advisory Services Pte. Ltd. and Reliance 3P Advisory Pte Ltd have been appointed as the polling agent and scrutineer for the poll respectively. The validity of the proxies submitted by the shareholders by the submission deadline of 2.30 p.m. on 29 May 2020 have been reviewed and the votes of all such valid proxies have been counted and verified.

## **Q&A SESSION**

As indicated in the Company’s announcement on 4 May 2020, shareholders would not be able to ask questions during the live webcast and audio-stream of the Meeting. The Company had detailed the steps for shareholders to submit their questions by 20 May 2020 via the pre-registration website, by post or by email in relation to the agenda of the Meeting.

The Company has endeavoured to answer all substantial and relevant questions that were received by 20 May 2020 and the answers to these questions have been (i) published on SGXNet and the Company’s website on 27 May 2020; and (ii) attached to these minutes as **Appendix “B”**.

**ORDINARY BUSINESS:**

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

Ordinary Resolution 1 was duly proposed by Chairman:

“That the Directors’ Statement and Audited Financial Statements for the financial year ended 31 December 2019, together with the Auditor’s Report, be received and adopted.”

The result of Ordinary Resolution 1 tabled at the Meeting, taken on a poll, was as follows:

Total number of shares represented by votes for and against the relevant resolution	FOR		AGAINST	
	Number of shares	As a percentage of total number of votes for and against the resolution (%)	Number of shares	As a percentage of total number of votes for and against the resolution (%)
1,305,444,722	1,305,444,722	100.00	0	0.00

Accordingly, Ordinary Resolution 1 tabled at the Meeting was carried.

**2. FINAL DIVIDEND – RESOLUTION 2**

The Directors had recommended the payment of a final dividend of 1.725 Singapore cents per share (one-tier, tax exempt) for the year ended 31 December 2019. The final dividend, if approved, would be paid on 18 June 2020.

Ordinary Resolution 2 was duly proposed by Chairman:

“That the payment of a final dividend of 1.725 Singapore cents per share (one-tier, tax exempt) for the year ended 31 December 2019 be approved.”

The result of Ordinary Resolution 2 tabled at the Meeting, taken on a poll, was as follows:

Total number of shares represented by votes for and against the relevant resolution	FOR		AGAINST	
	Number of shares	As a percentage of total number of votes for and against the resolution (%)	Number of shares	As a percentage of total number of votes for and against the resolution (%)
1,305,786,322	1,305,786,322	100.00	0	0.00

Accordingly, Ordinary Resolution 2 tabled at the Meeting was carried.

**3. RE-ELECTION OF MR LIM MING SEONG – RESOLUTION 3**

Mr Lim Ming Seong who was retiring pursuant to Regulation 103 of the Company's Constitution had consented to continue in office. The chair was handed over to the CEO, Mr Ciliandra Fangiono, to conduct the re-election of Mr Lim Ming Seong.

Ordinary Resolution 3 set out below was duly proposed by Mr Ciliandra Fangiono:

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

The result of Ordinary Resolution 3 tabled at the Meeting, taken on a poll, was as follows:

Total number of shares represented by votes for and against the relevant resolution	FOR		AGAINST	
	Number of shares	As a percentage of total number of votes for and against the resolution (%)	Number of shares	As a percentage of total number of votes for and against the resolution (%)
1,305,816,322	1,304,927,459	99.93	888,863	0.07

Accordingly, Ordinary Resolution 3 tabled at the Meeting was carried.

At this juncture, the chair was handed back to Mr Lim Ming Seong to continue with the conduct of the remaining business of the Meeting.

**4. RE-ELECTION OF MR FANG ZHIXIANG – RESOLUTION 4**

Mr Fang Zhixiang who was retiring pursuant to Regulation 103 of the Company's Constitution had consented to continue in office.

Ordinary Resolution 4 set out as follows was duly proposed by Chairman:

“That Mr Fang Zhixiang be re-elected as a Director of the Company.”

The result of Ordinary Resolution 4 tabled at the Meeting, taken on a poll, was as follows:

Total number of shares represented by votes for and against the relevant resolution	FOR		AGAINST	
	Number of shares	As a percentage of total number of votes for and against the resolution (%)	Number of shares	As a percentage of total number of votes for and against the resolution (%)
1,305,866,322	1,305,839,922	100.00	26,400	0.00*

\* Less than 0.005%

Accordingly, Ordinary Resolution 4 tabled at the Meeting was carried.

**5. RE-ELECTION OF MR TAN SEOW KHENG – RESOLUTION 5**

Mr Tan Seow Kheng who was retiring pursuant to Regulation 103 of the Company's Constitution had consented to continue in office.

Ordinary Resolution 5 set out as follows was duly proposed by Chairman:

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

The result of Ordinary Resolution 5 tabled at the Meeting, taken on a poll, was as follows:

Total number of shares represented by votes for and against the relevant resolution	FOR		AGAINST	
	Number of shares	As a percentage of total number of votes for and against the resolution (%)	Number of shares	As a percentage of total number of votes for and against the resolution (%)
1,305,836,322	1,296,112,856	99.26	9,723,466	0.74

Accordingly, Ordinary Resolution 5 tabled at the Meeting was carried.

**6. RE-ELECTION OF MS WONG SU YEN – RESOLUTION 6**

Ms Wong Su Yen who was retiring pursuant to Regulation 109 of the Company's Constitution had consented to continue in office.

Ordinary Resolution 6 set out as follows was duly proposed by Chairman:

“That Ms Wong Su Yen be re-elected as a Director of the Company.”

The result of Ordinary Resolution 6 tabled at the Meeting, taken on a poll, was as follows:

Total number of shares represented by votes for and against the relevant resolution	FOR		AGAINST	
	Number of shares	As a percentage of total number of votes for and against the resolution (%)	Number of shares	As a percentage of total number of votes for and against the resolution (%)
1,305,866,322	1,207,399,324	92.46	98,466,998	7.54

Accordingly, Ordinary Resolution 6 tabled at the Meeting was carried.

**7. RE-ELECTION OF MR PETER HO KOK WAI – RESOLUTION 7**

Mr Peter Ho Kok Wai who was retiring pursuant to Regulation 109 of the Company's Constitution had consented to continue in office.

Ordinary Resolution 7 set out as follows was duly proposed by Chairman:

“That Mr Peter Ho Kok Wai be re-elected as a Director of the Company.”

The result of Ordinary Resolution 7 tabled at the Meeting, taken on a poll, was as follows:

Total number of shares represented by votes for and against the relevant resolution	FOR		AGAINST	
	Number of shares	As a percentage of total number of votes for and against the resolution (%)	Number of shares	As a percentage of total number of votes for and against the resolution (%)
1,305,866,322	1,295,200,845	99.18	10,665,477	0.82

Accordingly, Ordinary Resolution 7 tabled at the Meeting was carried.

**8. DIRECTORS' FEES – RESOLUTION 8**

The Board had recommended the payment of Directors' fees of S\$457,917 for the year ended 31 December 2019.

Ordinary Resolution 8 set out as follows was duly proposed by Chairman:

“That the payment of Directors' fees of S\$457,917 for the year ended 31 December 2019 be approved.”

The result of Ordinary Resolution 8 tabled at the Meeting, taken on a poll, was as follows:

Total number of shares represented by votes for and against the relevant resolution	FOR		AGAINST	
	Number of shares	As a percentage of total number of votes for and against the resolution (%)	Number of shares	As a percentage of total number of votes for and against the resolution (%)
1,305,759,922	1,305,759,922	100.00	0	0.00

Accordingly, Ordinary Resolution 8 tabled at the Meeting was carried.

9. **RE-APPOINTMENT OF AUDITOR – RESOLUTION 9**

The retiring auditor, Messrs Ernst & Young LLP, had expressed its willingness to continue in office.

Ordinary Resolution 9 set out as follows was duly proposed by Chairman:

“That Messrs Ernst & Young LLP be re-appointed as the Auditor of the Company until the next Annual General Meeting at a remuneration to be fixed by the Directors.”

The result of Ordinary Resolution 9 tabled at the Meeting, taken on a poll, was as follows:

Total number of shares represented by votes for and against the relevant resolution	FOR		AGAINST	
	Number of shares	As a percentage of total number of votes for and against the resolution (%)	Number of shares	As a percentage of total number of votes for and against the resolution (%)
1,305,866,322	1,305,866,322	100.00	0	0.00

Accordingly, Ordinary Resolution 9 tabled at the Meeting was carried.

**SPECIAL BUSINESS:**

10. **AUTHORITY TO ISSUE SHARES – RESOLUTION 10**

The Meeting noted that Ordinary Resolution 10 was to authorise the Directors to issue shares pursuant to Section 161 of the Companies Act, Chapter 50.

Ordinary Resolution 10 set out as follows was duly proposed by Chairman:

“That pursuant to Section 161 of the Companies Act, Chapter. 50 (the “**Companies Act**”) 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 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 to be issued other than on a pro-rata basis to 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 calculated in accordance with sub-paragraph (2) below);
- (2) (subject to such 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 exercising share options or vesting of share awards, provided the options or awards were granted in compliance with the Listing Manual; and
  - (c) any subsequent bonus issue, consolidation or subdivision of shares,provided such adjustments in sub-paragraphs (2)(a) and (b) above are only to be made in respect of new shares arising from convertible securities, share options or share awards which were issued and outstanding or subsisting at the time of the passing of this Resolution;
- (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 AGM of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is earlier.”

The result of Ordinary Resolution 10 tabled at the Meeting, taken on a poll, was as follows:

Total number of shares represented by votes for and against the relevant resolution	FOR		AGAINST	
	Number of shares	As a percentage of total number of votes for and against the resolution (%)	Number of shares	As a percentage of total number of votes for and against the resolution (%)
1,305,866,322	1,182,808,364	90.58	123,057,958	9.42

Accordingly, Ordinary Resolution 10 tabled at the Meeting was carried.

**11. PROPOSED RENEWAL OF THE IPT MANDATE – RESOLUTION 11**

The Meeting noted that Ordinary Resolution 11 was to approve the renewal of the Interested Person Transactions Mandate (“**IPT Mandate**”) for the purposes of Chapter 9 of the Listing Manual of SGX-ST, for the Company and any of its subsidiaries to enter into any of the transactions falling within the types of Interested Person Transactions set out in the Company’s Appendix to the Notice of AGM dated 4 May 2020 (the “**Appendix**”).

Details of the IPT Mandate including its rationale set out in pages 6 to 10 of the Appendix dated 4 May 2020 were highlighted.

For the purposes of Chapter 9 of the Listing Manual, each of the Interested Directors, namely, Messrs Ciliandra Fangiono and Fang Zhixiang, Eight Capital Inc., Associates of the Interested Directors and Eight Capital Inc. were considered to be interested persons and had abstained from voting on this resolution.

Ordinary Resolution 11 set out as follows was duly proposed by Chairman:

“That:

- (a) approval be and is hereby given for the purposes of Chapter 9 of the Listing Manual of the SGX-ST, for the Company, its subsidiaries, its target associated companies and corporations which become the Company’s subsidiaries or target associated companies (the “**Group**”) or any of them to enter into any of the transactions falling within the types of Interested Person Transactions as described in the Appendix to this Notice of AGM dated 4 May 2020 (the “**Appendix**”) with any party who is of the class of Interested Persons as described in the Appendix provided that such transactions are made on normal commercial terms and in accordance with the Review Procedures for such Interested Person Transactions as set out in the Appendix (the “**IPT Mandate**”);
- (b) the approval given for the IPT Mandate shall, unless revoked or varied by the Company in a general meeting, continue to be in force until the conclusion of the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is the earlier; and

- (c) the Directors of the Company be and are hereby authorised to complete and do all such acts and things (including but not limited to the execution of 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 IPT Mandate and/or this Resolution.”

The result of Ordinary Resolution 11 tabled at the Meeting, taken on a poll, was as follows:

Total number of shares represented by votes for and against the relevant resolution	FOR		AGAINST	
	Number of shares	As a percentage of total number of votes for and against the resolution (%)	Number of shares	As a percentage of total number of votes for and against the resolution (%)
263,900,092	263,900,092	100.00	0	0.00

Accordingly, Ordinary Resolution 11 tabled at the Meeting was carried.

## 12. PROPOSED RENEWAL OF THE SHARE PURCHASE MANDATE – RESOLUTION 12

The Meeting noted that Ordinary Resolution 12 was to seek shareholders’ approval in respect of the renewal of the share purchase mandate and to authorise the Directors of the Company to make purchases of shares of up to ten per cent. (10%) of the total number of issued ordinary shares in the capital of the Company at the Maximum Price as defined in the Appendix to the Notice of AGM dated 4 May 2020.

Details of the Share Purchase Mandate set out in pages 10 to 23 of the Appendix dated 4 May 2020 were highlighted.

Ordinary Resolution 12 set out as follows was duly proposed by Chairman:

“That:

- (a) for the purposes of the Companies Act, the exercise by the Directors 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) an on-market purchase (“**Market Purchase**”) effected on the SGX-ST through the ready market, which may be transacted through one or more duly licensed stock brokers appointed by the Company for the purpose; and/or
  - (ii) an off-market purchase (“**Off-Market Purchase**”) effected pursuant to an equal access scheme in accordance with Section 76C of the Companies Act,

and otherwise in accordance with all other laws and regulations, including but not limited to the provisions of the Companies Act and the Listing Manual of the SGX-ST as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (the “**Share Purchase Mandate**”);

(b) unless varied or revoked by the Company in a general meeting, the authority conferred on the Directors pursuant to the Share Purchase 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 relating to the Share Purchase Mandate and expiring on:

(i) the date on which the next AGM of the Company is held or required by law to be held, whichever is earlier;

(ii) the date on which the authority conferred by the Share Purchase Mandate is revoked or varied by Shareholders in a general meeting; or

(iii) the date on which the Share Purchase has been carried out to the full extent mandated;

whichever is the earliest;

(c) in this Resolution relating to the Share Purchase Mandate:

“**Maximum Limit**” means that number of Shares representing not more than ten per cent. (10%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) as at the date of the resolution passed in relation to the Share Purchase Mandate, unless the Company has, at any time during the Relevant Period, reduced its share capital in accordance with the applicable provisions of the Companies Act, in which event the total number of issued Shares (excluding treasury shares and subsidiary holdings) shall be taken to be the total number of Shares as altered after such capital reduction (excluding any treasury shares and subsidiary holdings, as may be held by the Company from time to time);

“**Relevant Period**” means the period commencing from the date of the resolution passed in relation to the Share Purchase Mandate and expiring on the date on which the next AGM is held or required by law to be held, whichever is the earlier, unless prior thereto, the Share Purchase has been carried out to the full extent mandated, or the authority conferred by the Share Purchase Mandate is revoked or varied by Shareholders in a general meeting;

“**Maximum Price**”, in relation to a Share to be purchased, 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, one hundred and five per cent. (105%) of the Average Closing Price; and

(ii) in the case of an Off-Market Purchase pursuant to an equal access scheme, one hundred and twenty per cent. (120%) of the Highest Last Dealt Price;

where:

**“Average Closing Price”** means the average of the closing market prices of the Shares over the last five (5) Market Days, on which transactions in the Shares were recorded, immediately before the day on which the purchase or acquisition of Shares is made, and deemed to be adjusted for any corporate action that occurs during the relevant five (5) Market Days and the day on which the purchase or acquisition of Shares is made;

**“Highest Last Dealt Price”** means the highest price transacted for a Share as recorded on the Market Day on which there were trades in the Shares immediately preceding the day of the making of the offer pursuant to the Off-Market Purchase;

**“day of the making of the offer”** means the day on which the Company announces its intention to make an offer for the purchase 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; and

**“Market Day”** means a day on which the SGX-ST is open for securities trading;

- (d) any Share that is purchased or otherwise acquired by the Company pursuant to the Share Purchase Mandate shall, at the discretion of the Directors of the Company; either be cancelled or held in treasury and dealt with in accordance with the Companies Act; and
- (e) the Directors and/or any of them be and are/is hereby authorised to complete and do all such acts and things (including without limitation, executing such documents as may be required and to approve any amendments, alterations or modifications to any documents) as they or he may consider expedient or necessary to give effect to the transactions contemplated and/or authorised by this Resolution relating to the Share Purchase Mandate.”

The result of Ordinary Resolution 12 tabled at the Meeting, taken on a poll, was as follows:

Total number of shares represented by votes for and against the relevant resolution	FOR		AGAINST	
	Number of shares	As a percentage of total number of votes for and against the resolution (%)	Number of shares	As a percentage of total number of votes for and against the resolution (%)
1,305,839,922	1,294,286,141	99.12	11,553,781	0.88

Accordingly, Ordinary Resolution 12 tabled at the Meeting was carried.

**CONCLUSION**

There being no other business to transact, the Chairman declared the Annual General Meeting of the Company closed at 3.05 p.m. and proceeded to conduct the Extraordinary General Meeting.

**CONFIRMED AS TRUE RECORD OF PROCEEDINGS HELD**

**LIM MING SEONG**  
**CHAIRMAN**



# First Resources Limited

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**Annual General Meeting  
1 June 2020**

*Delivering Growth and Returns*



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# Group Overview

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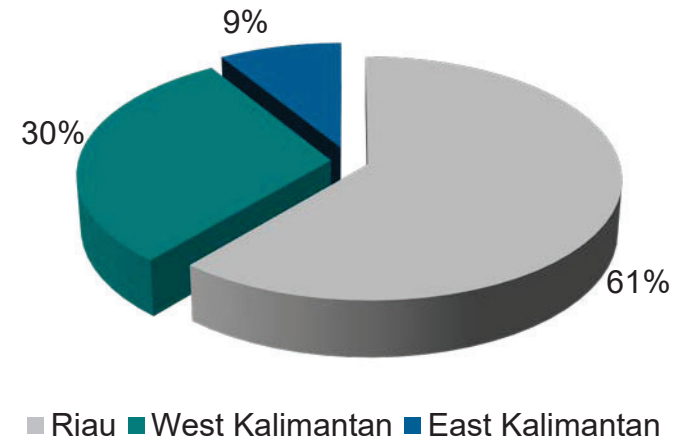
# About First Resources

## Locations



## Assets

Oil palm plantations are located in the Riau, West Kalimantan and East Kalimantan provinces of Indonesia



**212,073** ha  
of Oil Palm Plantations

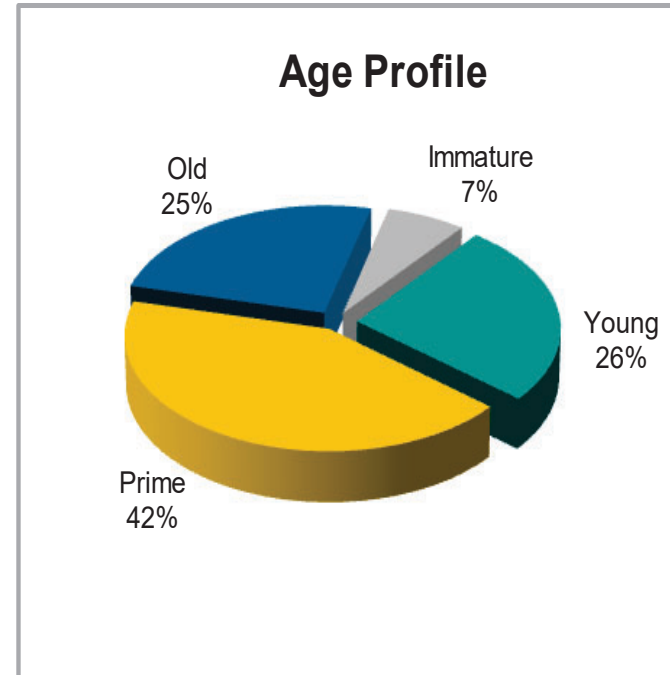
**17**  
Palm Oil Mills

**850,000**  
tonnes per annum  
of Processing Capacity

Data as at 31 Dec 2019

# Plantation Age Profile

Age	As at 31 Dec 2019	
	Area (ha)	% of Total
0-3 years (Immature)	14,689	7%
4-7 years (Young)	54,459	26%
8-17 years (Prime)	90,297	42%
≥ 18 years (Old)	52,628	25%
<b>Total</b>	<b>212,073</b>	<b>100%</b>



**Weighted average age of ~ 12 years**

# Growth Strategy: Building on our Core Expertise

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## Upstream Agri-Business Focus

- Develop and maintain high-quality plantation assets and ensure optimal milling capacity in line with FFB production growth
- To achieve sustainable production growth

## Active Cost Containment

- Maintain our low-cost structure through best-in-class operational efficiency and stringent cost management
- To achieve superior margins and greater resilience to price cycles by being at the low end of the industry cost curve

## Responsible Cultivation

- Continuously strengthen our multi-faceted sustainability policy across the Group's entire operations
- To maximise market access through sustainable palm oil production

# Dividend

- **Proposing final dividend of 1.725 Singapore cents per share**

- Interim dividend of 0.625 Singapore cents per share paid in September 2019, bringing full-year ordinary dividend to 2.350 Singapore cents per share

Dividend History	FY2019	FY2018	FY2017	FY2016	FY2015
Interim (SGD cents per share)	0.625	1.25	1.25	0.625	1.25
Final (SGD cents per share)	1.725	2.00	2.15	2.375	1.25
Special (SGD cents per share)	-	-	3.40	-	-
<b>Total (SGD cents per share)</b>	<b>2.350</b>	<b>3.25</b>	<b>6.80</b>	<b>3.000</b>	<b>2.50</b>

% of Underlying Net Profit					
- Ordinary dividend	31%	31%	29%	29%	30%
- Special dividend	-	-	29%	-	-

# 2019 Financial and Operational Highlights

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# Executive Summary – FY2019

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## Resilient Performance amidst Challenging Market Conditions

### ■ Financial Performance

- EBITDA came in at US\$218.8 million, a decrease of 15.2%
- Underlying net profit came in at US\$89.1 million, a decrease of 27.3%
- Impact of weakness in palm oil prices partially mitigated by higher sales volumes

### ■ Operational Performance

- Production declined marginally against the strong output in 2018
- Fresh fruit bunches (FFB) harvested decreased by 2.1%
- Correspondingly, crude palm oil (CPO) production volumes decreased by 1.4%
- Cash cost of production for nucleus CPO remained low at US\$230 per tonne (FY2018: US\$237 per tonne)

# Income Statement Highlights

US\$' million	FY2019	FY2018	Change	4Q2019	4Q2018	Change
Sales	614.9	633.5	(2.9%)	184.2	145.5	26.6%
Cost of sales	(387.7)	(354.7)	9.3%	(105.3)	(92.1)	14.3%
Gross profit	227.2	278.8	(18.5%)	79.0	53.4	47.9%
Gain/(loss) arising from changes in fair value of biological assets	7.9	(3.5)	<i>n.m.</i>	7.9	(3.5)	<i>n.m.</i>
EBITDA <sup>(1)</sup>	218.8	257.9	(15.2%)	75.5	47.5	58.8%
Net profit <sup>(2)</sup>	89.1	120.0	(25.7%)	32.0	17.3	84.6%
Underlying net profit <sup>(3)</sup>	89.1	122.6	(27.3%)	32.0	19.9	60.3%
Gross profit margin	36.9%	44.0%	↓	42.9%	36.7%	↑
EBITDA margin	35.6%	40.7%	↓	41.0%	32.7%	↑

- Higher production and sales volumes in the last quarter boosted 4Q2019 financial performance
- Overall results for FY2019 continued to reflect the effects of lower average selling prices for the year, partially mitigated by higher sales volumes

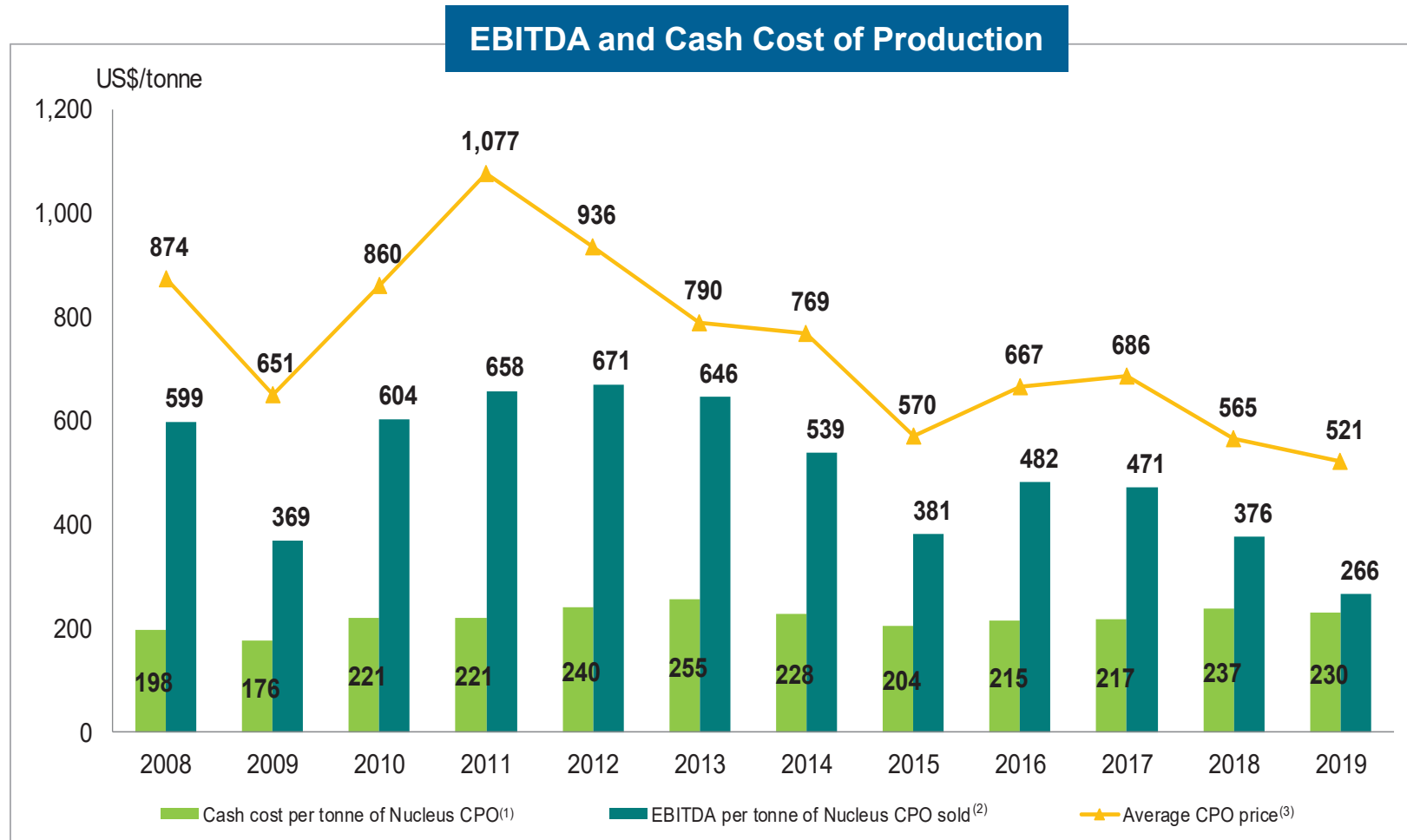
(1) Profit from operations before depreciation, amortisation, expected credit losses and gain/(loss) arising from changes in fair value of biological assets

(2) Profit attributable to owners of the Company

(3) Profit attributable to owners of the Company excluding expected credit losses and gain/(loss) arising from changes in fair value of biological assets and unquoted investment



# Key Performance Metrics

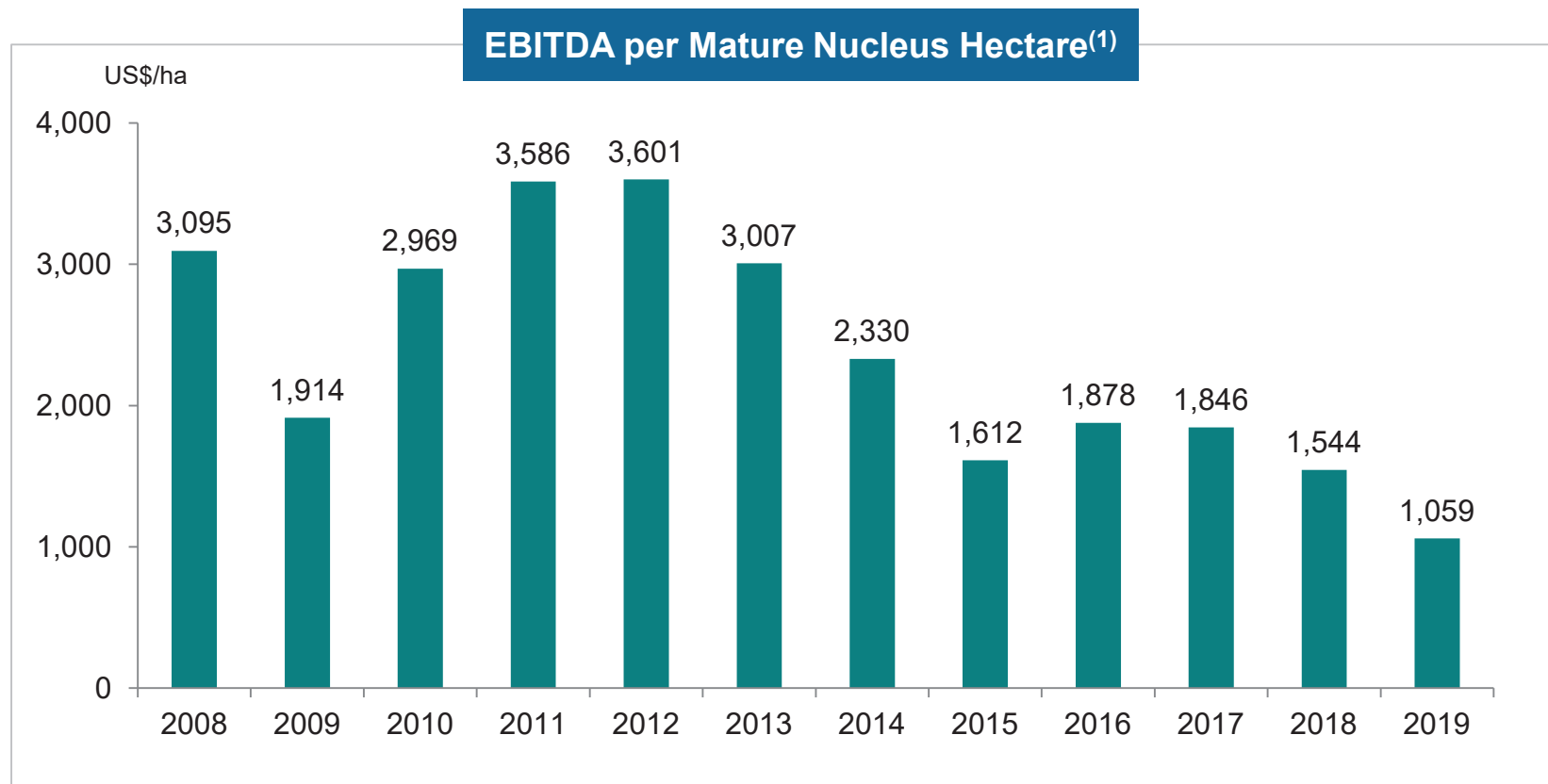


(1) Derived using total cash cost of producing nucleus CPO and PK (before selling and distribution expenses and general and administrative expenses), divided by the production volume of nucleus CPO

(2) Refers to EBITDA contribution from Plantations and Palm Oil Mills segment and not Group EBITDA

(3) Based on Indonesia FOB Crude Palm Oil spot price

# Key Performance Metrics



**Expect better unit EBITDA going forward on stronger CPO prices**

(1) Refers to EBITDA contribution from Plantations and Palm Oil Mills segment and not Group EBITDA

# Balance Sheet Highlights

US\$' million	31 Dec 2019	31 Dec 2018
Total Assets	1,708.9	1,571.0
Cash and bank balances	102.0	99.9
Total Liabilities	607.0	585.0
Borrowings and debt securities <sup>(1)</sup>	411.3	381.0
Total Equity	1,101.9	986.0
Net Debt	309.3	281.1
Gross Debt <sup>(1)</sup> /Total Equity	0.37x	0.39x
Net Debt <sup>(2)</sup> /Total Equity	0.28x	0.29x
Gross Debt <sup>(1)</sup> /EBITDA	1.88x	1.48x
Net Debt <sup>(2)</sup> /EBITDA	1.41x	1.09x
EBITDA/Interest Expense <sup>(3)</sup>	12.8x	14.3x

(1) Sum of Islamic MTNs and borrowings from financial institutions

(2) Borrowings and debt securities less cash and bank balances

(3) Total interest/profit distribution paid/payable on borrowings and debt securities

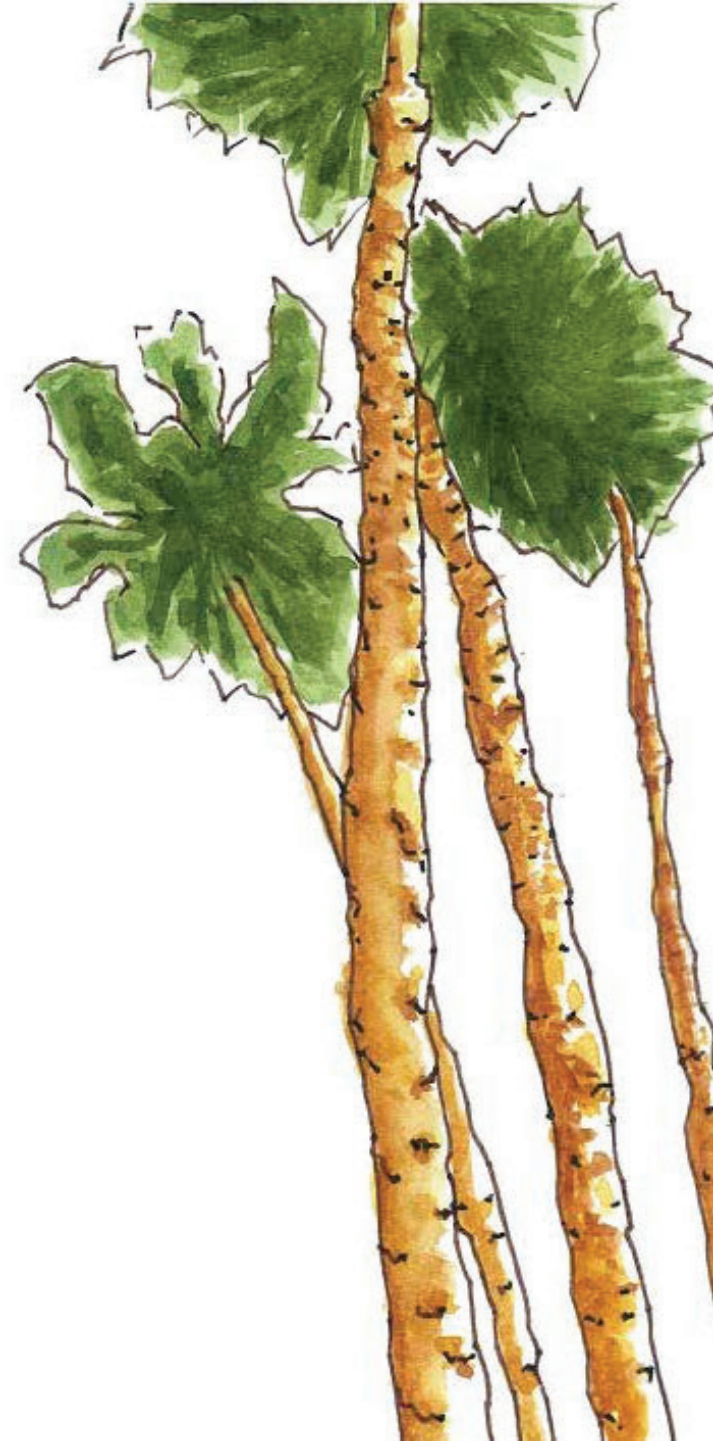
# Operational Highlights

		FY2019	FY2018	Change	4Q2019	4Q2018	Change
<b>Production</b>							
FFB harvested	(tonnes)	3,362,364	3,435,159	(2.1%)	894,048	868,941	2.9%
• Nucleus		3,009,424	3,061,819	(1.7%)	806,909	775,266	4.1%
• Plasma		352,940	373,340	(5.5%)	87,139	93,675	(7.0%)
CPO	(tonnes)	811,947	823,679	(1.4%)	220,417	192,697	14.4%
PK	(tonnes)	185,599	188,471	(1.5%)	50,018	45,298	10.4%
<b>Efficiency</b>							
FFB Yield	(tonnes/ha)	17.0	18.0	↓	4.5	4.6	↓
CPO Yield	(tonnes/ha)	3.9	4.1	↓	1.0	1.0	—
CPO Extraction Rate	(%)	23.1	22.9	↑	23.1	22.5	↑
PK Extraction Rate	(%)	5.3	5.2	↑	5.2	5.3	↓

- Production volumes in 4Q2019 improved yoy although full year production still showed a marginal decline against the strong output in 2018

# Group Updates

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# RSPO Certification

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- In February 2020, the Group received its third Roundtable on Sustainable Palm Oil (RSPO) certification, covering 9,271 hectares of plantations and a mill in the Riau province.
- As of May 2020, we have received RSPO certifications for three of our subsidiaries covering three mills and more than 27,000 hectares of plantations located in the province of Riau. Both of our refineries, as well as our kernel crushing plant are also RSPO-certified.

# Responding to the COVID-19 Pandemic

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- First Resources has implemented measures in line with advisories from the relevant government agencies whilst ensuring minimal impact to our business operations in Singapore and Indonesia.
- For the corporate and regional offices, such measures include restrictions against overseas travel, postponement of large-scale events, conducting meetings via video conferencing and activating work-from-home arrangements.
- Large-scale social restrictions (PSBB) was first imposed in Jakarta on 10 April 2020 before being expanded to other regencies, municipalities and provinces across Indonesia.
- The Group's plantations, mills and processing plants in Indonesia have remained in full operation during this period.
- Based on the guidelines under the PSBB, a set of health and safety protocols governing the Group's operations in Indonesia have been put in place. These include regular education of employees on personal hygiene practices, social distancing rules, wearing of masks, access restrictions into and out of the estates with 14 days self-isolation requirements for new arrivals, as well as quarantine facilities and procedures for managing suspect cases.
- We will continue to prioritise workplace safety and the health of our workers as we build on our strong foundation to grow our business thereafter.
- Amidst the macro-economic uncertainties caused by the pandemic, we have also adjusted our investments and ensured optimal deployment of our resources. With our strong financial position, we are confident that the Group is well placed to weather through this unprecedented event.

# Capital Investments in 2020

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## ■ Plantation Development

- Replanting of oil palms
- Maintenance of immature oil palm and rubber plantations

## ■ Property, Equipment and Others

- Infrastructure for plantation management

## ■ CPO mills

- Construction of our 18<sup>th</sup> mill
- Upgrading and maintenance of existing CPO mills

## ■ Others (Downstream, IT, Seed Garden & Research Centre)

**Expected capital expenditure ~ US\$70 million**



# Thank You

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# Contact Information

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**If you need further information, please contact:**

**Investor Relations**

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# Disclaimer

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The Company will not be responsible for any consequences resulting from the use of this presentation as well as the reliance upon any opinion or statement contained herein or for any omission.

**FIRST RESOURCES LIMITED**  
(Incorporated in Singapore)  
(Company Registration No. 200415931M)

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**RESPONSES TO QUESTIONS RECEIVED FOR THE ANNUAL GENERAL MEETING  
2020**

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The following questions were received from the Securities Investors Association (Singapore) (“SIAS”) and the shareholders of First Resources Limited (the “Company”, and together with its subsidiaries, the “Group”) for the Company’s Annual General Meeting on 1 June 2020. Accordingly, please find below the responses from the Company.

**Question 1**

**As noted in the message to shareholders, one of the key contributors that supported the palm oil industry was Indonesia’s B20 biodiesel mandate. A successful transition to the B30 mandate which mandates the use of 30% palm-based biofuel will further boost the industry. There has been mention that palm oil export levy in Indonesia might be increased by \$5/mt to \$55/mt in 2020 to support the B30 mandate.**

In 2019, the group added 1,188 hectares of oil palms in the form of organic new plantings and it aims to replant approximately 3,000 hectares in 2020. The group would also commence the construction of its 18th mill and a new seafront integrated processing complex in the East Kalimantan in FY2020. The total estimated capital expenditure for FY2020 is US\$110 million.

- (i) **Given the pandemic, coupled with the slump in crude oil prices and the uncertainty of the B20/B30 mandate (especially when the palm oil/gasoil spread (commonly known as POGO) continues to widen), how is management finetuning the pace of its new planting, replanting and its capital investments?**

**The Company’s Response:**

There will be no change to our replanting target for FY2020 as it forms part of the Group’s long-term plan to rejuvenate our plantation age profile. Any delay will cause detrimental effects in the longer term, as the weighted average age of trees continue to rise and productivity decline.

Similarly, the timeline for the construction of our 18<sup>th</sup> mill remains unchanged, as the installed milling capacity is required to cater for the expected growth in FFB production as the surrounding plantations mature. This is of strategic importance and should not be delayed.

The Group has not planned for any significant new plantings for FY2020 and the capital investment for the new processing complex in East Kalimantan will be postponed by a year.

- (ii) **Can management help shareholders understand the strategic value of the new integrated processing complex in the East Kalimantan province?**

The Company's Response:

We have plantations in the East Kalimantan province which are still young and whose yields will start to increase as they mature. To cater for the resultant growth in FFB production, we have been constructing new CPO mills from which the CPO produced can then be further processed into intermediate or finished products at the new integrated processing complex.

As mentioned in (i) above, our capital investment plans for this new integrated processing complex has been postponed by a year.

**Question 2**

**The group has two executive directors, namely Mr Ciliandra Fangiono (first appointed to the board on 18 April 2007) and Mr Fang Zhixiang (Sigih Fangiono) (first appointed to the board on 1 November 2014).**

**Mr Ciliandra Fangiono is an executive director and the chief executive officer. Based on the director's profile on page 19, Mr Fangiono plays a key role in charting the group's strategic directions.**

**In the Corporate Governance report, the company stated that the board sets the strategic direction of the group (page 25) and that the CEO drives the business strategies of the company as set by the board and manages the day-to-day business operations together with the other executive officers of the company (page 30).**

**Mr Fang Zhixiang (Sigih Fangiono), as executive director and deputy chief executive officer, is jointly responsible for the day-to-day management of the group. Mr Fang Zhixiang focuses on the management of plantations and palm oil mills and he manages the group's corporate affairs.**

- (i) **Would the board provide shareholders with greater clarity on the roles and responsibilities of the two executive directors? Specifically, how different are the roles? Is there significant overlap?**

**In FY2019, the two executive directors received 39-40% in variable bonus. In fact, since FY2016, the two executive directors have received the same bonus, as follows:**

- FY2016: 38%**
- FY2017: 40%**
- FY2018: 44%**
- FY2019: 39%, 40%**

The Company's Response:

The CEO has primary ownership over finance, treasury, marketing, risk management, downstream operations and investor relations. He also oversees and manages the day-to-day business operations of the Group jointly with the Deputy CEO, who focuses on the management of plantations and palm oil mills and also manages the Group's corporate affairs involving human resources and governmental relationships. In addition, there are also certain responsibilities that are shared between the CEO and Deputy CEO, including sustainability, information technology and corporate communications.

- (ii) **Would the board/remuneration committee (“RC”) help shareholders understand the quantitative and qualitative/financial and non-financial key performance indicators used to assess the two executive directors?**

The Company’s Response:

The key performance indicators used to assess the two executive directors include both quantitative and qualitative factors, set out and weighted based on their respective roles and responsibilities. Quantitative factors include financial targets like profitability, cost of production and realisation of capital investment plans as well as operational targets like production volumes and yields. Qualitative factors include effectiveness of risk management and communications with stakeholders, as well as employee development and retention. At the same time, there are some key performance indicators which encompass a combination of quantitative and qualitative factors. These include adherence to sustainability standards and efficiencies from operational process improvements.

- (iii) **How did the RC measure and assess the performance of the executive directors? Are directors assessed on an individual basis?**

The Company’s Response:

The executive directors are assessed on an individual basis based on the key performance indicators for their respective areas of responsibilities. Even though the weightage of the various key performance indicators are different for the CEO and Deputy CEO, the overall financial and operational performance of the Group had the biggest weightage and thus resulted in similar percentage of variable bonus for the two executive directors.

### **Question 3**

The group’s sustainability policy and the sustainability reports can be found on its website at <http://www.first-resources.com/sustainability.php?pc=policy>

- (i) **How does the board/management monitor the group’s adherence to the environmental policies, such as no development on high carbon stock/high conservation value area, no new development on peat areas and a strict zero-burning policy?**

The Company’s Response:

Our Policy on Sustainable Palm Oil introduced in July 2015 encompasses the Group’s commitments to environmental management, including no development on High Carbon Stock forests, High Conservation Value areas and peat areas as well as a strict zero-burning policy. To monitor the Group’s adherence to our sustainability policies, we have integrated sustainability throughout our management systems, including the key performance indicators (KPIs) of relevant senior executives and employees with functional responsibility at an operational level. Sustainability is also one of the key topics tabled at quarterly management meetings. In addition, we have a grievance procedure whereby external parties can submit sustainability-related grievances and the progress of grievance resolution is transparently communicated via our corporate website.

Our Board oversees the identification, management and monitoring of material sustainability risks as part of the Group’s risk management process. As part of the risk management exercise, key sustainability risks are included in the risk register, together with the corresponding internal controls and action plans in place to manage

or mitigate those risks. The risk register is maintained and reviewed by management on a regular basis, and the overall findings and recommendations from the risk assessment exercise, including evaluation of the effectiveness of controls by Internal Audit, are reported to the Audit Committee annually. The CEO also regularly updates the Board on any significant developments and matters relating to sustainability issues and risks affecting the Group.

Annually, the Company publishes a sustainability report which communicates the Group's commitment, approach and progress on the sustainability front.

**The group currently manages over 210,000 hectares across the Riau, East Kalimantan and West Kalimantan provinces in Indonesia. As of May 2020, the group has received Roundtable on Sustainable Palm Oil ("RSPO") certifications for three of its subsidiaries covering three mills and more than 27,000 hectares of plantations located in the province of Riau. The group has committed to RSPO certifications for the rest of the mills and plantations by 2024.**

**(ii) Would the board be re-evaluating the pace of its certification? Currently, just 1/8 of the group's hectareage has received the RSPO certification.**

The Company's Response:

Our commitment to achieving RSPO certifications for all our mills and plantations by 2024 is a target that has been agreed with RSPO, being five years from our first certification obtained in 2018. Our RSPO certification process was halted in 2019 due to a previous grievance case that was re-opened. The case has since been resolved in February 2020 and we have proceeded to secure RSPO certification for another mill in the same month, bringing to a total of three mills and more than 27,000 hectares of plantations certified.

Under our certification roadmap, we remain committed to achieving our target of having all our mills and plantations RSPO certified by 2024. For this year, we were planning to certify another five of our mills, integrated with plantations. However, the certification process has since been halted with the onset of the COVID-19 pandemic as no site audits are allowed to be carried out.

We are continuing to work on and monitor the progress of our RSPO certifications and will keep shareholders updated of any subsequent developments.

**(iii) For the plantations that are yet to be certified, how close are they in meeting the seven principles and 42 criteria in the RSPO certification programme?**

The Company's Response:

The Group's sustainability policies have been guided by the principles and criteria set out by RSPO. These sustainability policies are integrated into our management systems and the Group's standard operating procedures, which are implemented across all our operating units and subsidiaries, regardless of certification status. However, during the RSPO audit process, audit findings may result in additional documentation and/or improvements in processes and infrastructure to be implemented before the individual operating units are awarded RSPO certifications.

**Question 4**  
**Impact of COVID-19**

**(i) How has COVID-19 affected the business?**

The Company's Response:

COVID-19 has affected demand in major markets like China and India, impacting CPO prices which have fallen considerably from its peak in January this year. On the other hand, with palm oil being a staple used in dining establishments and food processing industries, a recovery in demand can also be expected when lockdown measures ease globally.

**(ii) Has the pandemic affected the operation and utilisation of factories and plantations?**

The Company's Response:

The Group's plantations, mills and processing plants in Indonesia have remained in full operation during this period.

**(iii) Have there been any cases of COVID-19 reported among employees?**

The Company's Response:

There were two cases of COVID-19 infection in one of our regional offices, both of whom have been discharged and are recuperating well at home. Staff in the same office have been tested and cleared of COVID-19 and the office premises sanitised. Split-team work arrangements have also been implemented wherein two alternate teams are deployed to work in office or at home at different work schedules.

**(iv) Does the Company have any problem fulfilling long-term contracts due to COVID-19?**

The Company's Response:

The Company does not have any long-term sale or purchase contracts currently.

BY ORDER OF THE BOARD  
FIRST RESOURCES LIMITED

Tan Lay Hong  
Company Secretary  
27 May 2020



**FIRST RESOURCES LIMITED**

(Incorporated in Singapore)

(Company Registration No. 200415931M)

**MINUTES OF EXTRAORDINARY GENERAL MEETING HELD BY WAY OF ELECTRONIC MEANS**

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**DATE** : Monday, 1 June 2020**TIME** : 3.05 p.m.**PRESENT** : The following Directors were present at the webcast studio:

Mr Lim Ming Seong	Chairman, Independent Director and Chairman of Nominating Committee and member of the Remuneration Committee
Mr Ciliandra Fangiono	Chief Executive Officer, Executive Director and member of the Nominating Committee

The following Directors were present remotely:

Mr Fang Zhixiang	Deputy Chief Executive Officer and Executive Director
Mr Teng Cheong Kwee	Independent Director and Chairman of Audit Committee and member of the Remuneration Committee
Mr Ong Beng Kee	Independent Director and member of the Audit Committee
Mr Chang See Hiang	Independent Director and member of the Audit and Nominating Committees
Ms Wong Su Yen	Independent Director and Chairman of Remuneration Committee
Mr Peter Ho Kok Wai	Independent Director and member of the Audit Committee
Mr Tan Seow Kheng	Non-Executive, Non-Independent Director and member of the Audit Committee

**SHAREHOLDERS PRESENT VIA ELECTRONIC MEANS** : As set out in the Audio-visual Webcast and Audio-feed Attendee Report.**CHAIRMAN** : Mr Lim Ming Seong**QUORUM**

As a quorum was present, the Chairman declared the meeting open at 3.05 p.m.

**NOTICE**

The Notice convening the Extraordinary General Meeting (“**EGM**” or the “**Meeting**”) was taken as read.

The Chairman informed that in accordance with SGX’s guidance issued on 13 April 2020 on the conduct of general meetings during the circuit breaker, all votes on the resolutions tabled at the Meeting would be voted by proxy and only the Chairman of the Meeting might be appointed by proxy. All resolutions tabled at this Meeting would be voted by poll and counted based on the proxy forms that were submitted to the Company at least 72 hours before the Meeting, either by post or via email.

An announcement had been made by the Company on 4 May 2020 via SGXNet and the Company’s website informing shareholders to submit their proxy forms by 3.00 p.m. on 29 May 2020 to appoint the Chairman of the Meeting to cast votes on their behalf.

The Chairman further informed that in his capacity as Chairman of the Meeting, he has been appointed by numerous shareholders as proxy and would be voting with their instructions. Boardroom Corporate & Advisory Services Pte. Ltd. and Reliance 3P Advisory Pte Ltd have been appointed as the polling agent and scrutineer for the poll respectively. The validity of the proxies submitted by the shareholders by the submission deadline of 3.00 p.m. on 29 May 2020 have been reviewed and the votes of all such valid proxies have been counted and verified.

Shareholders were informed that the purpose of the Meeting was to seek shareholders’ approval for the following proposals:

- (a) the proposed adoption of the First Resources Employee Share Option Scheme 2020 (“**2020 ESOS**”);
- (b) the proposed grant of authority to offer and grant Options at a discount of up to 20% to Market Price under the proposed 2020 ESOS; and
- (c) the proposed adoption of the First Resources Employee Share Award Scheme (“**2020 ESAS**”).

The following were also highlighted:

- The rationale for adopting the 2020 ESOS and 2020 ESAS are set out in the Circular to Shareholders dated 4 May 2020.
- The persons eligible to participate in the 2020 ESOS and 2020 ESAS are the Directors of the Company and employees of the Group.
- The Company may grant Options with or without a discounted Exercise Price. In the event that Options are granted at a discount, the discount shall not exceed twenty per cent. (20%) of the Market Price.
- The aggregate number of new Shares in respect of which Options may be granted on any date under the 2020 ESOS, when added to all Shares, options or awards granted under any other share option scheme, share award scheme or other share based incentive schemes of the Company, including but not limited to the 2020 ESAS, shall not exceed fifteen per cent (15%) of the number of issued Shares of the Company on the day immediately preceding (1) the date on which the Options

shall be granted under the 2020 ESOS; or (2) the date on which the Awards shall be granted under the 2020 ESAS.

- All Directors of the Company and employees of the Group who are eligible to participate in the 2020 ESOS and the 2020 ESAS would abstain from voting in respect of their holdings of Shares.
- Further details on the 2020 ESOS and 2020 ESAS are found in the Circular to Shareholders dated 4 May 2020.

## Q&A SESSION

As indicated in the Company's announcement on 4 May 2020, shareholders would not be able to ask questions during the live webcast and audio-stream of the Meeting. The Company had detailed the steps for shareholders to submit their questions by 20 May 2020 via the pre-registration website, by post or by email in relation to the agenda of the Meeting.

The Company has endeavoured to answer all substantial and relevant questions that were received by 20 May 2020 and the answers to these questions have been (i) published on SGXNet and the Company's website on 27 May 2020; and (ii) attached to these minutes as **Appendix "A"**.

### 1. THE PROPOSED ADOPTION OF THE FIRST RESOURCES EMPLOYEE SHARE OPTION SCHEME 2020 – ORDINARY RESOLUTION 1

The Meeting was informed that Ordinary Resolution 1 was to seek shareholders' approval on the proposed adoption of the First Resources Employee Share Option Scheme 2020.

Ordinary Resolution 1 set out as follow was duly proposed by Chairman:

"THAT:

- (a) the employee share option scheme to be known as the "First Resources Employee Share Option Scheme 2020" ("**ESOS**"), particulars of which are set out in the Circular dated 4 May 2020 (the "**Circular**"), under which options ("**Options**") may be granted to selected Employees and Directors of the Company and/or its subsidiaries who have attained the age of 21 years, to subscribe for ordinary shares (the "**Shares**") in the capital of the Company, be and is hereby approved; and
- (b) the Board of Directors of the Company be and is hereby authorised:–
  - (i) to establish and administer the ESOS;
  - (ii) to modify and/or amend the ESOS from time to time provided that such modification and/or amendment is effected in accordance with the provisions of the ESOS and to do all such acts and to enter into such transactions, arrangements and agreements as may be necessary or expedient in order to give full effect to the ESOS;

- (iii) to offer and grant Options in accordance with the provisions of the ESOS and pursuant to Section 161 of the Companies Act (Cap. 50) of Singapore to allot and issue and/or deliver from time to time such number of fully paid-up Shares as may be required to be issued or delivered pursuant to the exercise of Options provided that the aggregate number of New Shares available pursuant to the ESOS, and any other share-based schemes of the Company, shall not exceed fifteen per cent. (15%) of the total issued Shares of the Company (excluding treasury shares and subsidiary holdings) from time to time; and
- (iv) to complete and do all such acts and things (including executing such documents as may be required) as they may consider necessary, expedient, incidental or in the interests of the Company to give effect to the transactions contemplated and authorised by this resolution.”

The result of Ordinary Resolution 1 tabled at the Meeting, taken on a poll, was as follows:

Total number of shares represented by votes for and against the relevant resolution	FOR		AGAINST	
	Number of shares	As a percentage of total number of votes for and against the resolution (%)	Number of shares	As a percentage of total number of votes for and against the resolution (%)
1,301,740,322	1,044,245,230	80.22	257,495,092	19.78

Accordingly, Ordinary Resolution 1 tabled at the Meeting was carried.

**2. THE PROPOSED GRANT OF AUTHORITY TO OFFER AND GRANT OPTIONS AT A DISCOUNT OF UP TO 20% TO MARKET PRICE UNDER THE PROPOSED FIRST RESOURCES EMPLOYEE SHARE OPTION SCHEME 2020 – ORDINARY RESOLUTION 2**

Ordinary Resolution 2 was to seek shareholders' approval to offer and grant options at a discount of up to 20% of market price under the Proposed First Resources Employee Share Option Scheme 2020.

Ordinary Resolution 2 set out as follow was duly proposed by Chairman:

“THAT:

subject to and contingent upon the passing of Ordinary Resolution 1 being approved, approval be and is given for:

- (a) the maximum discount that may be given under the Scheme to be up to twenty per cent. (20%) of the Market Price (as defined hereinbelow) for the Shares at the time of the grant of the Option; and

- (b) the Directors of the Company be and are hereby authorised to offer and grant Options in accordance with the rules of the Scheme with exercise prices set at a discount to the market price (being a price equal to the average of the last dealt prices for the Shares on the Singapore Exchange Securities Trading Limited ("**SGX-ST**") over the five (5) consecutive market days on which the Shares are traded on the SGX-ST immediately preceding the date of grant of that Option, as determined by the Committee authorised and appointed to administer the Scheme by reference to the daily official list or any other publication published by the SGX-ST, rounded to the nearest whole cent in the event of fractional prices) ("**Market Price**")."

The result of Ordinary Resolution 2 tabled at the Meeting, taken on a poll, was as follows:

Total number of shares represented by votes for and against the relevant resolution	FOR		AGAINST	
	Number of shares	As a percentage of total number of votes for and against the resolution (%)	Number of shares	As a percentage of total number of votes for and against the resolution (%)
1,301,740,322	1,044,245,230	80.22	257,495,092	19.78

Accordingly, Ordinary Resolution 2 tabled at the Meeting was carried.

### 3. THE PROPOSED ADOPTION OF THE FIRST RESOURCES EMPLOYEE SHARE AWARD SCHEME 2020 – ORDINARY RESOLUTION 3

Ordinary Resolution 3 was to seek shareholders' approval on the proposed adoption of the First Resources Employee Share Award Scheme 2020.

Ordinary Resolution 3 set out as follow was duly proposed by Chairman:

"THAT:

- (a) the employee share award scheme to be known as the "First Resources Employee Share Award Scheme 2020" ("**ESAS**"), particulars of which are set out in the Circular, under which awards ("**Awards**") of Shares may be granted to selected Employees and Directors of the Company and/or its subsidiaries who have attained the age of 21 years, be and is hereby approved; and
- (b) the Board of Directors of the Company be and is hereby authorised:–
- (i) to establish and administer the ESAS;
  - (ii) to modify and/or amend the ESAS from time to time provided that such modification and/or amendment is effected in accordance with the provisions of the ESAS and to do all

such acts and to enter into such transactions, arrangements and agreements as may be necessary or expedient in order to give full effect to the ESAS;

- (iii) to grant Awards in accordance with the provisions of the ESAS and pursuant to Section 161 of the Companies Act (Cap. 50) of Singapore to allot and issue, transfer and/or deliver from time to time such number of fully paid-up Shares, or pay the aggregate Market Price of the Shares in cash in lieu of the allotment or transfer of Shares, as may be required;
- (iv) pursuant to the vesting of Awards provided that the aggregate number of New Shares available pursuant to the ESAS, and any other share-based schemes of the Company, shall not exceed fifteen per cent. (15%) of the total issued Shares of the Company (excluding treasury shares and subsidiary holdings) from time to time; and
- (v) to complete and do all such acts and things (including executing such documents as may be required) as they may consider necessary, expedient, incidental or in the interests of the Company to give effect to the transactions contemplated and authorised by this resolution.”

The result of Ordinary Resolution 3 tabled at the Meeting, taken on a poll, was as follows:

Total number of shares represented by votes for and against the relevant resolution	FOR		AGAINST	
	Number of shares	As a percentage of total number of votes for and against the resolution (%)	Number of shares	As a percentage of total number of votes for and against the resolution (%)
1,301,740,322	1,156,276,935	88.83	145,463,387	11.17

Accordingly, Ordinary Resolution 3 tabled at the Meeting was carried.

## CONCLUSION

There being no other business to transact, the Chairman declared the Extraordinary General Meeting of the Company closed at 3.20 p.m. and thanked everyone for their attendance.

## CONFIRMED AS TRUE RECORD OF PROCEEDINGS HELD

**LIM MING SEONG**  
CHAIRMAN

**FIRST RESOURCES LIMITED**  
(Incorporated in Singapore)  
(Company Registration No. 200415931M)

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**RESPONSES TO QUESTIONS RECEIVED FOR THE EXTRAORDINARY GENERAL MEETING 2020**

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The following questions were received from the shareholders of First Resources Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) for the Company’s Extraordinary General Meeting on 1 June 2020. Accordingly, please find below the responses from the Company.

**Question 1**

**What is the reason for including the administrators as participants of the share option/award scheme?**

**The Company’s Response:**

Pursuant to Rule 849 of the Listing Manual, the schemes must be administered by a committee comprising Directors (the “**Committee**”).

As stated in Paragraph 2.2, of the Circular, the schemes are intended to, amongst other things, motivate and reward Group Employees (including Directors). The Company recognises that Committee members (in their role as Directors) also contribute to the growth and success of the Group and therefore should be included in the schemes. In particular, Directors who occupy executive positions are involved in the day to day management and operations of the Group, while Non-Executive Directors, though not involved in the day-to-day running of the Group, play an invaluable role in the Group’s success by applying their experience, drawing on their knowledge and utilising their expertise for the benefit of the Group.

Notwithstanding the aforesaid, a participant who is a member of the Committee must not be involved in its deliberations in respect of options or awards to be granted to himself pursuant to Rule 849. This has also been set out in Paragraphs 3.1(j) and 4.1(h) of the Circular.

**Question 2**

**Are there any details about the performance conditions, targets, vesting period and holding period that can be shared publicly?**

**The Company’s Response:**

Performance conditions, targets, vesting period and holding period will primarily depend on the role of the relevant Group Employee and the objectives of the Group. For instance, performance targets or conditions may comprise group or individual sales targets, the performance of the Company’s share price over a designated period, the Group profitability and other key performance indicators. The appropriate condition/target, or the vesting or holding period, depends on many factors, including the role/designation of the Group Employee and the financial/operational objectives which the Group intends to achieve, and accordingly, will be determined by the Committee on a case-by-case basis.

**Question 3**

**Do outstanding awards become vested immediately upon change in control?**

The Company's Response:

No, change in control of the Company does not trigger an immediate vesting of outstanding Awards.

**Question 4**

**Please confirm that options under the share option scheme may be issued with a discount of up to 20%?**

The Company's Response:

Yes, the rules of the 2020 ESOS and the Listing Manual, together with the shareholders' approval sought by the Company under Ordinary Resolution 2 of the EGM, authorises the Company to issue Options with an exercise price of not more than 20% discount to the market price.

**Question 5**

**Please confirm that dilution under the share award scheme is up to 15%?**

The Company's Response:

Yes, under the rules of the 2020 ESOS and 2020 ESAS as well as the Listing Manual, the aggregate number of new shares issued and/or issuable under all share-based incentive schemes (including the 2020 ESOS and 2020 ESAS) should not exceed 15% of the total number of issued shares of the Company (excluding treasury shares and subsidiary holdings). This has also been set out in paragraphs 3.1 (c) and 4.1(c) of the Circular.

BY ORDER OF THE BOARD  
FIRST RESOURCES LIMITED

Tan Lay Hong  
Company Secretary  
27 May 2020