# BUND CENTER INVESTMENT LTD

(Incorporated in Bermuda)
(Company Registration No. 43449)

**MINUTES OF ANNUAL GENERAL MEETING ("MEETING" OR "AGM") OF BUND CENTER INVESTMENT LTD (THE "COMPANY" AND TOGETHER WITH ITS SUBSIDIARIES, THE "GROUP") HELD BY WAY OF ELECTRONIC MEANS VIA A "LIVE" WEBCAST ON MONDAY, 24 APRIL 2023 AT 9.00 A.M. (SINGAPORE TIME)**

---

**PRESENT:**

| | |
|---|---|
| **Directors:** | Mr Frankle (Djafar) Widjaja ("Mr Frankle Widjaja") - Board Chairman<br>Mr Franky Oesman Widjaja<br>Ms Deborah Widjaja<br>Mr Chew Yow Foo ("Mr Chew") - Chairman of Meeting<br>Mr Lim Jun Xiong Steven<br>Mr Willy Shee Ping Yah<br>Mr Foo Meng Kee |
| **External Auditors:** | Ms Chan Rouh Ting - Audit Partner-in-charge from Moore Stephens LLP* |
| **Share Registrar and Poll Agent:** | Mdm Helen Tan - Share Registrar and Poll Agent from B.A.C.S. Private Limited* |
| **Scrutineer:** | Ms Shirley Lim - Independent Scrutineer from Complete Corporate Services Pte. Ltd.* |
| | (*collectively, the "Professionals") |
| **Shareholders:** | As per log-in Attendance Lists kept by the Company |
| **Other Invitees/Staff:** | As per Attendance Lists kept by the Company |

---

**1. Chairman of Meeting Welcome Address**

At 9.00 am, the AGM went "live".

On behalf of the Board of Directors ("Board") of the Company, Mr Chew, Chairman of the Meeting as appointed by the Board, welcomed all to the 2023 AGM of the Company which was held via a "live" webcast. Shareholders joining the "live" webcast, would have pre-registered with the Company.

**2. Quorum**

There being a quorum, the Chairman called the Meeting to order.

**3. Introduction of Directors and Professionals**

The Chairman introduced his fellow Board members, and also acknowledged each of the Professionals in attendance.

**4. Board Chairman's Message to Shareholders**

Before proceeding further, Mr Frankle Widjaja, Board Chairman, shared his message with shareholders as follows -

"Good morning, Ladies and Gentlemen, and thank you for joining this "live" webcast. On behalf of the Board, I wish to express our sincere appreciation to our shareholders, business associates and stakeholders for your support all this time.

The second and fourth quarters of 2022, was an especially difficult period during the outbreak of COVID-19, especially Shanghai, and the Chinese Government's stringent lockdown measures.

The recent easing of stringent restrictions and quarantine rules for entry into China will have a positive impact. Nonetheless, recovery of business may take some time.

I believe this year we will perform better than last year.

Thank you, and by God's grace, I wish you all to stay healthy and safe."

**5. Notice of Meeting**

Mr Chew continued with the Meeting.

It was noted that the Notice of AGM dated 3 April 2023 ("Notice') together with the URL link to access the Annual Report 2022 and Appendices, had been mailed to shareholders on 3 April 2023, and also released on SGXNET. The Notice was taken as read.

**6. Demand for Poll**

In accordance with Bye-law 65(a) of the Company's Bye-laws, the Chairman demanded a poll on voting of all Resolutions at the Meeting.

**7. Validity of Proxies and Votes Submitted**

The Chairman informed the Meeting that he held proxies from some shareholders who had directed him to vote for or against or abstain from certain resolutions. Their votes have been entered into the poll voting system in accordance with their wishes prior to the Meeting. As a proxy, he would be proposing all the Resolutions at the Meeting.

Shareholders were informed that the Company's Share Registrar and Poll Agent had counted the votes indicated in all valid proxy forms submitted by shareholders. These had also been reviewed, checked and verified by the Independent Scrutineer. Shareholders who have not submitted their proxy, may cast their votes in real time at the Meeting. The Independent Scrutineer will also check and verify these votes.

For those proxies given to the Chairman with no specific instructions for voting, the Chairman had "abstained" from voting.

**8. Shareholder Participation During Meeting**

<u>"Live" voting and "live" Q&A</u>

Shareholders were informed that they may cast their votes "live", at any time during the Meeting. Voting will close 2 minutes after the last question had been addressed. Shareholders may also ask relevant questions "live" during the Meeting by typing their questions, and clicking the "submit" tab, in the "Ask a question" feature.

A short video was shown on how to submit textual questions and cast votes during the Meeting.

Voting was open and the Chairman reminded that voting will close 2 minutes after the last question has been answered. The results will be announced shortly after voting ends.

**9. Business of Meeting**

The Chairman then proceeded with the business to be transacted at the Meeting.

**10. Resolution 1: Adoption of Reports and Audited Financial Statements for the year ended 31 December 2022**

The first item on the Agenda was to receive and adopt the Audited Financial Statements for the year ended 31 December 2022 ("FY2022") together with the Directors' and Auditors' reports thereon.

The Chairman then gave a brief PowerPoint presentation highlighting the Group's performance for FY2022.

(*Note – The Presentation slides were uploaded to SGXNET after the AGM on 24 April 2023*).

After the presentation, the Chairman proposed Resolution 1 and put the motion to a vote.

**11. Resolution 2: Approval of Directors' Fees for the year ended 31 December 2022**

Resolution 2 related to Directors' Fees of S$293,000 for the year ended 31 December 2022.

The Chairman proposed Resolution 2 and put the motion to a vote.

**12. Resolution 3: Re-appointment of Mr. Chew Yow Foo**

Resolution 3 related to the re-appointment of Mr. Chew Yow Foo as a Director, retiring pursuant to Rule 720(5) of the Listing Manual.

The Chairman proposed Resolution 3 and put the motion to a vote.

**13. Resolution 4: Re-appointment of Auditors**

Resolution 4 related to the re-appointment of Moore Stephens LLP as Auditors.

The Chairman proposed Resolution 4 and put the motion to a vote.

**14. Resolution 5: Renewal of the Share Issue Mandate**

Resolution 5 was an Ordinary Resolution to authorise and empower the Directors to allot and issue shares and convertible securities up to 50% of the issued shares of the Company, of which the total number of shares and convertible securities to be issued other than on a pro-rata basis to shareholders, does not exceed 20% of the issued shares.

The Chairman proposed Resolution 5 and put the motion to a vote.

**15. Resolution 6: Renewal of the Share Purchase Mandate**

Resolution 6 was an Ordinary Resolution to renew the Share Purchase Mandate for the purchase by the Company of up to 5% of the issued shares (excluding treasury shares and subsidiary holdings) as at the Meeting date. Shareholders may to refer to Appendix 1 to the Notice. The Directors will only carry out share purchases if they view that it is beneficial to the Company and its shareholders.

The Chairman proposed Resolution 6 and put the motion to a vote.

## 16. Resolution 7: Renewal of the Interested Person Transactions Mandate

The final agenda item was Resolution 7, an Ordinary Resolution to renew the Mandate for Transactions with Interested Persons ("IPT Mandate") under Chapter 9 of the Listing Manual.

The Chairman explained that the IPT Mandate would enable the Company, its subsidiaries and controlled associated companies, to enter into certain types of transactions with certain classes of Interested Persons described in Appendix 2 to the Notice, provided that they are carried out in the ordinary course of business, and in accordance with the guidelines stated in Appendix 2.

The Chairman informed shareholders that Flambo Bund Centre Ltd. ("FlamboBC") is regarded as interested in the IPT Mandate. Accordingly, FlamboBC and its associates were required to, and had, abstained from voting on Resolution 7 in respect of shares of the Company that are held or controlled by them.

The Chairman proposed Resolution 7 and put the motion to a vote.

## 17. Question and Answer "Live" Session

After all Resolutions had been proposed, the Chairman moved to the "live" Question and Answer ("Q&A") session.

Before addressing questions submitted by shareholders through the "live" webcast portal, the Company informed the Meeting that the Company's responses to questions received from shareholders up to 11 April 2023 were announced on SGXNET on 18 April 2023.

The Chairman then addressed "live" questions submitted by shareholders during the course of the AGM, the questions and responses are as set out in Annex 1 hereto.

## 18. "Live" Voting

After the "live" Q&A session, the Chairman reminded shareholders who have yet to cast their votes for the Resolutions tabled at the Meeting, to do so from their respective devices. Shareholders were given 2 minutes to submit their votes, before the "live" voting closed.

After voting closed, votes submitted were counted and verified by the Independent Scrutineer.

## 19. Polling Results

Based on the Independent Scrutineer's report, the results of the poll on votes cast by shareholders were as follows:

| | |
|---|---|
| Resolution 1 | The number of votes "For" is 707,830,972 shares representing 100.00%<br>The number of votes "Against" is 7,500 shares representing 0.00%<br>Based on the result, Resolution 1 was declared carried. |
| Resolution 2 | The number of votes "For" is 707,737,472 shares representing 100.00%<br>The number of votes "Against" is 7,500 shares representing 0.00%<br>Based on the result, Resolution 2 was declared carried. |
| Resolution 3 | The number of votes "For" is 707,737,472 shares representing 100.00%<br>The number of votes "Against" is 7,500 shares representing 0.00%<br>Based on the result, Resolution 3 was declared carried. |

| | |
|---|---|
| Resolution 4 | The number of votes "For" is 707,737,472 shares representing 100.00%<br>The number of votes "Against" is 7,500 shares representing 0.00%<br>Based on the result, Resolution 4 was declared carried. |
| Resolution 5 | The number of votes "For" is 706,167,847 shares representing 99.58%<br>The number of votes "Against" is 2,986,300 shares representing 0.42%<br>Based on the result, Resolution 5 was declared carried. |
| Resolution 6 | The number of votes "For" is 709,240,147 shares representing 100.00%<br>The number of votes "Against" is 7,500 shares representing 0.00%<br>Based on the result, Resolution 6 was declared carried. |
| Resolution 7 | The number of votes "For" is 70,269,275 shares representing 99.99%<br>The number of votes "Against" is 7,500 shares representing 0.01%<br>Based on the result, Resolution 7 was declared carried. |

**20. Conclusion**

The Chairman closed the Meeting at 9.45 a.m. with a note of thanks to shareholders for their support, questions and attendance at the "live" webcast AGM.

Confirmed:

_____
Chew Yow Foo
Chairman of Meeting

Confirmed:

_____
Frankle (Djafar) Widjaja
Board Chairman

**Questions submitted by shareholders "live" during the AGM on 24 April 2023, and the Company's responses**

(1) What is the relationship between Bund and Westin brand? How much does Bund pay for Westin brand and its managers?

*Company's Response:*

*The relationship is that of a holding company and management contractor. Bund, through Shanghai Golden Bund Real Estate Co, Ltd has a management contract with Westin Hotel.*

(2) Are you handicapped by the small profit reserve left in the balance sheet to pay dividends?

*Company's Response:*

*Last year was a very difficult year for most companies operating in China due to Covid-19 stringent lockdown measures. We are always committed to rewarding shareholders with reasonable dividend. For FY2022, we have paid interim dividend on 9 September 2022. The quantum of dividend is also dependent on current and future performance of the Company. The Company will keep shareholders updated.*

(3) Will the Company post the PowerPoint presentation on SGX?

*Company's Response:*

*Yes*

(4) As the land lease of the Company's property runs down, what does the Company intend to do about it?

*Company's Response:*

*This will depend on the Chinese Government's policy. As far as we are aware, none of the buildings in Shanghai has reached the end of leasehold period. We will update shareholders when the time comes.*

(5) Due to the undervalued nature of Bund shares (relative to its Revalued property value) why isn't the company buying back its shares as it is highly accretive?

*Company's Response:*

*Due to the Chinese government's stringent regulatory controls over repatriation of funds, excess cash cannot be easily repatriated from China.*

*The Company will only implement share buy back when it is in the best interest of the Company and its shareholders.*

(6) Is the Company open to sell its properties at all?

*Company's Response:*

*Not at this moment.*

(7) Any CAPEX or investment plans going forward?

*Company's Response:*

*Strategic direction of the Group has always been under consideration by the Board. Regrettably, there has not been a strategic fit in the Group's appetitive for any profitable investment project under evaluation. In view of the current business environment in which the Group operates, the Group has been very conservative, strict and cautious in formulating project investment criteria policy in China, so as to optimize shareholder's investment value.*

*Inherent challenging issues facing the Group in ascertaining effective investment decision mainly arise from restrictions on use of surplus cash, currently placed in structured deposits with financial institutions. Except where used for distribution of dividends, such surplus cash is not easily repatriated out of China for investments, due to increasingly stringent and restrictive safe regulatory controls imposed, and unfavourable tax policy. Hence, the Group remain passive in identifying suitable business investment opportunity under very high operating cost environment.*

(8) Are there any near term plans to renovate/refurbish the Westin Bund Hotel? If yes, what would be the appropriate capital requirement?

*Company's Response:*

*Thank you, and noted your question. Management has all the time had this in mind. We are at preliminary stage of renovation plans, which involves lengthy process, such as design and planning, before execution. We will update shareholders at the appropriate time.*

(9) As of 31 December 2022, retained earnings amount to only $25.5m. Will that impact the amount of dividends the Company is able to pay out in the near future?

*Company's Response:*

*The quantum of dividend will also depend on current and future performance of the Group. The Company will keep shareholders informed and updated.*

(10) Can you give a summary about how you intend to improve hotel profits post-Covid?

*Company's Response:*

*Please refer to page 15 of the Company's Annual Report 2022 on Outlook for 2023.*

*"China ended COVID-19 travel restrictions for incoming passengers on 8 January 2023, demand is anticipated to increase and boom with the market reopening without any restriction on holding events and exhibition. Large MICE opportunities will be available from March 2023 onward with a high potential to grasp international clients in the second half of the year.*

*With a gradual recovery of market confidence, China's GDP growth is forecast to be 5%-6% in 2023. However a positive scenario will be driven by relaxations in COVID prevention and control measures and continued opening up of the China economy to the rest of the world, mainly due to a rapid transition from a strict "Dynamic Zero" policy to an essentially "Living with the virus" policy.*

*Such a transition may be economically disruptive in the short term, as hundreds of millions of people would be expected to be infected within a relatively short period, but it does accelerate considerably the gradual return to its normalcy as a result of strong China economic fundamentals. It is anticipated that the dual circulation paradigm will function well, consumption will increase, the property sector will have a smooth landing and China's GDP growth will remain healthy in 2023.*

*The Group is monitoring the developments and adjusting its business strategies on developing domestic and international markets and attract potential tenants and retain existing tenants. In addition, the hotel would focus more on providing high-quality lodging, food & beverage offerings and tailor-mades catering services for local events (such as weddings, birthday parties, social events and online channel F&B promotional activities) in the Shanghai International five-star environment."*

- end -