

**MTQ CORPORATION LIMITED**  
(Incorporated in Singapore)  
(Company Registration No. 196900057Z)

**MINUTES OF 54th ANNUAL GENERAL MEETING**

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**PLACE** : Carlton Hotel, Empress Ballroom 4, Level 2  
76 Bras Basah Road, Singapore 189558

**DATE** : Monday, 31 July 2023

**TIME** : 10.00 a.m.

**PRESENT** : As set out in the attendance records maintained by the Company

**IN ATTENDANCE** : As set out in the attendance records maintained by the Company

**CHAIRMAN** : Mr Kuah Kok Kim

**1. INTRODUCTION**

- 1.1 The Chairman welcomed all shareholders who attended the Annual General Meeting (“**AGM**” or the “**Meeting**”) and introduced the Board of Directors present at the AGM.
- 1.2 The Notice of AGM dated 30 June 2023 was taken as read.
- 1.3 The Chairman informed the Meeting that he had, in his capacity as Chairman of the Meeting, been appointed as proxy by some shareholders and would be voting in accordance with the specific instructions of these shareholders. Voting at this AGM would be conducted by electronic polling. RHT Governance, Risk & Compliance (Singapore) Pte. Ltd. (“RHT”) and Boardroom Corporate & Advisory Services Pte. Ltd. had been appointed as scrutineer and polling agent for the AGM respectively.

**2. PRESENTATION BY GROUP CEO**

- 2.1 The Chairman invited the Group CEO, Mr Kuah Boon Wee (“Mr Kuah”), to provide a brief presentation on the Group’s business affairs for the financial year ended 31 March 2023 (“FY2023”) and to answer those substantial and relevant questions received in advance.
- 2.2 Mr Kuah delivered a presentation on the overview of the Group’s businesses and FY2023 financial performance. A copy of the AGM presentation slide was published on SGXNet as well as made available on the Company’s website after the conclusion of the AGM on 31 July 2023.
- 2.3 Mr Kuah updated the shareholders that the disposal of the Pandan Loop property was completed in July 2023 and the new facility is now located in Tuas South.
- 2.4 Several shareholders have previously expressed their interest in visiting the new facility in Tuas South. The Company is delighted to invite those shareholders who are keen to visit our facility. Interested shareholders may contact us at 6777 7651 or email [investorrelation@mtq.com.sg](mailto:investorrelation@mtq.com.sg).
- 2.5 The responses to the questions received in advance are attached hereto as **Appendix 1**.
- 2.6 After the presentation, the proceeding was handed back to the Chairman.

**3. QUESTIONS AND ANSWERS**

- 3.1 The Board then proceeded to field questions from the shareholders that were present at the AGM. The questions relating to the resolutions raised by shareholders at the AGM and the responses are summarised and attached hereto as **Appendix 2**

**4. AGENDA ITEMS**

- 4.1 There being no further questions from the shareholders, the Scrutineer from RHT was requested to explain the polling procedures and the use of a wireless handheld device for voting to the shareholders present. The Chairman then proceeded by proposing all the motions which had been tabled for approval at this AGM and put these resolutions to vote by poll.

**ORDINARY BUSINESS:**

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

The motion to approve and adopt the Directors' Statement and the Audited Financial Statements for the financial year ended 31 March 2023 together with the Independent Auditor's Report was duly proposed by the Chairman.

The votes were counted and verified and the results of the votes for Resolution 1 were as follows:

Total number of shares represented by votes for and against the resolution	For		Against	
	Number of shares	As a % of total number of votes for and against the resolution	Number of shares	As a % of total number of votes for and against the resolution
114,669,410	114,555,725	99.90	113,685	0.10

Based on the results of the Poll, the Chairman declared Resolution 1 carried and it was RESOLVED:

"That the Directors' Statement and the Audited Financial Statements of the Company for the financial year ended 31 March 2023 together with the Independent Auditor's Report be received and adopted."

**2. FINAL DIVIDEND – RESOLUTION 2**

The motion to approve the payment of one-tier final dividend of 0.50 Singapore cents per ordinary share for the financial year ended 31 March 2023 and the final dividend, if approved, would be paid on 22 August 2023, was duly proposed by the Chairman.

The votes were counted and verified and the results of the votes for Resolution 2 were as follows:

Total number of shares represented by votes for and against the resolution	For		Against	
	Number of shares	As a % of total number of votes for and against the resolution	Number of shares	As a % of total number of votes for and against the resolution
114,218,154	113,178,469	99.09	1,039,685	0.91

Based on the results of the Poll, the Chairman declared Resolution 2 carried and it was RESOLVED:

“That the payment of a final (one-tier tax-exempt) dividend of 0.50 Singapore cents per ordinary share for the financial year ended 31 March 2023 be approved.”

### **3. RE-ELECTION OF MR CHEW SOO LIN AS A DIRECTOR – RESOLUTION 3**

Resolution 3 dealt with the re-election of Mr Chew Soo Lin as a Director of the Company. Mr Chew, who was retiring under Article 91 of the Company’s Constitution, had signified his consent to continue in office and would, upon re-election as a Director of the Company, remained as Chairman of the Audit Committee and member of the Nomination and Remuneration Committee and would be considered independent.

The motion in relation to Resolution 3 was duly proposed by the Chairman. The votes were counted and verified and the results of the votes for Resolution 3 were as follows:

Total number of shares represented by votes for and against the resolution	For		Against	
	Number of shares	As a % of total number of votes for and against the resolution	Number of shares	As a % of total number of votes for and against the resolution
114,453,210	114,034,961	99.63	418,249	0.37

Based on the results of the Poll, the Chairman declared Resolution 3 carried and it was RESOLVED:

“That Mr Chew Soo Lin be re-elected as a Director of the Company.”

### **4. RE-ELECTION OF MR ONG ENG YAW AS A DIRECTOR – RESOLUTION 4**

Resolution 4 dealt with the re-election of Mr Ong Eng Yaw as a Director of the Company. Mr Ong, who was retiring under Article 91 of the Company’s Constitution, had signified his consent to continue in office and would, upon re-election as a Director of the Company, remained as member of the Nomination and Remuneration Committee and would be considered non-independent.

The motion in relation to Resolution 4 was duly proposed by the Chairman. The votes were counted and verified and the results of the votes for Resolution 4 were as follows:

Total number of shares represented by votes for and against the resolution	For		Against	
	Number of shares	As a % of total number of votes for and against the resolution	Number of shares	As a % of total number of votes for and against the resolution
114,562,410	114,144,161	99.63	418,249	0.37

Based on the results of the Poll, the Chairman declared Resolution 4 carried and it was RESOLVED:

“That Mr Ong Eng Yaw be re-elected as a Director of the Company.”

**5. RE-ELECTION OF MS HO GEK SIM GRACE AS A DIRECTOR – RESOLUTION 5**

Resolution 5 dealt with the re-election of Ms Ho Gek Sim Grace as a Director of the Company. Ms Ho, who was retiring under Article 97 of the Company’s Constitution, had signified her consent to continue in office and would, upon re-election as a Director of the Company be considered independent.

The motion in relation to Resolution 5 was duly proposed by the Chairman. The votes were counted and verified and the results of the votes for Resolution 5 were as follows:

Total number of shares represented by votes for and against the resolution	For		Against	
	Number of shares	As a % of total number of votes for and against the resolution	Number of shares	As a % of total number of votes for and against the resolution
113,918,075	111,382,765	97.77	2,535,310	2.23

Based on the results of the Poll, the Chairman declared Resolution 5 carried and it was RESOLVED:

“That Ms Ho Gek Sim Grace be re-elected as a Director of the Company.”

**6. RE-APPOINTMENT OF AUDITOR – RESOLUTION 6**

The Chairman informed that the retiring auditor, Ernst & Young LLP, had expressed its willingness to continue in office.

The motion in relation to Resolution 6 was duly proposed by the Chairman. The votes were counted and verified and the results of the votes for Resolution 6 were as follows:

Total number of shares represented by votes for and against the resolution	For		Against	
	Number of shares	As a % of total number of votes for and against the resolution	Number of shares	As a % of total number of votes for and against the resolution
111,667,477	111,452,167	99.81	215,310	0.19

Based on the results of the Poll, the Chairman declared Resolution 6 carried and it was RESOLVED:

“That Ernst & Young LLP be re-appointed as Auditor of the Company until the conclusion of the next Annual General Meeting and that the Directors be authorised to fix its remuneration.”

**7. ANY OTHER ORDINARY BUSINESS**

As no notice of any other ordinary business has been received by the Company Secretary, the Meeting proceeded to deal with the special business of the Meeting.

**SPECIAL BUSINESS:**

**8. DIRECTORS’ FEES – RESOLUTION 7**

The Board had, subject to shareholders’ approval, recommended the payment of Directors fees of up to S\$350,000 to be paid quarterly in arrears for the financial year ending 31 March 2024.

The motion in relation to Resolution 7 was duly proposed by the Chairman. The votes were counted and verified and the results of the votes for Resolution 7 were as follows:

Total number of shares represented by votes for and against the resolution	For		Against	
	Number of shares	As a % of total number of votes for and against the resolution	Number of shares	As a % of total number of votes for and against the resolution
112,324,352	111,992,651	99.70	331,701	0.30

Based on the results of the Poll, the Chairman declared Resolution 7 carried and it was RESOLVED:

“That the Directors’ fees of up to S\$350,000 for the financial year ending 31 March 2024, to be paid quarterly in arrears, be approved for payment.”

**9. AUTHORITY TO ISSUE SHARES – RESOLUTION 8**

The motion in relation to Resolution 8 was to authorise the Directors to allot and issue shares pursuant to Section 161 of the Companies Act 1967 and Rule 806 of the Listing Manual of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”).

The motion in relation to Resolution 8 was duly proposed by the Chairman. The votes were counted and verified and the results of the votes for Resolution 8 were as follows:

Total number of shares represented by votes for and against the resolution	For		Against	
	Number of shares	As a % of total number of votes for and against the resolution	Number of shares	As a % of total number of votes for and against the resolution
114,887,672	111,985,600	97.47	2,902,072	2.53

Based on the results of the Poll, the Chairman declared Resolution 8 carried and it was RESOLVED:

That pursuant to Section 161 of the Companies Act 1967 and Rule 806 of the Listing Manual of 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 centum (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 centum (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 and awards were granted in compliance with the Listing Manual; and
  - (c) any subsequent bonus issue, consolidation or subdivision of shares;

provided such adjustment in sub-paragraph 2(a) and (b) above are 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 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 Company's Constitution; 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.

**10. AUTHORITY TO ISSUE SHARES UNDER THE MTQ CORPORATION LIMITED SCRIP DIVIDEND SCHEME – RESOLUTION 9**

The Meeting noted that Resolution 9 was to authorise the Directors to issue shares under The MTQ Corporation Limited Scrip Dividend Scheme.

The motion in relation to Resolution 9 was duly proposed by the Chairman. The votes were counted and verified and the results of the votes for Resolution 9 were as follows:

Total number of shares represented by votes for and against the resolution	For		Against	
	Number of shares	As a % of total number of votes for and against the resolution	Number of shares	As a % of total number of votes for and against the resolution
115,175,808	113,603,767	98.64	1,572,041	1.36

Based on the results of the Poll, the Chairman declared Resolution 9 carried and it was RESOLVED:

“That pursuant to Section 161 of the Companies Act 1967 and Rule 806 of the Listing Manual of the SGX-ST, the Directors of the Company be authorised and empowered to issue such number of shares in the Company as may be required to be issued pursuant to The MTQ Corporation Limited Scrip Dividend Scheme from time to time set out in the Circular to Shareholders dated

10 June 2004 and that such authority shall, unless revoked or varied by the Company in a general meeting, 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.”

**11. PROPOSED RENEWAL OF THE SHARE BUYBACK MANDATE – RESOLUTION 10**

As the Chairman was deemed to be interested in the item on the Agenda, the chair was handed over to the Lead Independent Director, Mr Nicholas Campbell Cocks.

The Meeting noted that Resolution 10 was to seek shareholders’ approval for the renewal of the Share Buyback Mandate. The full details of the Share Buyback Mandate and the financial effects had been set out in the Appendix dated 30 June 2023 attached to the Annual Report.

As stated in the Appendix dated 30 June 2023, the Concert Party Group, comprising Kuah Kok Kim, Kuah Boon Wee, Kuah Boon Kiam and Kuah Boon Theng would abstain from recommending shareholders to vote in favour for this Resolution.

The motion in relation to Resolution 10 was duly proposed by the Lead Independent Director, Mr Cocks. The votes were counted and verified and the results of the votes for Resolution 10 were as follows:

Total number of shares represented by votes for and against the resolution	For		Against	
	Number of shares	As a % of total number of votes for and against the resolution	Number of shares	As a % of total number of votes for and against the resolution
44,651,646	44,537,961	99.75	113,685	0.25

Based on the results of the Poll, Mr Cocks declared Resolution 10 carried and it was RESOLVED:

“That for the purposes of Sections 76C and 76E of the Companies Act 1967, the Directors of the Company be and are hereby authorised to make purchases or otherwise acquire ordinary shares in the capital of the Company from time to time (whether by way of market purchases or off-market purchases on an equal access scheme) of up to ten per centum (10%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as ascertained as at the date of Annual General Meeting of the Company) at the price of up to but not exceeding the Maximum Price as defined in the Appendix to this Notice of Annual General Meeting dated 30 June 2023 (the “**Appendix**”), in accordance with the terms of the Share Buyback Mandate set out in the Appendix, and the Share Buyback Mandate shall, unless varied or revoked by the Company in a general meeting, continue in force until the conclusion of (i) the next Annual General Meeting of the Company, (ii) the date by which the next Annual General Meeting of the Company is required by law to be held, or (iii) the date on which Share Purchases are carried out to the full extent mandated, whichever is earliest.”

The chair was handed over to the Chairman.



**CONCLUSION**

There being no other business to transact, the Chairman declared the AGM of the Company closed at 11.20 a.m. and thanked everyone for their attendance and participation in this Meeting.

**CONFIRMED AS TRUE RECORD OF PROCEEDINGS HELD**

**Kuah Kok Kim**  
Chairman

Appendix 1

MTQ CORPORATION LIMITED  
(Incorporated in Singapore)

Annual General Meeting (“AGM”) held on 31 July 2023

Responses to questions received from shareholders in advance of the AGM

**Question 1:**  
**What is the Company Management’s own opinion on the long-term prospects of the oil & gas sector?**

**Response:**

The Group believes that the fossil fuel space will continue for years to come – reducing in percentage terms, but still vital as the world pivots towards the renewable space and hence we are committed to continue to play our role in this space.

A lot of the existing assets need to be continued to be utilized so that the energy needs of the world can be satisfied. Within this context, we believe that the Middle East will attract more investment than other regions and that is also the reason why MTQ wants to be in this part of the world.

**Question 2:**

**The Group reported substantial revenue growth in FY2023. Does the Company believe that the Group would be able to replicate this performance in FY2024 and beyond?**

**Response:**

We reported good revenue growth in FY2023, had a profitability year and hope that we can continue to maintain that level, moving ahead.

**Question 3:**

**Why did inventory obsolescence increase significantly in FY2023 despite the record earnings?**

**Response:**

The nature of most of our inventories relates to steel and steel products, which are non-perishable. We decided to be prudent and made provisions in FY2023 as some items have been in our inventory for many years.

**Question 4:**

**Why has other operating expenses increased more than double from the previous FY?  
Why has the loss from the investment holding segment increased from S\$4.7m in FY2022 to S\$8.9m in FY2023?**

**Response:**

FY2023 included surplus overheads arising from operating out of two facilities while the Group shifts its key Singapore operations from Pandan Loop to Tuas South. We have completed the sale of Pandan Loop property and its related costs will cease from July 23.

Higher loss from Investment Holding segment mainly due to:

- Higher costs of running a bigger facility in Tuas South and included S\$1.1m of Pandan Loop property costs.

- Loss on liquidation of BLV (Australia) – S\$1.0m (reclassification of historical FX reserves from equity to profit or loss).
- Higher finance costs - S\$1.3m (vs FY2022: S\$0.6m) on the back of higher borrowings.
- Higher depreciation arising from the new Tuas South property acquired in February 2022.

**Question 5:**

**What is the status of UAE proposed expansion, estimated cost of investment and when should we expect it to commence operations?**

**Response:**

- We have reiterated many times to shareholders that the Middle East is a much more significant region in terms of drilling and exploration space.
- We have been in Bahrain for a solid 12 years now and we see that the level of activities there continues to grow. Our Bahrain facility is quite developed now.
- Hence, we have identified UAE, which is the 2nd largest market in the part of the world after Saudi Arabia, as our next source of expansion.
- We have managed to secure some agreements signed like with ADNOC (which is a national drilling company) and Baker to explore potential areas of collaboration and opportunities for expanding and developing further capabilities for manufacturing of oilfield equipment in the UAE.
- We feel quite assured that the UAE market will be sizeable moving ahead.
- The investment will be phased, and we are looking at the same magnitude as our Bahrain Facility investment with some inflation's adjustments.
- This project is expected to be funded via a combination of internal cash and external borrowings.
- The incorporation of the UAE legal entity is in process. We have identified the piece of land and are in the process of the facility designing.
- It will take some time for this investment to flow through and we are excited about the prospect of doing more in that important region ahead.

**Question 6:**

**As announced on 13 July 2023, the Group has completed the Proposed Disposal of the Pandan Loop property and received the balance of the Sale Price amounting to S\$5.7 million. What is the Group's intention with the proceeds received?**

**Response:**

We still have some equity shares of MMA Offshore Limited received from the Neptune disposal transaction earlier and, together with the proceeds from the disposal of Pandan Loop property, these will form part of our internal funds which we could use to invest in the business growth.

**Question 7:**

**Why did the Company maintain a dividend of Singapore dollars 0.5 cents/share despite strong earnings for FY2023?**

**Response:**

The Board emphasizes the importance of striking a balance between business growth and rewarding shareholders. The Board prefers to be prudent at this juncture and will look to continue rewarding shareholders as it has consistently done so in the past should the business outlook remain robust moving ahead.

**Question 8:**

**Please update us on progress regarding the Board renewal in the context of the nine-year limits on Independent Directors.**

**With both the NRC and AC Chairmen affected by the nine-year limit, how is the Company managing the handover of the respective committee leaderships?**

***Response:***

We had appointed Ms Ho Gek Sim Grace on 26 October 2022. She brings with her industry expertise and the Board is looking forward to her contribution. We can assure shareholders that we will continue the board renewal process to identify new independent director/s and that is very much on the re-make of the Board as well as on the Nomination and Remuneration Committee.

## Appendix 2

### Responses to questions raised by shareholders at the AGM

**Question 1:**

The Company has come a long way from a low point when oil prices were at all-time low. During the financial year under review, there were many one-off expenses that affected our Group's results. The operating expenses increased from S\$5.5 million to S\$12.4 million. Can the Board provide the breakdown of these operating expenses.

**Response:**

The magnitude of the increase in material other operating expenses was set out on page 70 of the FY2023 Annual report. The higher operating expense were mainly due to the following:

- Loss on liquidation of BLV (Australia) – S\$1.0m.
- Higher depreciation arising from Tuas South property acquired in February 2022.
- Higher provision of stock obsolescence.
- Two sets of operating overheads (such as property tax, utilities, travelling and relocation costs) at Tuas South and Pandan Loop facilities in FY2023.
- There will be savings in the other operating expenses in the new financial year, however the expenses will not be halved as the new Tuas South facility is much bigger in size and hence related property expenses will also be higher.

**Question 2:**

It was mentioned that the Middle East market is contributing to a much bigger share of revenue as compared to Singapore. However, the Annual Report reflected that the revenue level for both Bahrain and Singapore are at similar level. Can the Board provide more insights?

**Response:**

The Singapore's revenue included work done in Singapore but relating to assets that were eventually deployed in the Middle East.

**Question 3:**

Can the Board share more insights into the potential, momentum and downside for the UAE base.

**Response:**

The regulatory and operating environment in the UAE is very conducive at this point in time. There is strong support from the Abu Dhabi Government and the national oil company over there. It is pertinent for MTQ to be physically present at where the market is. Currently Bahrain is supplying Saudi Arabian market. While the Bahrain facility was initially intended to serve the UAE as well, circumstances evolved differently. Abu Dhabi is the second largest market in this region and has a sizeable domestic market. The competition in Abu Dhabi appears less than in Saudi Arabia.

**Question 4:**

**The current dividend payout does not send a signal that MTQ has recovered from its “low”. FY2023 Revenue and Profit are the highest in the past five years, however dividend payout ratio is 18% being one the lowest payout. Gearing ratio 9% is relatively low at this juncture and coupled with the proceeds from the sale of Pandan Loop property, shareholders are expecting a better dividend payout.**

**Response:**

MTQ is currently embarking on the Abu Dhabi project. In addition, the Board is mindful that there should be a right balance between conserving cash for business growth, expansion and rewarding shareholders. With the current high interest rate environment, the Board would also prefer to be prudent in its capital management currently. Nevertheless, shareholders’ sentiments on the dividend are duly noted. We will review the dividend payout again in the new financial year once there is clearer visibility of the Abu Dhabi project.

**Question 5:**

**Can the Board share more insights into our competitive environment, who are our competitors and what have the competitors done to alter the competitive landscape in the environment that we are operating in.**

**Response:**

Competition is prevailing in both Singapore and Middle East. MTQ is well positioned in this competitive market because we are one of the most established players in the segment that we operate in. In this region, we have seen drilling activities starting to pick up but the raising operating costs continues to be a challenge for us. Competition in Bahrain is severe as we have to compete with the Saudi Arabia’s players especially when we have no presence in Saudi Arabia. What we have done to remain successful in Bahrain is to provide better quality, reliable and prompt services to our customers over our competitors. We have achieved good results through such strategies, and we have to continue doing these by building up our staff capability and know-how expertise in order to better serve our customers. We are also constantly progressively upgrading our processes and equipment to stay relevant so that we can position ourselves ahead of others.

**Question 6:**

The Group's success in Singapore was based on the Pandan Loop facility until now. The current surging oil price which will at least last for years, will put the Group in a sweet spot again. Over the years, MTQ has also gone into other related business such as the acquisition of Premier Sea & Land, Pemac, Mid-Continent Distribution, In-Line Valve etc. Can the Board give an update on the evaluation of past acquisitions and the lessons learnt over the years.

Reference is made to Page 95 Note 25 on the Group's borrowings. Noted that MTQ's borrowing rate was 3.1% per annum above the bank's cost of funds. In my opinion, this is not economic and reflects poor financial management. Interest income stood at only S\$2,000 when we have high cash in bank balances. Can the Board share its thoughts as to why are we borrowing while we are keeping cash in the bank? There should be better cash and forex management across the Group to minimize the borrowing cost. Can we do better in this aspect?

Can you also comment if the favourable market condition that the Group is currently witnessing will last for at least 5 years or longer i.e., the surging oil prices.

**Response:**

The Group has had its fair share of good and untimely acquisitions over the years. While the acquisition of Premier Sea & Land and Pemac acquisitions have proven beneficial to the Group, there were lessons learnt from all these past acquisitions and we will continue to do so in the future.

Our operating cash flows are lumpy owing to working capital movements, and MTQ does not have surplus cash to put on long-term deposits (hence the low interest income). Nevertheless, the point on better cash management is well noted and the Management will continue to do what we can to reduce our finance costs where we can.

Post the Pandan Loop property transaction, our gearing will also come down as we pare down some borrowings.

MTQ has emerged strong without having to undergo any restructuring from the oil price turmoil has proven that we have been managing our financial prudently and as best as we can. On the long-term view of the oil price, oil and gas will eventually be replaced one day. At this point in time, we believe that there is still some runway for oil and gas to stay and hence there are still opportunities present. The overall worldwide working environment continues to be good and there are still opportunities available for the Group. This also explains why we are foraying into Abu Dhabi because we want to be the first mover to capture the market there when competition is still not so intense. Thus, we believe that we have the competitive edge with our know-how, experience, and reputation in the industry.

**Question 7:**

I would like to thank the Board/Management for this physical meeting, this set of encouraging results as well as investors/shareholders raising those advance and other questions and the responses from the Board.

Has the Board considered going into Dubai? Can you share what is the current utilization rate for our facilities in Singapore and Bahrain.

**Response:**

Dubai has no oil and gas business and the activities there have little relevance to our Group's core business. Our business market is in Abu Dhabi and as mentioned earlier, it is pertinent for MTQ to be physically present at where the market is.

The utilization rate in our facilities in both Singapore and Bahrain is relatively high currently.

**Question 8:**

How many treasury shares does the Company hold now and when was the last time the Company conducted a share buy-back.

**Response:**

The number of treasury shares that the Company currently holds is 188,303. The Company has not conducted any share buy-back since 2020.