MINUTES OF ANNUAL GENERAL MEETING HELD ON 28 JULY 2022 AT 2.30PM

Present:

Directors:
- Wong Fong Fui (Chairman & Group Chief Executive Officer)
- Wong Yu Loon (Executive Director & Deputy Group Chief Executive Officer)
- Dr Tan Khee Giap (Independent Non-Executive Director)
- Godfrey Ernest Scotchbrook (Non-Independent Non-Executive Director)
- Mak Lye Mun (Independent Non-Executive Director)
- Liak Teng Lit (Independent Non-Executive Director)

Management:
- Chan Shiok Faun (Group Chief Financial Officer)

Attending by live webcast or audio conference:

Shareholders as set out in the attendance records maintained by the Company

- Alvin Kok (Secretary)
- Quek June Lynn (Group Finance Manager)
- Mimi Wijaya (Management Accountant)
- Brenda Ang (Senior Accounts Executive)
- Shirley Tay (Secretary, Boustead Projects Limited)
- Mark Mathew (Auditors, PricewaterhouseCoopers LLP)
- Teh Wee Wen (Auditors, PricewaterhouseCoopers LLP)
- Shirley Yeong (Auditors, PricewaterhouseCoopers LLP)
- Chan Kok Leong (Share Registrar, Boardroom Corporate & Advisory Services Pte Ltd)
- Hon Chia Hui (Share Registrar, Boardroom Corporate & Advisory Services Pte Ltd)
- Tan Ching Ching (Independent Scrutineers, DrewCorp Services Pte Ltd)

1) Quorum/Commencement

Mr Wong Fong Fui, the Chairman, welcomed shareholders who joined the Annual General Meeting (the "Meeting") by the electronic means of "live" audio-visual webcast and audio-only feed.

A quorum being present, the Chairman, called the Meeting to order at 2.30pm.

The Chairman introduced members of the Board and management, and representatives from the auditors, share registrar and independent scrutineers who were in attendance in person or joining the Meeting via the "live" audio-visual webcast.

2) Notice of Meeting

The Notice of the Meeting dated 5 July 2022 having been circulated to the members was taken as read.

The Chairman explained that due to the COVID-19 control measures in Singapore, the Meeting was held by electronic means. As mentioned in the Company's announcement dated 5 July 2022, shareholders would not be able to vote during the Meeting. However, shareholders viewing the webcast could pose questions via the online chatbox function and the Chairman invited shareholders to send in questions after a short instructional video.

The Chairman said he had been appointed as proxy by the shareholders to vote on their behalf in accordance with their instructions The Chairman added that in accordance with the requirements of the SGX Listing Rules, all Resolutions to be tabled at the Meeting would be voted by way of poll. As all instructions for the votes on the Resolutions had been given prior to the Meeting, all Resolutions would be taken as read, proposed and seconded.

It was noted the poll votes had been collected and counted, and DrewCorp Services Pte Ltd had been appointed as scrutineers in respect of the voting process.

3) Management Presentation

The Chairman invited Mr Wong Yu Loon, Executive Director & Deputy Group Chief Executive Officer and Ms Chan Shiok Faun, Group Chief Financial Officer, to give a short presentation to shareholders.

Mr Wong Yu Loon gave an overview on how the various divisions performed in the financial year ended 31 March 2022 ("FY2022") and discussed the various opportunities and challenges ahead.

Real Estate Division

Mr Wong Yu Loon pointed out that the Real Estate Division operates under Boustead Projects Limited ("Boustead Projects"), a separate listed entity with its own Board of Directors and management, and shareholders should refer to Boustead Projects' board and management's presentation on the challenges and opportunities they faced.

Mr Wong Yu Loon added that while the environment is tough, Boustead Projects' board and management is highly competent, thoroughly tested with a track record of success, and the Company has every confidence that they can navigate this tough environment.

Energy Engineering Division

Mr Wong Yu Loon reported that as forecast at the last Annual General Meeting, revenue and profitability of the Energy Engineering Division in FY2022 was indeed worse than for the financial year ended 31 March 2021 ("FY2021") - what was not anticipated was the volume of orders in FY2022 being less than the already low volume of orders won in FY2021 (S$45 million versus S$52 million). However, one silver lining for the low volume of orders won in FY2022 is that any orders won would face severe margin deterioration due to the current inflationary environment.

The immediate outlook for the division given the low volume of work won in FY2022 is that the coming year's results would most certainly be worse than for FY2022. Having said that, the macro environment for the coming year is completely different - the Russia-Ukraine war, elevated oil and gas prices, energy security issues has led to a surge in interest in new projects. Because of these reasons, the division is expected to win more orders than in FY2022. The coming year will be a year for building up some backlog so that the division can look forward better financial results in the following year and beyond.

Given that the division's equipment is exclusively used in the fossil fuel/petrochemical sector, the long-term prospects of the business is complex and uncertain – there is no consensus on when the energy transition from fossil fuels is going to take place, how it is going to happen, or if it is going to happen at all. The outlook is further muddled by geopolitical events. The Covid-19 pandemic, the energy transition, under-investment in new projects, OPEC bickering, Russian unpredictability, China's zero-Covid policy all contributed to the volatility in the price of oil, which has traded as low as negative $19 and as high as $139 in the last 2 years.

In view of the uncertain long-term prospects, the division hopes to do the following:

- Stay nimble and scale its business quickly according to how the energy transition evolves;
- Focus on projects that are more resilient to the energy transition, e.g. natural gas projects, LNG plants, fertiliser plants etc.;
- Continue to build brownfield service capabilities; and
- Find new areas outside of oil and gas where its heat transfer expertise and complex project management skills can be deployed.

Finally, the overarching, critical strategy that the division must adopt is to maintain its bid discipline. This is unlike other contracting companies who have bid for projects at razor thin margins and on high risk commercial and technical terms when projects become scarce, which inevitably leads to ruin. The division has passed this test before in the last two oil crises and is expected to continue to do so.

Geospatial Division

Mr Wong Yu Loon reported that while the expectation was for steady year on year growth, the Geospatial Division had no growth for FY2022, the first time in the last six years where it registered no growth for revenue and profitability. However, the underlying business fundamentals of the geospatial business remains intact, and FY2022's lack of business growth was coincidental in the sense that there were no large contract renewals compared to previous years.

The headcount in the Geospatial Division continues to grow to cater to growing demand and profitability was negatively affected as a result. While it did not achieve record revenue and profitability in FY2022, the division registered a record backlog for the geospatial division. This is because more and more customers are committing to multi-year contracts where software and services are delivered across multiple financial years.

The Geospatial Division's business can be classified under two groups:

a) Esri Direct – the selling of Esri software under the distribution arrangement; and

b) Esri Aligned – a collection of services, data products and self-developed solutions that sit on and enhance the Esri platform.

They are represented as interlocking gears because they drive each other – selling more platform software leads to more demand for services, data and solution products; likewise, selling aligned services and solutions makes the Esri platform more valuable and increases adoption of the Esri technology, thus creating a virtuous circle. This is evident in the historical numbers – over the last five years, the Esri Direct business grew 1.5 times while the Esri Aligned business grew in lock step at 1.7 times.

The short term and long-term trends underpinning adoption of GIS technology remains strong. The adoption of GIS has benefited from the current trends of smart cities, digital government, location intelligence, big data, etc. and demand for the division's software, services and expertise is expected to increase. The only negative short-term trend is the very strong USD, which will have an impact on profit margins in the coming year.

Healthcare Division

Mr Wong Yu Loon reported that revenue from the Healthcare Division declined significantly in FY2022 due to a continued inability to create an effective sales leadership and team within the business.

Part of the current year loss of $6.2m related to the write offs resulting from poor operating decisions accumulated over the last few years - this included writing off inventory that could not be sold, writing off product development work could not be commercialised, writing off receivables that could not be collected and impairment of an old operating loan made to the Thai business unit. The other half of the loss was a reflection of the division's inability to sell and inability to execute. The China business was also affected by China's zero-Covid policy and the lack of mega sporting events.

The over-riding task for management is improving the execution capabilities, instilling the right culture and habits within the organisation, and ensuring that activities within the business are well-coordinated - this will involve the challenge of changing old habits and mindsets. The one silver lining is that the leadership of this business has been passed on to someone younger and more in tune with sound business practices and processes.

FY2023 and perhaps the following year will be a year of clean-up, of people renewal, and of change management. There will also be a significant reduction in the number of product and service offerings in the healthcare business so that there can be some level of focus. While management capabilities at the South East Asia business requires improvement management capabilities at the China associate remains strong.

Noteworthy Projects

Finally, Mr Wong Yu Loon highlighted two noteworthy projects over the last financial year.

In FY2022, Boustead International Heaters ("BIH") delivered the UK's first purpose built hydrogen powered furnace to Essar Oil at the Stanlow refinery. The energy efficiency of the hydrogen furnace will be 4% more than existing furnaces and it will also have reduced maintenance costs. From 2026 onwards when fired with blue hydrogen, this will reduce Stanlow's CO_2 emissions by 11%. He acknowledged the team at BIH led by Mr Stuart Cummings for delivering this project.

Also in FY2022, Esri Australia delivered a project for Energy Queensland. This is the largest and most comprehensive digitisation of an electric utility's assets into a single operating environment. The assets being digitised include network lines long enough to circle 5 times around the world, 24.3 million features including sub-stations, individual customer meters, and all kinds of utility assets. The success of this project has positioned the team within Esri Australia to be recognised as the leading utility network expert globally. He thanked Mr Brett Bundock and his team at Esri Australia for making this project a success.

Review of Financial Performance

Mr Wong Yu Loon then handed over proceedings to Ms Chan Shiok Faun, Group Chief Financial Officer, to present a review of the Boustead Group (the "Group")'s financial performance in FY2022.

In respect of the Group's financial results for FY2022, Ms Chan Shiok Faun highlighted the following:

- Despite another turbulent year, the Group with its resilient and fundamentally robust businesses delivered another year of sustained profits. The reduction in revenue from FY2021 was a result of the reduced order backlog carried over at end of FY2021 and fewer new contracts secured by the Energy Engineering division. The impact was buffered by the improvement in revenue of the Real Estate's engineering and construction segment with activities reaching more normalised level in FY2022, following the unprecedented COVID-19 pandemic which saw a prolonged closure of project sites in FY2021.

- The lower profit before tax in FY2022 was due to the lower revenue and also the fact that profit before tax in FY2021 was significantly boosted by the Real Estate Division's Boustead Industrial Fund ("BIF") value unlocking gain of about S$135 million.

- Adjusted for the non-recurring items for both years, i.e., other gains/losses including the value unlocking gain, net gain on disposal of the water business, legal settlement and JSS payouts in FY2021 and impairment losses, net profit would have declined by 28% over FY2021.

- The improvement in revenue of the Real Estate Division and the lower revenue of the Energy Engineering Division in FY2022 resulted in a shift in their percentage contribution to the Group's revenue in FY2022.

- Despite the pandemic, revenue for FY2022 was still one of the highest in the past decade.

- Lower net profit in FY2022 was due to lower revenue and and also the fact that FY2021 profit was significantly boosted by the Real Estate's BIF value unlocking gain.

- The Group's high net cash position since FY2021 was boosted by the Real Estate Division's value unlocking transaction in FY2021. The net cash position in FY2022 was after record dividends paid out by both Boustead Projects and Boustead Singapore totalling S$64 million. Taking into account the net cash outflow in investing activities (mainly the purchase of mezzanine debts and deposit paid for an investment by the Real Estate division), net cash outflow in financing activities (mainly the payment of dividends to equity holders of the Company and dividends paid to non-controlling interests by Boustead Projects) and the net cash inflow from operating activities, the net decrease in cash and cash equivalents net of forex for FY2022 was S$72.4 million.

- Return on shareholders' equity in FY2022 declined to 7.1% from 25.3% in FY2021 due to the absence of Real Estate Division's BIF value unlocking transaction that happened in FY2021.

- Earnings per share in FY2022 declined to 6.3 cents from 23.3 cents in FY2021 for the same reason, while net asset value per share in FY2022 declined to 89.9 cents from 92.3 cents in FY2021, mainly due to the record dividends payments during the year.

- The drop in orders secured in FY2022 to S$193 million was a result of business activities impacted by the pandemic and a strategy shift in the Real Estate Division to focus on high value-added sectors.

- Upholding a dividend tradition over an unbroken run of two decades, the Directors are pleased to propose a final ordinary dividend of 2.5 cents per share. Together with the interim dividend of 1.5 cents already paid, the total dividend of 4 cents per share in FY2022 equates to a dividend payout ratio of 63%.

Ms Chan Shiok Faun then handed over proceedings to the Chairman.

4) Questions from Shareholders

The Chairman reported that the Company received many significant questions from shareholders prior to the Meeting. All substantial and relevant questions have been addressed by the Company and the responses were published on SGXNet on 21 July 2022 and also uploaded on the Company's corporate website.

As no questions have been submitted via the online chatbox function at the Meeting, the Chairman thanked shareholders who had taken their time to submit questions in advance of the Meeting.

The Meeting then proceeded with the resolutions set out in the Notice of the Meeting dated 5 July 2022.

5) As Ordinary Business

Resolution 1 (Ordinary) – Adoption of Audited Financial Statements

The Chairman proposed the following resolution:

"That the Directors' Statement and Audited Financial Statements for the year ended 31 March 2022 and the Independent Auditors' Report thereon as presented and now submitted to this Meeting, be and are hereby received and adopted."

The Chairman announced the result of the votes as follows:

Votes FOR the resolution: 284,498,333 votes or 100%.
Votes AGAINST the resolution: Nil votes or 0%.

The Chairman declared the resolution carried.

Resolution 2 (Ordinary) – Approval of Final Dividend

The Chairman proposed the following resolution:

"That a final tax exempt (one-tier) dividend of 2.5 cents per ordinary share for the financial year ended 31 March 2022 be and is hereby approved."

The Chairman announced the result of the votes as follows:

Votes FOR the resolution: 284,557,433 votes or 100%.
Votes AGAINST the resolution: Nil votes or 0%.

The Chairman declared the resolution carried.

Resolution 3 (Ordinary) – Re-Election of Mr Mak Lye Mun

The Chairman proposed the following resolution:

"That Mr Mak Lye Mun be and is hereby re-elected as a director of the Company under Article 98 of the Company's Constitution."

The Chairman announced the result of the votes as follows:

Votes FOR the resolution: 284,224,071 votes or 99.885%.

Votes AGAINST the resolution: 328,362 votes or 0.115%.

The Chairman declared the resolution carried.

Resolution 4 (Ordinary) – Re-Election of Dr Tan Khee Giap

The Chairman proposed the following resolution:

"That Dr Tan Khee Giap be and is hereby re-elected as a director of the Company under Article 94 of the Company's Constitution."

The Chairman announced the result of the votes as follows:

Votes FOR the resolution: 212,850,311 votes or 74.902%.
Votes AGAINST the resolution: 71,322,122 votes or 25.098%.

The Chairman declared the resolution carried.

The Chairman reported that Mr Godfrey Ernest Scotchbrook had given notice to the Company that he did not wish to seek re-election and would retire as a Director of the Company by rotation pursuant to Article 94 of the Company's Constitution after the conclusion of the Meeting – this was announced by the Company on 25 July 2022. In view of Mr Scotchbrook's notice, Ordinary Resolutions No. 5, 6 and 7 under the Notice of the Meeting dated 5 July 2022, which relate to the re-election of Mr Scotchbrook, had accordingly been withdrawn.

The Board of Directors placed on record its its gratitude and appreciation for Mr Scotchbrook's long service, dedication and significant contributions to the Company. A strong advocate of corporate governance and a progressive thinker on many Environmental, Social and Governance ("ESG") issues, Mr Scotchbrook brought diversity of thought to the Board. The Board had benefitted from his meaningful insights and constructive feedback in his various roles as Chairman of the Remuneration Committee, member of the Audit & Risk Committee and latterly, Chairman of the Nominating Committee.

Resolution 8 (Ordinary) – Approval of Directors' Fees for Financial Year Ending 31 March 2023

The Chairman proposed the following resolution:

"That Directors' fees of up to S$278,000 for the financial year ending 31 March 2023 be and is hereby approved, payable quarterly in arrears."

The Chairman announced the result of the votes as follows:

Votes FOR the resolution: 284,547,799 votes or 99.997%.
Votes AGAINST the resolution: 9,634 votes or 0.003%.

The Chairman declared the resolution carried.

Resolution 9 (Ordinary) – Re-Appointment of Auditors

The Chairman proposed the following resolution:

"That Messrs PricewaterhouseCoopers LLP be and are hereby re-appointed as Auditors of the Company, to hold office until the next Annual General Meeting and the Directors be authorised to fix their remuneration."

The Chairman announced the result of the votes as follows:

Votes FOR the resolution: 284,456,380 votes or 99.964%.
Votes AGAINST the resolution: 101,053 votes or 0.036%.

The Chairman declared the resolution carried.

6) As Special Business

Resolution 10 (Ordinary) – Authority to Allot and Issue Shares pursuant to Section 161 of Companies Act 1967

The Chairman proposed the following resolution:

"That authority be and is hereby given to the directors of the Company ("Directors") to:

(i) (a) issue shares in the capital of the Company ("shares") whether by way of rights, bonus or otherwise; and/or

(b) 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) 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 may in their absolute discretion deem fit; and

(ii) (notwithstanding the authority conferred by this resolution may have ceased to be in force) issue shares in pursuance of any Instrument made or granted by the Directors while this resolution was in force,

provided that:

(i) the aggregate number of shares to be issued pursuant to this resolution (including shares to be issued in pursuance of Instruments made or granted pursuant to this resolution) does not exceed fifty per cent (50%) of the total number of issued shares (excluding treasury shares) in the capital of the Company (as calculated in accordance with sub-paragraph (ii) below), of which the aggregate number of shares to be issued other than on a pro-rata basis to shareholders of the Company (including shares to be issued in pursuance of Instruments made or granted pursuant to this resolution) does not exceed twenty per cent (20%) of the total number of issued shares (excluding treasury shares) in the capital of the Company (as calculated in accordance with sub-paragraph (ii) below);

(ii) (subject to such manner of calculation as may be prescribed by the Singapore Exchange Securities Trading Limited ("SGX-ST")) for the purpose of determining the aggregate number of shares that may be issued under sub-paragraph (i) above, the percentage of issued shares shall be based on the total number of issued shares (excluding treasury shares) in the capital of the Company at the time this resolution is passed, after adjusting for:

(a) new shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time this resolution is passed; and

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

(iii) 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 for the time being of the Company; and

(iv) (unless revoked or varied by the Company in general meeting) the authority conferred by this resolution 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 the earlier."

The Chairman announced the result of the votes as follows:

Votes FOR the resolution: 274,837,588 votes or 96.585%.
Votes AGAINST the resolution: 9,718,345 votes or 3.415%.

The Chairman declared the resolution carried.

<u>Resolution 11 (Ordinary) – Proposed Renewal of Share Buy-Back Mandate</u>

The Chairman proposed the following resolution:

"That:

(i) for the purposes of the Companies Act, Chapter 50 of Singapore (the "Companies Act"), and such other laws and regulations as may for the time being be applicable, approval be and is hereby given for the exercise by the Directors of the Company ("Directors") of all the powers of the Company to purchase or otherwise acquire issued ordinary shares in the share capital of the Company ("Shares") not exceeding in aggregate the Prescribed Limit (as hereafter defined), at such price(s) as may be determined by the Directors from time to time up to the Maximum Price (as hereafter defined), whether by way of:

   (a) on-market share purchases ("On-Market Share Purchase"), transacted on the Singapore Exchange Securities Trading Limited ("SGX-ST"); and/or

   (b) off-market share purchases ("Off-Market Share Purchase") (if effected otherwise than on the SGX-ST) in accordance with an equal access scheme(s) as may be determined or formulated by the Directors as they may consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Companies Act,

   and otherwise in accordance with all other laws, regulations and rules of the SGX-ST as may for the time being be applicable (the "Share Buy-Back Mandate");

(ii) any Share that is purchased or otherwise acquired by the Company pursuant to the Share Buy-Back Mandate shall, at the discretion of the Directors, either be cancelled or held in treasury and dealt with in accordance with the Companies Act;

(iii) unless varied or revoked by the Company in general meeting, the authority conferred on the Directors pursuant to the Share Buy-Back Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the passing of this Ordinary Resolution and the expiring on the earlier of:

   (a) the date on which the next annual general meeting of the Company is held or required by law to be held;

(b) the date on which the purchases or acquisitions of Shares pursuant to the Share Buy-Back Mandate are carried out to the full extent mandated; or

(c) the date on which the authority contained in the Share Buy-Back Mandate is varied or revoked;

(iv) for the purposes of this Ordinary Resolution:

"Prescribed Limit" means ten per cent (10%) of the total issued ordinary share capital of the Company (excluding any treasury shares and subsidiary holdings) as at the date of passing of this Ordinary Resolution, unless the Company has effected a reduction of the share capital of the Company in accordance with the applicable provisions of the Companies Act, at any time during the Relevant Period, in which event the total number of Shares of the Company shall be taken to be the total number of Shares of the Company as altered after such capital reduction (excluding any treasury shares and subsidiary holdings);

"Relevant Period" means the period commencing from the date on which the last annual general meeting of the Company was held and expiring on the date of the next annual general meeting of the Company is held or is required by law to be held, or the date on which the purchases of the Shares are carried out to the full extent mandated, whichever is earlier, unless prior to that, it is varied or revoked by resolution of the shareholders of the Company in general meeting;

"Maximum Price" in relation to a Share to be purchased, means an amount (excluding brokerage, stamp duties, applicable goods and services tax and other related expenses) not exceeding:

(a) in the case of an On-Market Share Purchase, 105% of the Average Closing Price;

(b) in the case of an Off-Market Share Purchase, 120% of the Average Closing Price,

where:

"Average Closing Price" means the average of the closing market prices of a Share over the last five (5) Market Days, on which transactions in the Shares were recorded, immediately preceding the date of making the On-Market Share Purchase or, as the case may be, the day of the making of an offer pursuant to the Off-Market Share Purchase, and deemed to be adjusted for any corporate action that occurs after the relevant five (5) Market Days;

"day of the making of an offer" means the day on which the Company announces its intention to make an offer for the purchase of Shares from the shareholders of the Company, stating the purchase price (which shall not be more than the Maximum Price calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Share Purchase; and

"Market Day" means a day on which the SGX-ST is open for trading in securities;

(v) the Directors and/or any of them be and are hereby authorised to complete and do all such acts and things (including, without limitation, executing such documents as may be required) as they and/or he may consider desirable, expedient or necessary to give effect to the transactions contemplated by this Ordinary Resolution."

The Chairman announced the result of the votes as follows:

Votes FOR the resolution: 78,625,485 votes or 100%.
Votes AGAINST the resolution: Nil votes or 0%.

The Chairman declared the resolution carried.

Resolution 12 (Ordinary) – Authority to Allot and Issue Shares under Boustead Scrip Dividend Scheme

The Chairman proposed the following resolution:

"That authority be and is hereby given to the directors of the Company to allot and issue from time to time such number of shares in the capital of the Company as may be required to be issued pursuant to the application of the Boustead Scrip Dividend Scheme."

The Chairman announced the result of the votes as follows:

Votes FOR the resolution: 284,455,933 votes or 99.964%.
Votes AGAINST the resolution: 101,500 votes or 0.036%.

The Chairman declared the resolution carried.

7) **Any Other Ordinary Business**

There being no other business, the Chairman declared the meeting closed at 3.10pm.

-- END OF MINUTES --

Confirmed by:

WONG FONG FUI
CHAIRMAN