

# 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 ON TUESDAY, 23 APRIL 2024 AT 9.00 A.M. (SINGAPORE TIME) AT ORCHARD HOTEL SINGAPORE, ORCHARD BALLROOM 1&2, LEVEL 3, 442 ORCHARD ROAD, SINGAPORE 238879**

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## **PRESENT:**

<b>Directors:</b>	Mr Frankle (Djafar) Widjaja - Chairman Mr Franky Oesman Widjaja Ms Deborah Widjaja Mr Chew Yow Foo – Deputy Chairman of the Meeting Mr Lim Jun Xiong Steven Mr Willy Shee Ping Yah Mr Foo Meng Kee
<b>External Auditors:</b>	Ms Daphne Aw - Audit Partner-in-charge from Moore Stephens LLP
<b>Share Registrar:</b>	B.A.C.S. Private Limited
<b>E-Polling Agent:</b>	Convene SG Pte. Ltd.
<b>Scrutineer:</b>	Complete Corporate Services Pte Ltd
<b>Shareholders:</b>	As per log-in Attendance Lists kept by the Company
<b>Other Invitees/Staff:</b>	As per Attendance Lists kept by the Company

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## **1. Opening Introduction**

Mr Chew Yow Foo, Executive Director and Chief Financial Officer, introduced himself and his fellow Board members and auditors present.

Mr Chew informed that the Meeting will be chaired by Mr Frankle (Djafar) Widjaja, assisted by him as Deputy Chairman for the Meeting.

## **2. Chairman’s Welcome Address**

Mr Frankle Widjaja welcomed shareholders to the 2024 AGM, happy that it could be held face-to-face after 4 years of AGM by “live” webcast.

## **3. Quorum**

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

## **4. Notice of Meeting**

The Chairman noted that the Notice of AGM dated 2 April 2024 (“Notice”) together with the URL link to access the Annual Report 2023 and Appendices, had been mailed to shareholders on 2 April 2024, and also released on SGXNET. The Notice was taken as read.

**5. 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.

The Meeting was informed that voting would be done on the CONVENE electronic voting platform, using the individual mobile device of shareholders / proxies. Complete Corporate Services Pte Ltd was appointed to act as Scrutineer for conducting the poll.

Thereafter, the Chairman handed the Chair to Mr Chew, Deputy Chairman for the Meeting, to continue with the business of the AGM.

**6. Proxies Given to Chairman of Meeting**

Mr Chew assumed the Chair and informed attendees that the Chairman of the Meeting had been appointed as proxy by some shareholders who had directed the Chairman to vote for, or against, or abstain from certain resolutions. Accordingly, the Chairman would cast his votes as per the instructions indicated in the respective proxy forms.

(Note: Chairman abstained where no indication of voting was given in the proxy form(s)).

**7. Explanation of Voting Process**

The Meeting was informed that voting on all resolutions at the Meeting would be conducted using the individual mobile device of shareholders / proxies. During registration, mobile devices of shareholders / proxies would have been set up and configured to be able to vote on any or all of the resolutions at any time during the Meeting after voting is formally open, until voting closes for the respective resolutions.

A video clip on how to vote was played.

**8. Voting Opens**

The Deputy Chairman formally declared voting open on all resolutions and informed that shareholders / proxies may cast their votes during the course of the Meeting for any or all of the resolutions tabled at the Meeting. However, voting for the respective resolution will cease when the voting for the specific resolution has closed.

Voting for each resolution would close 15 seconds after the resolutions has been tabled for voting. The results for the respective resolution would be projected on the screens, shortly after voting for that resolution has ended.

**9. Test Resolution**

A test resolution was conducted for practice and declared carried.

**10. Formal Business of Meeting**

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

**11. Presentation on Group's Performance for FY2023**

The first item on the Agenda was to receive and adopt the Audited Financial Statements for the year ended 31 December 2023 ("FY2023") together with the Directors' and Auditors' reports thereon.

Before tabling the motion, the Deputy Chairman gave a brief PowerPoint presentation highlighting the Group's performance for FY2023.

*(Note – The Presentation slides were uploaded to SGXNET after the AGM on 23 April 2024).*

## 12. Questions and Answers

After his presentation, the Deputy Chairman opened the floor for questions. A summary of the questions asked and responses is annexed hereto as Annexure 1.

## 13. Formal Resolutions

### 13.1 Resolution 1: Adoption of Reports and Audited Financial Statements for the year ended 31 December 2023

There being no further questions from shareholders, the Deputy Chairman proposed Resolution 1 relating to adoption of Reports and Audited Financial Statements for FY2023 and put the motion to a vote.

The results of the vote by way of electronic poll on Resolution 1 were as follows:

Total number of shares represented by votes for and against the resolution	For		Against	
	No. of shares	As a percentage of total number of votes for and against the resolution (%)	No. of shares	As a percentage of total number of votes for and against the resolution (%)
710,402,486	710,402,486	100.00	0	0.00

Based on the results of the poll, the Deputy Chairman declared Resolution 1 carried.

### 13.2 Resolution 2: Approval of Directors' Fees for the year ended 31 December 2023

Resolution 2 related to Directors' Fees of S\$297,500 for the year ended 31 December 2023, and questions were invited from shareholders.

There being no questions / further questions from shareholders, the Deputy Chairman proposed Resolution 2 and put the motion to a vote.

The results of the vote by way of electronic poll on Resolution 2 were as follows:

Total number of shares represented by votes for and against the resolution	For		Against	
	No. of shares	As a percentage of total number of votes for and against the resolution (%)	No. of shares	As a percentage of total number of votes for and against the resolution (%)
710,432,819	710,430,672	100.00	2,147	0.00

Based on the results of the poll, the Deputy Chairman declared Resolution 2 carried.

### 13.3 Resolution 3: Approval of Directors' Fees for period from 1 January 2024 to 23 April 2024

Resolution 3 related to Directors' Fees for the period from 1 January 2024 to 23 April 2024, aggregating S\$63,540.98 for Mr Lim Jun Xiong, Steven and Mr Willy Shee Ping Yah, both retiring at the conclusion of this AGM.

Questions were invited from shareholders and, there being no questions / further questions, the Deputy Chairman proposed Resolution 3 and put the motion to a vote.

The results of the vote by way of electronic poll on Resolution 3 were as follows:

Total number of shares represented by votes for and against the resolution	For		Against	
	No. of shares	As a percentage of total number of votes for and against the resolution (%)	No. of shares	As a percentage of total number of votes for and against the resolution (%)
710,432,819	710,430,672	100.00	2,147	0.00

Based on the results of the poll, the Deputy Chairman declared Resolution 3 carried.

#### 13.4 Resolution 4: Re-appointment of Mr. Frankle (Djafar) Widjaja

Resolution 4 related to the re-appointment of Mr. Frankle (Djafar) Widjaja as a Director, retiring pursuant to Rule 720(5) of the Listing Manual.

There being no questions / further questions from shareholders, the Deputy Chairman proposed Resolution 4 and put the motion to a vote.

The results of the vote by way of electronic poll on Resolution 4 were as follows:

Total number of shares represented by votes for and against the resolution	For		Against	
	No. of shares	As a percentage of total number of votes for and against the resolution (%)	No. of shares	As a percentage of total number of votes for and against the resolution (%)
710,432,819	710,432,486	100.00	333	0.00

Based on the results of the poll, the Deputy Chairman declared Resolution 4 carried.

#### 13.5 Resolution 5: Re-appointment of Auditors

Resolution 5 related to the re-appointment of Moore Stephens LLP as Auditors.

There being no questions / further questions from shareholders, the Deputy Chairman proposed Resolution 5 and put the motion to a vote.

The results of the vote by way of electronic poll on Resolution 5 were as follows:

Total number of shares represented by votes for and against the resolution	For		Against	
	No. of shares	As a percentage of total number of votes for and against the resolution (%)	No. of shares	As a percentage of total number of votes for and against the resolution (%)
710,942,586	710,942,586	100.00	0	0.00

Based on the results of the poll, the Deputy Chairman declared Resolution 5 carried.

### 13.6 Resolution 6: Renewal of the Share Issue Mandate

Resolution 6 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.

Questions were invited from shareholders and, there being no questions / further questions, the Deputy Chairman proposed Resolution 6 and put the motion to a vote.

The results of the vote by way of electronic poll on Resolution 6 were as follows:

Total number of shares represented by votes for and against the resolution	For		Against	
	No. of shares	As a percentage of total number of votes for and against the resolution (%)	No. of shares	As a percentage of total number of votes for and against the resolution (%)
710,942,586	707,431,497	99.51	3,511,089	0.49

Based on the results of the poll, the Deputy Chairman declared Resolution 6 carried.

### 13.7 Resolution 7: Renewal of the Share Purchase Mandate

Resolution 7 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 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.

Questions were invited from shareholders and, there being no questions / further questions, the Deputy Chairman proposed Resolution 7 and put the motion to a vote.

The results of the vote by way of electronic poll on Resolution 7 were as follows:

Total number of shares represented by votes for and against the resolution	For		Against	
	No. of shares	As a percentage of total number of votes for and against the resolution (%)	No. of shares	As a percentage of total number of votes for and against the resolution (%)
710,942,586	710,942,586	100.00	0	0.00

Based on the results of the poll, the Deputy Chairman declared Resolution 7 carried.

### 13.8 Resolution 8: Renewal of the Interested Person Transactions Mandate

The final agenda item was Resolution 8, an Ordinary Resolution to renew the Mandate for Transactions with Interested Persons ("IPT Mandate") under Chapter 9 of the Listing Manual.

The Deputy 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 Deputy 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 8 in respect of shares of the Company that are held or controlled by them.

Questions were invited from shareholders and, there being no questions / further questions, the Deputy Chairman proposed Resolution 8 and put the motion to a vote.

The results of the vote by way of electronic poll on Resolution 8 were as follows:

Total number of shares represented by votes for and against the resolution	For		Against	
	No. of shares	As a percentage of total number of votes for and against the resolution (%)	No. of shares	As a percentage of total number of votes for and against the resolution (%)
72,957,889	72,533,425	99.42	424,464	0.58

Based on the results of the poll, the Deputy Chairman declared Resolution 8 carried.

#### **14. Acknowledgements**

Before handing over the Meeting back to the Chairman, the Deputy Chairman conveyed the Board's appreciation and thanks to the 2 long serving independent directors, Mr Steven Lim and Mr Willy Shee, who will both step down at the conclusion of the AGM.

The Deputy Chairman took the opportunity to introduce the 2 new independent directors of the Company, Mr Chong Weng Hoe and Ms Kuan Li Li, whose appointments take effect on 24 April 2024.

#### **15. Conclusion**

The Chairman also extended his thanks and well wishes to Mr Steven Lim and Mr Willy Shee, and welcomed the incoming new independent directors, Mr Chong and Ms Kuan.

The Chairman closed the Meeting at 9.50 a.m. with a note of thanks to shareholders for their support and attendance at the AGM.

Confirmed:

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Chew Yow Foo  
Deputy Chairman of Meeting

Confirmed:

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Frankle (Djafar) Widjaja  
Chairman

### Summary of Main Questions raised by Shareholders at the AGM on 23 April 2024, and the Company's responses

#### Questions relating to Dividends

Q: For the past few years, Company paid dividends based on cash profits. Going forward, when retained earnings are used up, can accounting profits be used to pay dividends? Can auditors please clarify?

Company's accounting policy on Property, Plant and Equipment where assets are recognised at historical cost less depreciation. Company has significant cash profit, but accounting profit small due to depreciation of assets. What is Management's view on how to navigate this?

Any way to transfer from share premium or share capital for Company to sustain dividend payment going forward?

#### Company's Response:

*We review and consider dividend payment vis-à-vis our cash flow position, the need to consider cash requirement for our operations, capital expenditure on upgrading works and general working capital, and also reserving cash for the Company's future and long term growth. Based on Management recommendation, the Directors determine on a quarterly basis the amount, if any, of dividends to be declared, taking into account all relevant factors.*

*Auditor clarified that the amount of dividend that the Company can pay is dependent on the amount of retained earnings. Amount in the Company's share capital can be reduced by way of capital reduction. Distribution, if any, is Management / Board's decision.*

*There are different rules in the respective jurisdictions where the Group operates which we have to follow. Management would like to distribute more to shareholders, but also need to consider the operational needs, etc.*

Q: Any interim dividend being considered?

#### Company's Response:

*The Company paid an interim dividend of 2.8 Singapore cents per share for FY2023 on 8 September 2023. We will continue to review and consider dividend declaration vis-à-vis our cash flow position.*

#### Questions relating to CAPEX

Q: Last year, it was mentioned there was preliminary renovation plans for the hotel. Are the plans being finalized? How much CAPEX is reserved for refurbishment of the hotel?

#### Company's Response:

*Management has all the time had in mind renovation plans for the hotel. However, this involves lengthy process and consideration of a combination of factors, such as risks, land use rights and the existing hotel management contract with Westin Hotel. Hotel occupancy rate is about 80%, and given its fantastic strategic location, the time may not be right to undertake any major renovation project. Management will continue to consider and review available options, in the best interests of shareholders, before embarking on any major decision.*

Q: Company is conservative. Any maintenance CAPEX?

#### Company's Response:

*Every year, expenses for maintenance of facilities is expected to be incurred. The amount to be incurred varies from year to year.*

## **Questions relating to Operations / Strategies**

Q: Page 68 of Annual Report. Declining property leasing income. Any strategies to reverse the trend?

### **Company's Response:**

*The operating environment for our leasing operations remains highly competitive. An oversupply of office space in Shanghai and weak leasing demand, owing to the slower-than-expected overall economic recovery, have led to a highly competitive leasing market and thus downward pressure on leasing rates. Nonetheless, the Group will continue to monitor business developments and adjust its business strategies to attract potential tenants and retain existing tenants for its investment properties. Management will do its best to weather the storm.*

Q: What is the strategy for Golden Center, Ningbo? What are the details for the master lease agreement? What is the rental amount?

### **Company's Response:**

*The strategic partnership with the anchor tenant for the lease of the entire Golden Center is for a period of 10 years. The rental is approximately RMB6.5 million per annum, subject to yearly increment. Based on the terms of the lease, CAPEX commitment from the anchor tenant is required to renovate the entire mall for retail business operations.*

Q: But on page 81 of Annual Report, it mentioned revenue of S\$10.65 million in 2023 compared to S\$12.3 million in 2022?

### **Company's Response:**

*This related to revenue from a single external customer for property leasing in Shanghai, not Ningbo.*

Q: On page 51 and 71 (Note 12) of Annual Report, what is this "Allowance for expected credit loss (ECL) on trade receivables" of S\$1.471 million?

### **Company's Response:**

*This related to ECL on outstanding receivables for tenants who were unable to settle the outstanding rental. The Group has since terminated the lease agreements and initiated legal action against the tenants.*

Q: The Group has a simple asset structure. Given increasing SGX rules / regulations for the Company to comply with and associated listing and compliance costs, what is Management's plans for the Company in the next 5-10 years? Continue to remain listed on SGX? Any thoughts to delist?

### **Company's Response:**

*The Group's properties in Shanghai, being an iconic building strategically located in the Bund area, is considered a trophy asset, a "cash cow" portfolio. Given the uncertain global economic conditions, it is prudent to conserve cash. The Group's policy is to drive growth by internal growth strategies. Management will exercise prudence and wisdom in identifying good business opportunities. Staying listed on SGX has its benefits and provides the Group the flexibility to tap on capital market at the appropriate time.*

- end -