FEDERAL INTERNATIONAL (2000) LTD
(Company Registration No. 199907113K)
(Incorporated in the Republic of Singapore)

MINUTES OF ANNUAL GENERAL MEETING

PLACE	:	Held by live video streaming
DATE	:	Wednesday, 28 April 2021
TIME	:	10:00 a.m.
PRESENT	:	The following Directors were present at the place of meeting:

Mr. Koh Kian Kiong	-	Executive Chairman and Chief Executive Officer

The following Directors were present virtually:

Ms. Maggie Koh	-	Executive Director
Mr. Koh Beng Guan, Don	-	Executive Director
Mr. Yee Kee Shian, Leon	-	Lead Independent Director
Mr. Hoon Tai Meng	-	Non-Executive Independent Director
Mr. Khoo Boo Yeow, Andrew	-	Non-Executive Independent Director
Mr. Loh Eu Tse, Derek	-	Non-Executive Independent Director

IN ATTENDANCE	:	As per log-in attendance lists maintained by the Company.
CHAIRMAN	:	Mr. Koh Kian Kiong (the "**Chairman**")

OPENING

The Chairman welcomed shareholders for their attendance at this Annual General Meeting ("Meeting" or "AGM") and explained that due to the safe alternative measures to curb local transmission of COVID-19 and the guidance issued by the relevant regulators in Singapore, the Meeting was convened and held by way of live video streaming. He then introduced the Directors, the Auditor and Company Secretary. They were present in person or virtually at the Meeting.

QUORUM

The quorum was met by the attendance of Mr. Koh Kian Kiong and Ms. Maggie Koh as the shareholders of the Company who were present in person. The Chairman called the Meeting to order at 10:00 a.m.

NOTICE OF MEETING

The Chairman informed that the notice of AGM was released to SGXNET and advertised in the Business Times on 12 April 2021. The Notice convening the Meeting was taken as read.

The Chairman informed the shareholders that in his capacity as Chairman of the Meeting, he had been appointed as proxy by a number of shareholders and that he would be voting in accordance with their instructions. He further informed that all resolutions would be proposed by him.

QUESTIONS AND ANSWERS

Shareholders were given the opportunity to ask questions by submitting their questions in advance of the Meeting, and the response to the questions raised by shareholders and the Securities Investors Association (Singapore) had been released at the SGXNet on 27 April 2021. The questions and responses are annexed to these minutes as **Appendix "A"**.

POLL VOTING PROCEDURE

All resolutions at the AGM were voted by poll pursuant to the Company's Constitution and Listing Rule 730A(2) of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"). The Company had appointed B.A.C.S Private Ltd and Finova BPO Pte. Ltd. as polling agent and scrutineer of the Meeting respectively. It was noted that the proxy votes received as at the cut-off date had been counted and validated by the Company appointed scrutineer. The results would be presented at the AGM.

ORDINARY BUSINESS

1. DIRECTORS' STATEMENT, AUDITED FINANCIAL STATEMENTS TOGETHER WITH AUDITOR'S REPORT - ORDINARY RESOLUTION 1

The following resolution was duly proposed:

"That the Directors' Statement and the Audited Financial Statements of the Company for the financial year ended 31 December 2020 together with the Auditor's Report thereon be and are hereby 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
62,473,163	53,564,989	85.74%	8,908,174	14.26%

It was **RESOLVED** as an Ordinary Resolution that the Directors' Statement and the Audited Financial Statements of the Company for the financial year ended 31 December 2020 together with the Auditor's Report thereon be and are hereby received and adopted.

2. RE-ELECTION OF MR. KOH BENG GUAN, DON - ORDINARY RESOLUTION 2

Mr. Koh Beng Guan, Don who was retiring pursuant to Regulation 91 of the Company's Constitution had consented to continue in office. He is the Executive Director of the Company.

The following resolution was duly proposed:

"That Mr. Koh Beng Guan, Don, retiring by rotation pursuant to Regulation 91 of the Constitution of the Company, be and is hereby re-elected as a Director of the Company."

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
62,473,163	53,564,989	85.74%	8,908,174	14.26%

It was **RESOLVED** as an Ordinary Resolution that Mr. Koh Beng Guan, Don, retiring by rotation pursuant to Regulation 91 of the Constitution of the Company, be and is hereby re-elected as a Director of the Company.

3. RETIREMENT OF MR. YEE KEE SHIAN, LEON

It was noted that Mr. Yee Kee Shian, Leon would retire as a Director at the conclusion of the AGM. Following his retirement, Mr. Yee Kee Shian, Leon will cease to be the Lead Independent Director, the Chairman of the Audit Committee and a member of the Nominating Committee and Remuneration Committee of the Company.

On behalf of the Board, the Chairman thanked Mr. Yee Kee Shian, Leon for his countless valuable contributions and guidance during his tenure in office.

4. RE-ELECTION OF MR. HOON TAI MENG - ORDINARY RESOLUTION 3

Mr. Hoon Tai Meng who was retiring pursuant to Regulation 97 of the Company's Constitution had consented to continue in office.

"That Mr. Hoon Tai Meng, retiring pursuant to Regulation 97 of the Constitution of the Company, be and is hereby re-elected as a Director of the Company."

It was noted that Mr. Hoon Tai Meng would be considered an Independent Director of the Company and would remain as the Chairman of the Audit Committee and a member of the Remuneration Committee and Nominating Committee.

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
62,473,163	53,564,989	85.74%	8,908,174	14.26%

It was **RESOLVED** as an Ordinary Resolution that Mr. Hoon Tai Meng, retiring pursuant to Regulation 97 of the Constitution of the Company, be and is hereby re-elected as a Director of the Company.

5. DIRECTORS' FEES – RESOLUTION 4

The Board had recommended the payment of Directors' fees of S$206,400 to Non-Executive and Independent Directors of the Company for the year ending 31 December 2021.

The following resolution was duly proposed:

"That the Directors' fees of S$206,400 to Non-Executive and Independent Directors of the Company for the financial year ending 31 December 2021, to be paid quarterly in arrears, be and is hereby approved."

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
62,473,163	53,564,989	85.74%	8,908,174	14.26%

It was **RESOLVED** as an Ordinary Resolution that the Directors' fees of S$206,400 to Non-Executive and Independent Directors of the Company for the financial year ending 31 December 2021, to be paid quarterly in arrears, be and is hereby approved.

6. RE-APPOINTMENT OF AUDITOR – RESOLUTION 5

The retiring auditor, Baker Tilly TFW LLP, had expressed its willingness to continue in office.

The following resolution was duly proposed:

"That Baker Tilly TFW LLP be and is hereby re-appointed as the Auditor of the Company to hold office until the next Annual General Meeting of the Company and the Directors of the Company be and is hereby authorised to fix its remuneration"

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
62,473,163	53,564,989	85.74%	8,908,174	14.26%

It was **RESOLVED** as an Ordinary Resolution that Baker Tilly TFW LLP be and is hereby re-appointed as the Auditor of the Company to hold office until the next Annual General Meeting of the Company and the Directors of the Company be and is hereby authorised to fix its remuneration.

SPECIAL BUSINESS

7. AUTHORITY TO ISSUE SHARES – RESOLUTION 6

The Meeting noted that Ordinary Resolution 6 was to authorise the Directors to issue shares pursuant to Section 161 of the Companies Act, Chapter 50.

The following resolution was duly proposed: -

That pursuant to Section 161 of the Companies Act (Cap. 50) ("**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 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 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, 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 which are outstanding or subsisting at the time of the passing of this Resolution, provided the share options or share awards were granted in compliance with Part VIII of Chapter 8 of the Listing Manual of the SGX-ST; and

(c) any subsequent bonus issue, consolidation or subdivision of shares;

(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 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 earlier.

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
62,473,163	53,564,989	85.74%	8,908,174	14.26%

It was **RESOLVED** as an Ordinary Resolution –

That pursuant to Section 161 of the Companies Act (Cap. 50) ("**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 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 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, 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 which are outstanding or subsisting at the time of the passing of this Resolution, provided the share options or share awards were granted in compliance with Part VIII of Chapter 8 of the Listing Manual of the SGX-ST; and

(c) any subsequent bonus issue, consolidation or subdivision of shares;

(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 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 earlier.

8. APPROVAL FOR THE CONTINUED APPOINTMENT OF MR. KHOO BOO YEOW, ANDREW, AS A NON-EXECUTIVE INDEPENDENT DIRECTOR FOR THE PURPOSES OF RULE 210(5)(d)(iii)(A) – RESOLUTION 7

The Meeting noted that with effect from 1 January 2022, Rule 210(5)(d)(iii) of the Listing Manual of the SGX-ST provides that a Director will not be independent if he has been a Director for an aggregate period of more than nine years and his continued appointment as an independent Director has not been sought and approved in separate resolutions by (a) all shareholders; and (b) shareholders excluding the Directors and the chief operating officer of the Company, and their respective associates.

The following resolution was duly proposed:

"That Mr. Khoo Boo Yeow, Andrew is a Non-Executive Independent Director who has served the Company for nine years and subject to passing of Resolution 8, Mr. Khoo will continue his appointment as a Non-Executive Independent Director via a Two-Tier Voting process for a three-year term, with effect from the passing of this resolution at this AGM, until the conclusion of the third AGM of the Company following the passing of this resolution."

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
62,473,163	53,564,989	85.74%	8,908,174	14.26%

It was **RESOLVED** as an Ordinary Resolution that: -

(a) the continued appointment of Mr. Khoo Boo Yeow, Andrew, as a Non-Executive Independent Director, for purposes of Rule 210(5)(d)(iii)(A) of the Listing Manual of the SGX-ST (which will take effect from 1 January 2022) be and is hereby approved; and

(b) the authority conferred by this Resolution shall continue in force until the earlier of the following: (i) the retirement or resignation of Mr. Khoo Boo Yeow, Andrew, as a Director; or (ii) the conclusion of the third AGM of the Company following the passing of this Resolution.

9. APPROVAL FOR THE CONTINUED APPOINTMENT OF MR. KHOO BOO YEOW, ANDREW, AS A NON-EXECUTIVE INDEPENDENT DIRECTOR FOR THE PURPOSES OF RULE 210(5)(d)(iii)(B) – RESOLUTION 8

The Meeting noted that with effect from 1 January 2022, Rule 210(5)(d)(iii) of the Listing Manual of the SGX-ST provides that a Director will not be independent if he has been a Director for an aggregate period of more than nine years and his continued appointment as an independent Director has not been sought and approved in separate resolutions by (a) all shareholders; and (b) shareholders excluding the Directors and the chief operating officer of the Company, and their respective associates.

The following resolution was duly proposed:

"That contingent upon passing of Resolution 7 above, to approve the continued appointment of Mr. Khoo Boon Yeow, Andrew, as a Non-Executive Independent Director for the purposes of Rule 210(5)(d)(iii)(B)."

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		ABSTAIN
	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	Number of shares
62,473,163	53,564,989	85.74%	8,908,174	14.26%	32,838,900

It was **RESOLVED** as an Ordinary Resolution that: -

Subject to and contingent upon the passing of Resolution 7:

(a) the continued appointment of Mr. Khoo Boo Yeow, Andrew, as a Non-Executive Independent Director, for purposes of Rule 210(5)(d)(iii)(B) of the Listing Manual of the SGX-ST (which will take effect from 1 January 2022) be and is hereby approved; and

(b) the authority conferred by this Resolution shall continue in force until the earlier of the following: (i) the retirement or resignation of Mr. Khoo Boo Yeow, Andrew as a Director; or (ii) the conclusion of the third AGM of the Company following the passing of this Resolution, provided that this Resolution shall only be proposed and voted upon if Resolution 7 is passed by shareholders of the Company by appointing the Chairman of the Meeting as proxy to vote at the AGM.

CONCLUSION

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

The Chairman thanked everyone for watching the live video streaming AGM and wished that everyone would stay safe.

CERTIFIED AS A TRUE RECORD OF MINUTES

Mr. Koh Kian Kiong
Chairman of Meeting

FEDERAL INTERNATIONAL (2000) LTD
Incorporated in the Republic of Singapore
Company Registration No. 199907113K

Appendix A to Minutes of Annual General Meeting of the Company held on 28 April 2021

A) Questions from SIAS

	Question	Response
1	Despite the pandemic, the group's revenue in FY2020 increased by 8.9% to $68.1 million in FY2020. This was mainly attributed to higher sales from trading business in China, Thailand, and Vietnam. As disclosed in the business and financial review (page 11), revenue contribution from China rose by 44.6% from $19.5 million in FY2019 to $28.2 million in FY2020 as a result of increased demand for ship scrubbers. Vessels have to be retrofitted with scrubbers to comply with International Maritime Organization ("IMO") 2020 regulations which limit sulphur in shipping fuels to 0.5%.	
(i)	For the benefit of shareholders, can management provide greater clarity on the group's core competency as a "procurement specialist" serving the offshore marine, oil and gas industry? What value-add does the group provide?	As a procurement specialist, our activities include the handling and procuring of goods and raw materials on behalf of our customers. We assist our customers to monitor and expedite the movement of goods and raw materials with their manufacturers and suppliers. In addition, we provide progress updates and assistance in arranging for third-party inspection at either the manufacturer or supplier's port of loading or in Singapore before shipment. In addition, we undertake technical sourcing for products for our clients in the oil and gas industry. Technical sourcing involves discussions with our clients to gain a good understanding of their technical requirements on product specifications as well as their concerns on product cost and the delivery lead-time. These discussions enable us to source for suitable

		products to match their needs and to assist them in terms of budget control and project schedule management. We also offer tailored-made solutions to suit customers' specifications and requirements.
	(ii) With greater digitalisation by suppliers and manufacturers, will the group's position in the value-chain be eroded as customers and manufacturers bypass the middleman?	Given the nature and complexity of these value-add services, the Group is less impacted by greater digitalisation.
	(iii) How much visibility does the group have in relation to the underlying demand by PT Gunanusa Utama Fabricators ("PTG")?	PTG updates the Group of its prospects regularly. Through the prospect updates, the Group work together with PTG to provide solutions for procurement scope of the respective project tenders.
	(iv) Can management help shareholders understand if the group's experience in procurement for the oil & gas segment is transferable to infrastructure (land) projects?	We highlighted the prospect of infrastructure (land) projects. These projects include fabrication of bridges and supply of aggregates as part of the toll road projects. PTG has expanded into fabrication of onshore land projects since 2019. This has opened up opportunities for the Group to act as procurement agents for such infrastructure projects leveraging on the Group's supply chain network.
	(v) As at 31 December 2020, the group's inventories increased to $16.7 million from $10.1 million a year ago. Can management help shareholders understand how it manages inventory/obsolescence risks?	Inventory increased to $16.7 million from $10.1 million a year ago. The increase in inventory as at 31 December 2020 was due to products received by the Group for value-add services pending delivery to customers with regards to the Thailand projects. Group is a distributor of various brands of flow control products. The Group strive to maintain an adequate level of inventories to service customers who requires replacement of parts / component. The Group mitigates obsolescence risk by regularly managing the level of inventory against market demand.
2.	As noted in the letter to shareholders, the group recognised net impairment loss on financial assets of $(4.8) million in FY2020 and in FY2019. For FY2020, the impairment loss of $(4.8) million was mainly due to defaults by several customers from the Indonesian trading business segment. For FY2019, the $(4.8) million impairment loss was the result of an impairment loss on non-current other receivables of $(2.0) million and net impairment loss on current receivables of $(2.8) million. The non-current other receivables relate to the loan made to a shareholder of an investee company after taking into consideration the fair value of pledged shares. The group's credit risk policy states	

	that it trades only with recognised and creditworthy third parties and customers are subject to credit verification procedures.	
2 (i)	Has the board reviewed the group's compliance with its credit risk policies?	The Group has in place credit risk policies where significant transactions are reviewed for operational as well as credit risks.
2 (ii)	Given the heightened uncertainty in the global economy, has the group tightened its credit policy, especially for new customers and even old customers who might be in financial distress?	The heightened uncertainty in the global economy has certainly affected businesses around the world. The Group is mindful of the risks and participants in the supply chain it operates and increased review of credit policies and associated credit risks. As part of its sustainability strategy, we strive to mitigate risks with longstanding customers whom the Group has established strong relationship. Continued support to and from these customers in viable projects is crucial in this challenging time.
2 (iii)	As shown in Note 40(a) (page 137 – Financial risk management objectives and policies), other than Indonesia (which is the group's traditional market), the group has significant trade receivables from customers in Thailand. The amount of $8.2 million is nearly 30% of all outstanding trade receivables as at 31 December 2020. Can management help shareholders understand if the outstanding trade receivables from its Thai customers is current?	The increased in trade receivables from its customers in Thailand was due to billings for deliveries under the recent projects secured. These are current and collections from these customers are expected to be largely on schedule.
2. (iv)	How is management working with customers to collect on the long outstanding receivables?	The Group is continuously working with these customers to work out schedule payments.
3.	The board comprises seven directors, four of whom are deemed independent. The biographies of the board directors can be found on pages 6 to 8 of the annual report. The independent directors are Mr Yee Kee Shian, Leon (lead independent director), Mr. Mr Khoo Boo Yeow, Andrew, Mr Loh Eu Tse, Derek and Mr Hoon Tai Meng. All four independent directors have formal legal training. Mr Koh Kian Kiong, Ms Maggie Koh and Mr Koh Beng Guan, Don, being the executive directors of the company, are immediate family members.	
3. (i)	Can the board elaborate further on how the current board, as a group provide an appropriate balance and mix of skills, knowledge, experience, and other aspects of diversity such as gender and age, so as to avoid groupthink and foster constructive debate?	I refer you to the Corporate Governance Statement principle 1.4. To facilitate effective management, certain functions have been delegated to various Board Committees. The Board of Directors' profiles are disclosed on page 6 to page 8 of the annual report.

		Mr Koh Kian Kiong is a co-founder of the Group and oversees the Group's strategy and expansion plan. He has more than 46 years of experience in the oil and gas. Ms Maggie Koh joined the Group in 1993 and has more than 26 years of experience in the oil and gas industry. Ms Koh oversees the trading business of the Group. Mr Don Koh has more than 21 years of experience in the oil and gas industry. He is responsible for international businesses and overseas projects such as the Zawtika Phase 1C project in 2016 to 2018. He oversees international tender exercises with consortium partners such as PT Gunanusa and other EPC companies.
3. (ii)	What is the level of industry knowledge and familiarity of the oil and gas, energy and marine industries of the independent directors?	The Group's independent directors' profiles are listed in pages 6 to 8 as well. Mr Hoon joined the Group after the IPO then stepped down in 2010. In 2020 Mr Hoon joined the Group and lead the Audit Committee. Mr Leon Yee joined the Group since 2010. He is the Chairman of Duane Morris & Selvam LLP and heads the Banking and Finance and Energy Practice Group. Mr Andrew Khoo joined the Group since 2012. He is the Chairman and CEO of MUI Group. Mr Derek Loh joined the Group in 2018. He is a partner with TSMP Law Corporation and sits on the Board of several listed entities. Given the diverse background and majority of independent directors in the Board, no individual or group of individuals dominates the Board's decision-making.

B) Questions from Shareholder

<table>
<tr><th></th><th>Question</th><th>Response</th></tr>
<tr><td>1</td><td>Remuneration of Executive Directors</td><td></td></tr>
<tr><td>1 (a) (i)</td><td>What was the annual base salary of each executive director for the last 2 financial years and what will be the annual base salary of each director for FY2021?</td><td>
<u>PRINCIPLE 7: LEVEL AND MIX OF REMUNERATION on page 49 of the Annual Report</u>
The Company adopts a remuneration policy for Executive Directors and Key Management Personnel of the Group that comprise a fixed component and a variable component. The fixed component is in the form of a base salary. The variable component is in the form of profit-sharing or a variable bonus that is linked to the performance of the Group and the individual performance for the preceding financial year.

<u>PRINCIPLE 8: DISCLOSURE ON REMUNERATION on page 50 of the Annual Report</u>
In view of confidentiality and sensitivity attached to remuneration matters, the Board is of the opinion that it is in the best interests of the Group not to disclose exact remuneration received by each Executive Director of the Company, but in the bands of S$250,000 as disclosed.

FY2020
<table>
<tr><th>Name</th><th>Salary range</th><th>Fess</th><th>Salary</th><th>Bonus</th><th>Other Benefits</th></tr>
<tr><td>Mr Koh Kian Kiong</td><td>S$500,000 to $750,000</td><td>Nil</td><td>95%</td><td>Nil</td><td>5%</td></tr>
<tr><td>Ms Maggie Koh</td><td>S$250,000 to S$499,000</td><td>Nil</td><td>92%</td><td>Nil</td><td>8%</td></tr>
<tr><td>Mr Koh Beng Guan, Don</td><td>S$250,000 to S$499,000</td><td>Nil</td><td>93%</td><td>Nil</td><td>7%</td></tr>
</table>
FY2019
<table>
<tr><th>Name</th><th>Salary range</th><th>Fess</th><th>Salary</th><th>Bonus</th><th>Other Benefits</th></tr>
<tr><td>Mr Koh Kian Kiong</td><td>S$500,000 to $750,000</td><td>Nil</td><td>95%</td><td>Nil</td><td>5%</td></tr>
<tr><td>Ms Maggie Koh</td><td>S$250,000 to S$499,000</td><td>Nil</td><td>94%</td><td>Nil</td><td>6%</td></tr>
<tr><td>Mr Koh Beng Guan, Don</td><td>S$250,000 to S$499,000</td><td>Nil</td><td>94%</td><td>Nil</td><td>6%</td></tr>
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<table>
<tr><td>1 (a) (ii)</td><td>What percentage of revenue was paid to all executive directors' salaries for the last 2 financial years.?</td><td><u>Under Note 34 - EMPLOYEE BENEFITS on page 127 of the Annual Report</u>

As we do not disclose individual director's remuneration, we extracted the breakdown of employee benefits expense (including directors) is as follows:

<table>
<tr><th></th><th>FY2020</th><th>FY2019</th></tr>
<tr><td>Salaries and bonuses</td><td>7,438</td><td>7.835</td></tr>
<tr><td>Employer's contribution to defined contribution plans including Central Provident Fund in Singapore</td><td>618</td><td>862</td></tr>
<tr><td>Total employee benefits</td><td>8,056</td><td>8,697</td></tr>
<tr><td>Total revenue</td><td>68,142</td><td>62,599</td></tr>
<tr><td>Total employee benefits as a % of total revenue</td><td>11.8%</td><td>13.9%</td></tr>
</table></td></tr>
<tr><td>1(b)</td><td>What was the amount of bonus paid to each executive director for the last 2 financial years.?</td><td>Nil. Please refer to remuneration paid to executive directors in 1 (a) (i) above.</td></tr>
<tr><td>1 (c)</td><td>How is the performance of each executive director assessed? Who assesses the performance of such executive director?</td><td><u>PRINCIPLE 5: BOARD PERFORMANCE on page 47</u>
The NC has put in place a performance evaluation process where the effectiveness of the Board as a whole, of each Board Committee separately, and the contribution by the Chairman and each individual Director of the Board is carried out on annual basis following the conclusion of each financial year.</td></tr>
<tr><td>2</td><td>Cost cutting measures</td><td></td></tr>
<tr><td></td><td>What cost reduction measures can be undertaken for FY2021 to make the Group profitable?</td><td>Cost reduction measures includes salary cut for Directors (both executive and independent directors' fees) as well as key executives. In addition, non- performing entities' businesses are subjected to periodic review to ensure economic viability and relevance. The Group has liquidated 3 subsidiaries and associates to reduce costs.</td></tr>
<tr><td>3</td><td>Loss-making businesses</td><td></td></tr>
<tr><td></td><td>Which are the business divisions of the company that have been making losses? What has been done to rectify this?</td><td>As announced, in the Groups 1H2020 and 2H2020 results, the Group's land drilling rig remain unemployed throughout FY2020 and its Indonesia trading businesses were affected by the Covid-19 pandemic. On-shore oil and gas activities, government and business investment in land infrastructure sectors were postponed due to the Covid-19 pandemic.

With our extensive networks and years of experience in Indonesia, we hope to capture some opportunities in the rapid infrastructure build-up of the country post-Covid.</td></tr>
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4	Composition of the Board of Directors	
	For a company of the size of the Group, I believe the number of directors is excessive. There are 7 directors, 3 executive directors and 4 independent directors.	**PRINCIPLE 2: BOARD COMPOSITION AND GUIDANCE on page 41 of the Annual Report** The composition of the Board is reviewed annually by the NC and the Board to ensure that there is an appropriate mix of expertise, knowledge and experience to enable the Management to benefit from a diverse perspective of issues that are brought before the Board. Given the diverse qualifications, experience, background, gender and profile of the Directors, including the Independent Directors, the NC is of the view that the current Board members as a group provides an appropriate balance and diversity of relevant skills, experience and expertise required for effective management of the Group. The Board is of the view that the current size, composition, range of experience and the varied expertise of the current Board members provides core competencies in business, investment, industry knowledge, legal, regulatory matters, audit, accounting and tax matters which are necessary to meet the Group's needs.
4 (a)	I notice that all 3 executive directors are related family members. How do we ensure that there is diversity of views and discussions at the board level be constructive?	
4 (b)	Having 4 independent directors increases the cost to the company. Please explain why we need that numbers of independent directors.	
4 (c)	Previously, there used to be only 3 independent directors. Why was this increased? And what have these 4 independent directors have done to ensure the progress the company?	
5	Payment Guarantee Bonds by insurance companies	
	I noticed the company's response to SGX Query dated 15 Mar. 2021, "the Group is also making claims against certain insurance companies that had provided Payment Guarantee Bond as security for the relevant Debtors."	
5 (a)	Please provide the names of these insurance companies and are these well-reputed and rated insurance companies?	In response to SGX's query, the Group announced that the debts impaired (amounting to $4,951K) during the year had been past due for more than 120 days and were reported as sales in the years prior to financial year 2020. The Group tried to recover these receivables by taking legal action against the customers ("Debtors") that had defaulted on payments. In addition, the Group is also making claims against certain insurance companies that had provided Payment Guarantee Bond (Surety Bond) to the Group as security for the relevant Debtors. We wish to reiterate that the Group is taking all actions necessary in its effort to recover the amount due.
5 (b)	The amount defaulted S$5,030k is huge, were these Payment Guarantee Bonds provided by these insurance companies reviewed and checked by any parties prior to their acceptance?	
	If there is no professional party advising on these Payment Guarantee Bonds, which department should be responsible for the review and acceptance of such instruments of payment?	

6	Proposal of cost cutting measures	
i)	To review the board size and remunerations	We thank you for your input and suggestion. We are mindful of business costs and constantly keep them in check in its pursuit for business opportunities and activities. The Board has taken initiative to cut its remuneration and wishes to thank key management in accepting pay cut to lighten the Group's burden with added demand to pursue potential projects.
ii)	To review Group's structure and improve efficiency	