

GENERAL ANNOUNCEMENT::MINUTES OF THIRTY-FIFTH ANNUAL GENERAL MEETING OF IFS CAPITAL LIMITED

Issuer & Securities

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IFS CAPITAL LIMITED

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Submitted By (Co./ Ind. Name)

Chionh Yi Chian/Angeline Ng

Designation

Company Secretary/Assistant Company Secretary

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

Please refer to the attached for Minutes of Thirty-Fifth Annual General Meeting ("AGM") of IFS Capital Limited held, by way of electronic means, on Friday, 22 April 2022 at 2.30 p.m.

For earlier announcements made on 4 April 2022 and 22 April 2022 (under the category "Annual General Meeting") in relation to the AGM, please refer to announcement reference no. SG220404MEETY009.

Attachments

[Minutes of 35th IFS AGM 22 April 2022.pdf](#)

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MINUTES OF THE THIRTY-FIFTH (35th) ANNUAL GENERAL MEETING OF IFS CAPITAL LIMITED HELD BY WAY OF ELECTRONIC MEANS ON FRIDAY, 22 APRIL 2022 AT 2.30 P.M.

Present:

In Attendance

- Mr Lim Hua Min - Chairman of Meeting
- Mr Randy Sim Cheng Leong - Director/Group CEO
- Ms Chionh Yi Chian - Company Secretary
- Ms Angeline Ng - Assistant Company Secretary

Via Video-conference

- Mr Tam Chee Chong - Director
- Mr Law Song Keng - Director
- Mr Barney Lau Tai Chiau - Director

Shareholders (via live webcast or audio conference)

As set out in the attendance records maintained by the Company

Via Webcast

- Mr Ian Hong - KPMG LLP
- Mr Paul Theng - Corporate Advisory Pte. Ltd.

Group Management Staff (via live webcast or audio conference)

As set out in the attendance records maintained by the Company

There being a quorum, the Chairman called the Meeting to order at 2.30 p.m. and extended a warm welcome to the Shareholders.

As the Notice of the Annual General Meeting dated 4 April 2022 had been sent out to the Shareholders before the Meeting, the Chairman proposed that the said Notice be taken as read.

Chairman went on to inform that the Company had received proxy forms from shareholders appointing him, the Chairman of the Meeting, as their proxies to vote on their behalf on the resolutions tabled at the Meeting.

CHAIRMAN'S
INITIALS

The Meeting noted that voting was by way of poll and the Company had appointed Corporate Advisory Pte. Ltd. to act as the Scrutineers. The Scrutineers had independently checked and verified the validity of the proxy forms and votes received before the Meeting. Chairman would be announcing the results after each resolution was proposed at the Meeting.

Before proceeding with the resolutions proposed in the Notice, Chairman introduced his fellow board members. He first introduced Mr Randy Sim who was present in person and then introduced all other board members who have joined the Meeting via video-conference.

Chairman went on to inform the Meeting that the Company had invited shareholders for questions prior to the Meeting. There were no questions submitted by the shareholders. However, the Company had received some questions from the Securities Investor Association Singapore and had published the responses on the SGXnet and its corporate website on 14 April 2022.

Before proceeding further, Chairman handed over to Mr Randy Sim to give a short presentation on the Group's financial performance as well as the progress made in building its underlying business engines. Mr Sim said that 2021 was a recovery year for the Group. The Group saw a broad regularisation of its portfolio that was affected by the pandemic in 2020. It managed to resolve many of the accounts which experienced payment delays in 2020 and also saw some trade volume return for its factoring clients. However, given that the Group had a change of its NPL interest recognition method in 2020, it would be more informative to consider its results for FY2020 and FY2021 together. While the Group had weathered the pandemic period well in terms of credit losses, its volume of business had not returned to pre-pandemic levels yet. As presented on the loan book chart, while the Group had good recovery momentum, it was slow in its origination to replenish its loan base. Mr Sim added that this was something that he could have managed better and growth would be the prime focus for the Group this year. The slower than desired loan origination was partially offset by an increase in trade volume in certain industries such as logistics and technology. He further added that the Group would continue to calibrate its products and services to better support its existing clients as well as developing product-market fit to serve new sectors, specifically in technology. On the systems front, the Group had been developing its proprietary lending operating system based on the Salesforce platform. Singapore was the first country to completely cutover to the new system and subsequently, completed the implementation for Malaysia. He added that the Group would target to complete Thailand this year, followed by Indonesia. The new system is the culmination of years of planning and development by the Singapore team, developed for credit specialists by credit specialists. Apart from providing a much better digital user experience for both clients and staff, it also allows the Group to pretty much plug-and-play new applications that can enhance its business. He further added that it would also give the Group a deeper access to transaction-level data which it would use to improve its products and processes. The Group is excited about the potential to extend this system to third party FIs that are looking for a SaaS-based system solution.

On the insurance front, Mr Sim added that ECICS Limited continued to make progress in de-risking its legacy bond portfolio, which had weighed down its business in the past. The ECICS team is also building on the foundation that they have laid for the general insurance business, focusing on the

CHAIRMAN'S
INITIALS

auto and home-related lines. Currently, the main challenge is to scale the volume of business and Mr Sim added that he believed ECICS had the right team in place to do so.

Further, an important growth pillar for the Group across all its businesses is partnerships and Mr Sim highlighted two recent ones that the team had put together.

Mr Sim went on to state that the Company had released a press release the day before the AGM regarding its consumer lending arm, Friday Finance's partnership with Payd, to launch Earned Wage Access or EWA, starting here in Singapore. An EWA program basically allows an employee to have on-demand access to his or her earned income, without having to wait for the usual month-end cycle. Think of it as being analogous to movie streaming, now employees can enjoy income streaming, whenever they need it. The mechanics are transparent - An employee of a company running an EWA program powered by Friday Finance can easily monitor, access and withdraw funds via an app from the amount of income that has been accrued every day to that point. Parameters such as the percentage of income to make available, etc, can be customised by the employer. The amount drawn will be provided by Friday Finance, which will subsequently be repaid by the employer as part of the normal wage cycle. The Company believed a well-structured EWA program could bring tremendous benefits including cost-savings and convenience to both the employer and employee. More importantly, the EWA is a sustainable form of consumer finance, that has the potential to address real underserved consumer segments and needs in a timely and responsible way.

Mr Sim added that the other partnership would be ECICS's partnership with sgCarMart on used car warranty. This partnership provides used car buyers with the peace of mind that their vehicle has been properly inspected and protected with a warranty program that is backed by an insurance company. As presented in the flow diagram, the product is embedded into the purchase journey of a car buyer. This partnership opens a brand new channel of business for ECICS and is part of its embedded insurance drive.

Following that, Chairman then proceeded with the Resolutions set out in the Notice of Annual General Meeting.

1. **ORDINARY RESOLUTION 1: ADOPTION OF DIRECTORS' STATEMENT, AUDITED FINANCIAL STATEMENTS AND AUDITORS' REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021**

The Directors' Statement and Audited Financial Statements for the financial year ended 31 December 2021 and the Auditors' Report thereon (the "Statements and Report") were tabled and the Meeting had no objections to the Chairman's proposal that the Statements and Report which were previously circulated be taken as read.

The Chairman proposed the following resolution:

THAT the Directors' Statement and the Audited Financial Statements for the financial year ended 31 December 2021 together with the Auditors' Report thereon now submitted to the Meeting be and are hereby adopted.

CHAIRMAN'S
INITIALS

The results of the votes by way of poll were as follows:

	Total No. of Shares Represented by Votes For and Against the Relevant Resolution	For		Against	
		No. of Shares	%	No. of Shares	%
Ordinary Resolution 1 Adoption of Directors' Statement, Audited Financial Statements & Auditor Report	227,778,212	227,778,212	100	0	0

Based on the results of the poll, the Chairman declared Ordinary Resolution 1 carried.

2. **ORDINARY RESOLUTION 2: ORDINARY CASH DIVIDEND**

The Chairman proposed Ordinary Resolution 2:-

THAT the payment of a first and final one-tier tax exempt ordinary cash dividend of 0.78 cents per share for the financial year ended 31 December 2021 be and is hereby approved.

The results on the vote by way of poll were as follows:

	Total No. of Shares Represented by Votes For and Against the Relevant Resolution	For		Against	
		No. of Shares	%	No. of Shares	%
Ordinary Resolution 2 Payment of a First and Final One-Tier Tax Exempt Ordinary Cash Dividend of 0.78 cents per share	227,778,212	227,778,212	100	0	0

Based on the results of the poll, the Chairman declared Ordinary Resolution 2 carried.

3. **ORDINARY RESOLUTION 3: DIRECTORS' FEES**

The Chairman proposed Ordinary Resolution 3:-

THAT the Directors' fees of S\$275,500 for the financial year ended 31 December 2021 be and are hereby approved.

CHAIRMAN'S
INITIALS

The results on the vote by way of poll were as follows:

	Total No. of Shares Represented by Votes For and Against the Relevant Resolution	For		Against	
		No. of Shares	%	No. of Shares	%
Ordinary Resolution 3 Approval of Directors' Fees amounting to S\$275,500	227,778,212	227,778,212	100	0	0

Based on the results of the poll, the Chairman declared Ordinary Resolution 3 carried.

4. **ORDINARY RESOLUTION 4(a): RE-ELECTION OF DIRECTORS**

The Chairman informed the Meeting that as the proposed Ordinary Resolution 4(a) dealt with his re-election, he would hand the Chair of the Meeting over to Mr Barney Lau.

Mr Barney Lau took over the Chair of the Meeting and proposed Ordinary Resolution 4(a):-

THAT Mr Lim Hua Min who is retiring by rotation in accordance with article 94 of the Constitution of the Company, be and is hereby re-elected as a Director of the Company.

The results on the vote by way of poll were as follows:

	Total No. of Shares Represented by Votes For and Against the Relevant Resolution	For		Against	
		No. of Shares	%	No. of Shares	%
Ordinary Resolution 4(a) Re-election of Director: Mr Lim Hua Min	227,778,212	227,778,212	100	0	0

Based on the results of the poll, Mr Barney Lau declared Ordinary Resolution 4(a) carried.

Mr Barney Lau handed the Chair of the Meeting back to Mr Lim Hua Min.

5. **ORDINARY RESOLUTION 4(b): RE-ELECTION OF DIRECTORS**

The Chairman proposed Ordinary Resolution 4(b):-

CHAIRMAN'S
INITIALS

THAT Mr Barney Lau Tai Chiau who is retiring by rotation in accordance with article 94 of the Constitution of the Company, be and is hereby re-elected as a Director of the Company.

The results on the vote by way of poll were as follows:

	Total No. of Shares Represented by Votes For and Against the Relevant Resolution	For		Against	
		No. of Shares	%	No. of Shares	%
Ordinary Resolution 4(b) Re-election of Director: Mr Barney Lau Tai Chiau	227,778,212	227,778,212	100	0	0

Based on the results of the poll, the Chairman declared Ordinary Resolution 4(b) carried.

6. ORDINARY RESOLUTION 5: AUDITORS

The Chairman informed the Meeting that KPMG LLP would not be seeking re-appointment as Auditors of the Company and the Auditors, Ernst & Young LLP had indicated their willingness to be appointed as the Company's Auditors in place of KPMG LLP and the approval of the Meeting was now sought.

The Chairman proposed Ordinary Resolution 5:-

THAT Ernst & Young LLP, be and are hereby appointed as Auditors of the Company in place of the retiring Auditors, KPMG LLP, to hold office until the conclusion of the next Annual General Meeting at a fee to be agreed between the Directors and the Auditors.

The results on the vote by way of poll were as follows:

	Total No. of Shares Represented by Votes For and Against the Relevant Resolution	For		Against	
		No. of Shares	%	No. of Shares	%
Ordinary Resolution 5 Appointment of Ernst & Young LLP as Auditors, in place of the retiring Auditors, KPMG LLP	227,778,212	227,778,212	100	0	0

CHAIRMAN'S
INITIALS

Based on the results of the poll, Chairman declared Ordinary Resolution 5 carried.

7. **GENERAL SHARE ISSUE MANDATE**

The Chairman informed the Meeting that the proposed Ordinary Resolution 6 was to approve a general mandate to empower the Directors to issue shares and instruments convertible into shares, up to a limit of 50 per cent. subject to a sub-limit of 20 per cent. for shares not issued on a *pro rata* basis.

This general share issue mandate would continue in force until the conclusion of the next Annual General Meeting.

The Chairman proposed that the Ordinary Resolution 6 as set out in the Notice of this Annual General Meeting be and is hereby approved.

The results on the vote by way of poll were as follows:

	Total No. of Shares Represented by Votes For and Against the Relevant Resolution	For		Against	
		No. of Shares	%	No. of Shares	%
Ordinary Resolution 6 Authority for Directors to Issue Shares and Instruments Convertible into Shares	227,778,212	227,778,212	100	0	0

Based on the results of the poll, Chairman declared Ordinary Resolution 6 carried.

There being no other business, the Chairman, on behalf of the Board, thanked all shareholders for watching the live webcast. The Chairman declared the Meeting closed at 2.50 p.m.

Certified as a correct record of the proceedings of the Meeting.

Lim Hua Min
Chairman
IFS Capital Limited

CHAIRMAN'S
INITIALS
