**Securities Investors Association (Singapore)**
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Email: admin@sias.org.sg www.sias.org.sg
UEN No: S99SS0111B
GST Reg No: M90367530Y

**Issuer:** Reclaims Global Limited

**Stock code:** NEX

**Meeting details:**
Date: 28 May 2021
Time: 10.00 a.m.

Due to the current COVID-19 pandemic, SIAS encourage shareholders to participate at AGMs via other means and not to attend any AGM physically. Where the AGM is webcast, they can stay on top of their investments by watching the webcast and submitting their question to the company in advance. Senior citizens should avoid attending AGMs altogether and stay home.

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**Q1**. The financial highlights can be found on page 11 of the annual report and an excerpt is reproduced below.




| | FY2021 S$'000 | FY2020 S$'000 | FY2019* S$'000 | FY2019 S$'000 |
|---|---|---|---|---|
| **FOR THE REPORTING YEAR** | | | | |
| **Revenue by segment:** | | | | |
| Recycling | 4,440 | 4,511 | 5,504 | 5,504 |
| Excavation services | 11,176 | 19,668 | 14,422 | 14,422 |
| Logistics and leasing | 8,970 | 9,717 | 11,466 | 11,466 |
| Others | 136 | 317 | 198 | 198 |
| Total revenue | 24,722 | 34,213 | 31,590 | 31,590 |

* Added back listing-related expenses amounting to S$2.6 million in profit or loss and reversing listing expenses (excluding share-based payment) amounting to S$0.8 million on statement of financial position, for illustration purpose only.

(Adapted from company annual report)

(i) **Recycling:** Revenue from recycling has decreased from $11.5 million in FY2018 to $4.5 million in FY2020 (pre-pandemic) and to $4.4 million in FY2021. **What are the reasons for the reduced level of revenue from recycling? What is the operational capacity for the group's recycling segment (recycled concrete aggregates)?**

(ii) **Excavation services: Can management disclose the order book for the excavation segment? How is the group addressing the manpower shortages and the anticipated increase in costs?**

(iii) **Logistics and leasing: What is the age profile (including the average age) of the group's fleet of tipper trucks and other machinery and equipment such as excavators, articulated dump trucks, mobile jaw crushers and mobile screener?**

(iv) **Concentration risk:** The group's top 3 customers contributed $9.5 million in FY2020 and $9.2 million in FY2021, up from $2.1 million in FY2019. As a percentage of the group's total revenue, the contribution from the top 3 customers increased from 6.6% in FY2019 to 27.8% (FY2020) and to 37.2% (FY2021). **Can management provide more colour on the profile and the scope of business activities of the top 3 customers? How does management intend to retain these major customers and/or grow and diversify its customer base?**

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**Q2.** The group has an ongoing collaboration with Malaysian Palm Oil Board ("MPOB") to explore, experiment and develop a technology process to transform empty fruit bunch (EFB) fibre into strandboard as a direct replacement for plywood, which the group has named "OPLY".

The pilot plant was fully commissioned in end November 2020. The trademarks have been registered in Singapore and are anticipated to be registered in Malaysia by June 2021. The group has also filed and registered the intellectual property of the technology process and patent of the product in May 2020.

(i) **What is the total amount invested to develop OPLY so far? How much has been earmarked to support the development and commercialisation of OPLY?**

(ii) **What are the major milestones before OPLY reaches the commercialisation stage?**

(iii) **What is the group's contribution to the initative other than capital?**

(iv) **In the Memorandum of Agreement with MPOB, does Reimagine Me Sdn. Bhd. ("RIM") have the exclusive use or the ownership of the intellectual property?**

**Q3.** The board comprises eight directors, of whom four are independent directors and four are executive directors.

The profiles of the directors can be seen on pages 6 to 9 of the annual report.

With the appointment of Ms Chan Bih Tzy on 23 April 2021 as an executive director, the company has deviated from Provisions 2.2 and 2.3 of the Code of Corporate Governance 2018 which requires independent directors to make up a majority of the board where the chairman is not independent and non-executive directors to make up a majority of the board.

(i) **What were the deliberations by the nominating committee (NC) on the board composition and on the Provisions of the CG Code when it recommended the appointment of Ms Chan Bih Tzy as an executive director?**

As disclosed in the annual report, Ms Chan Bih Tzy is the niece of the executive chairman, Mr Chan Chew Leh, and the spouse of the executive director, Mr Tan Kok Huat.

(ii) **Does the current board composition improve the independence element, raise the diversity of thoughts, foster more complete discussion and encourage more robust debate on the board?**

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(iii) In addition, three of the four independent directors have formal training in accounting/accountancy while the fourth is a lawyer. **Can the NC help shareholders understand if the non-executive directors have the appropriate balance and mix of skills, knowledge, experience, especially in the construction sector to engage in effective and constructive debate with the executive directors?**

^On 1 October 2020, the Accounting and Corporate Regulatory Authority ("ACRA"), the Monetary Authority of Singapore ("MAS") and Singapore Exchange Regulation ("SGX RegCo") published an updated checklist to guide listed entities on the conduct of general meetings arising from the latest updates from the Multi-Ministry Taskforce.

Issuers may continue to conduct their general meetings held on or before 30 June 2021 via electronic means, and are encouraged to do so.

Issuers who, after due consideration of public health and other risks, wish to provide for physical attendance at their general meetings must ensure that they implement all relevant measures to comply with the safe management measures imposed by the Singapore Government.

**Shareholders are welcome to use and/or adapt the questions prepared by SIAS and to forward them to the company.**

**Can't attend the AGM or view the webcast? Check out the latest questions on the annual reports of listed companies on SIAS website**

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^ Guidance on the Conduct of General Meetings Amid Evolving COVID-19 Situation (https://www.sgx.com/media-centre/20201001-guidance-conduct-general-meetings-amid-evolving-covid-19-situation)