

**BOUSTEAD SINGAPORE LIMITED (the “Company”)  
MINUTES OF ANNUAL GENERAL MEETING  
HELD AT NICOLL 1 (LEVEL 3), SUNTEC SINGAPORE  
CONVENTION & EXHIBITION CENTRE, 1 RAFFLES BOULEVARD,  
SINGAPORE 039593 ON FRIDAY, 28 JULY 2023 AT 2.30 P.M.**

Present:

Shareholders:

- 168 shareholders/proxies as set out in the attendance records maintained by the Company

Directors:

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

In Attendance:

- Alvin Kok (Secretary)
- Chan Shiok Faun (Group Chief Financial Officer)
- Keith Chu (Group Chief Investment Officer)
- Quek June Lynn (Group Finance Manager)
- Mimi Wijaya (Management Accountant)
- Debbie Tan (Senior Manager, Group Corporate Marketing & Investor Relations)
- Chan Lei Ling (Manager, Group Corporate Marketing & Investor Relations)
- Juene Yeo (Senior Confidential Secretary)
- Thomas Chu (Managing Director, Boustead Projects Limited)
- Shirley Tay (Secretary, Boustead Projects Limited)
- Kok Moi Lre (Auditors, PricewaterhouseCoopers LLP)
- Trillion So (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)
- Ng Choon Hao (Share Registrar, Boardroom Corporate & Advisory Services Pte Ltd)
- Kelvin Ong (Share Registrar, Boardroom Corporate & Advisory Services Pte Ltd)
- Grace Thian Hui Ting (Share Registrar, Boardroom Corporate & Advisory Services Pte Ltd)
- Madelyn Kwang (Independent Scrutineers, DrewCorp Services Pte Ltd)
- Carrie Liu (Independent Scrutineers, DrewCorp Services Pte Ltd)
- Mandy Goh (Independent Scrutineers, DrewCorp Services Pte Ltd)
- Evonne Koh (Independent Scrutineers, DrewCorp Services Pte Ltd)

**1. Quorum/Commencement**

The meeting started at 2.30 p.m. with Mr Wong Fong Fui at the Chair (the “Chairman”), upon confirmation by the Secretary that there was a quorum for the Annual General Meeting (“AGM”).

The Chairman welcomed shareholders to the AGM and introduced members of the Board and management, and representatives from the auditors, share registrar and independent scrutineers who were in attendance.

## 2. **Notice of Meeting**

With the consent of all shareholders present, the Notice of Meeting dated 5 July 2023 was taken as read.

## 3. **Management Presentation**

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

### 3.1 **Business Performance**

Mr Wong Yu Loon gave an overview on how the various divisions performed in the financial year ended 31 March 2023 (“FY2023”) 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.

Mr Wong Yu Loon reported that for FY2023, Boustead Projects has prevailed over post pandemic challenges to deliver another year of profitable performance and he has confidence that its management will continue to do a good job.

Mr Wong Yu Loon added that Boustead Singapore Limited (the “Company”) is exploring a privatisation of Boustead Projects and this could be discussed further at the Q&A session.

#### Directly Managed Businesses

In respect of the directly managed business under the Company, Mr Wong Yu Loon rated them as follows:-

- Energy Engineering Division: Green – it did well, winning lots of work and growing its capabilities
- Geospatial Division: Yellow – it remained stagnant and flat
- Healthcare Division: Red – it continued to underperform

Mr Wong Yu Loon set out the key leaders supporting him under the Energy Engineering, Geospatial and Healthcare divisions and encouraged shareholders to connect with them via LinkedIn.

#### Energy Engineering Division

Mr Wong Yu Loon introduced the product offerings and services under the Energy Engineering Division, which falls under two broad categories: Hydraulic/Pneumatic Control Systems and Heat Transfer Products. The latter has two main products – heat transfer and waste heat recovery units – and accounts for 70-80% of the business of the division.

New products introduced in FY2023 under Heat Transfer Products include once through steam generators (for which S\$40 million of work was won in FY2023, with more in the

pipeline) and reformers. The division has also expanded its capabilities, having acquired a team of 15 people in the US with a stronger focus on after-market services on furnaces. Further to this, the division has launched production facilities for wellhead control panels in Saudi Arabia, securing S\$11 million worth of equipment sales to Saudi Aramco over the last year.

As was forecast at the last Annual General Meeting, revenue and profitability of the Energy Engineering Division in FY2023 was indeed worse than for the financial year ended 31 March 2022 (“FY2022”). This was attributable to the low volume of orders won in FY2022. However, order intake in FY2023 was very strong – more than 3 times the order intake of FY2022 and the second highest ever. In view of the strong order book backlog, new product offerings, presence in the US and new production facilities in Saudi Arabia, management is optimistic about the near-term prospects of the Energy Engineering Division.

The longer-term prospects however remain complex and uncertain, driven by factors such as climate change, energy transition, energy security and geopolitics. Management is of the view that energy transition may take longer than generally envisaged. In view of the uncertain long-term prospects, the division hopes to do the following:

- Stay nimble and scale business quickly according to demand for oil & gas projects;
- Spend more time on chasing projects which are somewhat more resilient to transition to net-zero emissions such as natural gas projects, LNG projects, petrochemicals such as plastics/fertilisers;
- Continue building brownfield service capabilities; and
- Find out if heat transfer expertise can be deployed in other complex but non-oil and gas projects.

Finally, the overarching, critical strategy that the division must adopt is to maintain its bid discipline and not bid for projects at razor thin margins and on high risk commercial and technical terms. The division has passed this test before and is expected to continue to do so.

#### Geospatial Division

Mr Wong Yu Loon outlined the product and service offerings under the Geospatial Division which falls under the following two categories:

- Esri Direct – selling of Esri Inc’s software products under distribution agreements; and
- Esri Aligned – selling of services, data products, third party (including self-developed) solutions that enhance and extend the Esri ecosystem.

Currently, Esri Direct accounts for about two-thirds of the division’s business and Esri Aligned the remaining one-third. 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.

As for financial performance, FY2023 was the second consecutive year where the revenue and profitability of the Geospatial Division remained flat. This was mainly attributable to IT staff wage inflation and high staff attrition rates affecting the business.

On a related note, geospatial contracts have also become more complex and employees require more extensive knowledge in order to sell and deliver a project.

A recent big contract win in Australia of A\$48m is likely to lead to an improvement in results for the next financial year. However for sustained growth, the division will need to upskill its employees and improve employee retention and talent recruitment.

#### Healthcare Division

Mr Wong Yu Loon set out the product and service offerings under the Healthcare Division which falls under the following two categories:

- Equipment Sales – distribution and selling of high-end rehabilitation equipment to public hospitals, research institutions physiotherapy clinics; and
- Service Offerings – disinfection and installation of wound care mattresses to hospitals and provision of functional assessment of patient mobility (currently at Changi General Hospital).

Management has sought to de-clutter and streamline the business under the Healthcare Division over the past two years, exiting sub-scale and unprofitable products and service offerings. The division is currently focused on Rehabilitation, Sports Science and Hospitals & Others.

The prospects for the division attaining a sustainable business of a meaningful scale is still unclear as the leadership and team composition needs to be strengthened and the execution needs to be improved.

In terms of financial performance in FY2023, the division's associate in China, Beijing Pukang was affected by tough economic conditions in China in spite of its strong capabilities. The division as a whole narrowed its losses in FY2023 largely because of the aforementioned downsizing but it is still not on a path to sustainable or meaningful growth. While the next financial year may see a further reduction of losses or even achieving breakeven, a strategic review is urgently needed for the division.

#### Noteworthy Projects and Achievements

Finally, Mr Wong Yu Loon highlighted a noteworthy project over the last financial year.

Boustead Controls & Electrics ("BCE") will be supplying 13 sets of bespoke wellhead control panels (one for each platform) for the Qatar Energy North Field Expansion Project. This project will increase Qatar's liquefied natural gas ("LNG") production capacity by 64% and facilitate Qatar overtaking Australia as the world's largest exporter of LNG. The contract of approximately S\$36m is the largest single contract for BCE.

Mr Wong Yu Loon then handed over proceedings to Ms Chan Shiok Faun to present a review of the Boustead Group (the "Group")'s financial performance in FY2023.

### **3.2 Group Financial Performance**

In respect of the Group's financial results for FY2023, Ms Chan Shiok Faun highlighted the following:

- Revenue in FY2023 declined, impacted mainly by decreased revenue contributions from the Energy Engineering and the Real Estate divisions.

- Despite lower revenues, gross profit improved in FY2023 as a result of better gross margins.
- Net profit saw a significant gain in FY2023 largely due to the improved gross profit, higher interest income, the Real Estate Division's sale of a subsidiary holding the Boustead Industrial Park to joint venture in Vietnam, the reversal of impairment losses and significant currency exchange gains.
- Adjusted for the non-recurring items for both years, i.e., other gains/losses, impairments and Jobs Support Scheme, all net of non-controlling interests, Group adjusted net profit or "core profit" for FY2023 would have been marginally lower than that for FY2022.
- Earnings per share of 9.4 cents and net asset per share of 94.9 cents in FY2023 both represented improvements over FY2022.
- The decline in revenue of the Real Estate Division in FY2023 resulted in a lower percentage contribution to the Group's revenue in FY2023.
- Matters of note over the last five financial years:-
  - Group revenue has been on a marginal downward trend over the last four financial years. The decline in FY2023 reflected efforts by the Real Estate Division to clear sizeable legacy projects secured pre-pandemic.
  - Group net profit saw a spike in FY2021 due to the value unlocking gain from the Boustead Industrial Fund.
- Group net cash position remains healthy at S\$320.5 million as at end of FY2023. Taking into account the net cash outflow in investing activities (mainly capital contributions to joint ventures by the Real Estate Division), net cash outflow in financing activities (mainly the purchase of Boustead Projects shares and the payment of dividends to shareholders) and the net cash inflow from operating activities, the net decrease in cash and cash equivalents net of foreign currency translation for FY2023 was S\$77.7 million.
- Return on shareholders' equity in FY2023 increased to 10.0% from 7.1% in FY2022 due to the increase in net profit.
- Earnings per share in FY2023 increased to 9.4 cents from 6.3 cents in FY2022 for the same reason, while net asset value per share in FY2023 increased to 94.9 cents from 89.9 cents in FY2022, mainly due to increased profits and the higher shareholding in Boustead Projects following the voluntary unconditional general offer.
- Group engineering orders secured increased to S\$583 million in FY2023, comprising S\$401 million in the Real Estate Division and S\$182 million in the Energy Engineering Division (almost three times the value of orders secured by the division in FY2022).
- With the good financial results for FY2023, 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 FY2023 matches that of FY2022. The Company has maintained ordinary dividend at 4 cents per share throughout the pandemic, whereas ordinary dividend was 3 cents per share prior to the pandemic.

Ms Chan Shiok Faun then handed over proceedings to Mr Keith Chu to present the historical value creation.

### **3.3 Historical Value Creation**

Mr Keith Chu provided some snapshots of historical value creation, in financial terms, starting from the time that the Company was first listed in 1975, and also from the point in time when the current management team took over on 7 March 1996.

In terms of revenue, from about FY1975 to FY1996 (the year prior to the current management team taking over), revenue was range-bound from about between S\$60 million to S\$140 million. From FY1997, revenue began to grow rapidly, hitting a high of S\$727 million in FY2020, thanks to a strong pre-pandemic order book just prior to the start of the pandemic. Compounded annual growth over the 27 years is about 9%.

As for profit before tax (“PBT”), there was hardly any PBT since listing to FY1996, mostly under S\$10 million with a few years of minor losses. After the current management took over in FY1997, PBT began to grow rapidly in line with revenue growth and has achieved compounded annual growth of about 13%. The peak PBT of S\$204 million in FY2021 was achieved on the back of the launch of Boustead Industrial Fund by the Real Estate Division.

Net profit attributable to shareholders from listing to FY1996 was relatively small. After the current management took over, net profit attributable to shareholders, while negligible in the early years, began to grow and become sizeable from FY2003 onwards. Compounded annual growth rate is about 14%.

Finally, Mr Keith Chu presented the hypothetical total shareholder return should a shareholder have bought one share of the Company on the day that the current management took over on 7 March 1996. If that shareholder had participated in every major corporate exercise from that day, one rights issue with warrants, seen through all share splits and received all cash dividends and EasyCall and Boustead Projects dividends-in-specie plus accepted all the subsequent offers that were made, without selling any shares, the cost to that shareholder would have been about S\$3.39, while the returns after deducting for cost would have been S\$24.25. The total shareholder return would be about 715% or about 26% annually.

Mr Keith Chu pointed out that individual returns would depend on the price a shareholder entered at, the timing of entry and the investment horizon. He was confident that the Board and management will continue to work hard to deliver value to all shareholders.

Mr Keith Chu then handed over proceedings to the Chairman.

## **4. Questions and Answers**

The Chairman reported that the Company received a number of 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 24 July 2023 and also uploaded on the Company’s corporate website. He thanked the shareholders who had taken the time to submit questions in advance of the Meeting.

The Chairman said the Board would be pleased to answer any additional questions shareholders present at the Meeting may have. He requested that as far as possible, shareholders should avoid repeating the questions that the Company has responded to in the SGXNET announcement dated 24 July 2023.



The following matters were discussed:-

#### **4.1 Future Growth Areas**

Mr Mano Sabnani thanked the Chairman, the Board and the management team for the good performance in FY2023. Noting that the improved net profit in FY2023 was partly due to higher interest income and currency exchange gains while core profit remained the largely the same as FY2022, Mr Sabnani asked where the future growth areas lay. He pointed out that the Energy Engineering Division's returns did not seem commensurate with the resources invested, being present in 91 countries as stated on page 32 of the 2023 Annual Report (the "Annual Report"). He added that the Healthcare Division remained disappointing and asked why it had not seized opportunities during the Covid-19 pandemic, citing the example of Raffles Medical Group which provided vaccination services.

Responding to Mr Sabnani's comments on the Energy Engineering Division, Mr Wong Fong Fui explained that the division started with an initial investment of GBP400,000 in 1996. While the division has a marketing reach in 91 countries, its physical presence is limited to only a few countries. It is in a very niche business and has faced tough times in the industry since the oil price crash in 2014. In view of this, the division has put in a lot of effort to reinvent itself, offering new products in a mature industry. In terms of the capital deployed, management is quite pleased with the performance of the division and remains positive about its prospects – as shared in the management presentation earlier, the division's order intake in FY2023 of S\$182 million was more than 3 times the order intake in FY2022 and the second highest ever. Mr Wong Yu Loon added that the oil and gas industry is cyclical in nature and the division's performance must also be seen in the light of current secular trends not favouring the industry.

As for Mr Sabnani's comments on the Healthcare Division, Mr Wong Yu Loon explained that the division is focused on elective healthcare products, in particular rehabilitation and physiotherapy, and it did not benefit from government initiatives during the Covid-19 pandemic.

Mr Wong Fong Fui said the Group is reasonably well diversified and would be in a better position to weather downturns affecting one of its businesses. The Group's businesses operate in niche markets with high barriers to entry, e.g. the oil and gas related activities undertaken by the Energy Engineering Division and the Esri related activities carried out by the Geospatial Division. A continuing challenge is having the required manpower resources; the Esri geospatial platform, for instance, is very niche and no university in Singapore conducts geospatial courses. The Geospatial Division has to invest in training its own staff and they are at risk of being poached. Notwithstanding the challenges, the Geospatial Division has done well over the years – with an initial investment of about S\$3 million, it is now generating annual revenues of over S\$160 million. The Healthcare business remains challenging and management would need more time and effort to build the business.

#### **4.2 Consolidation of Boustead Projects**

Mr Mano Sabnani asked whether management had been incorrectly advised in opting for a voluntary unconditional offer for the shares of Boustead Projects with no mandatory offer, when the intention is to privatise and delist Boustead Projects. He suggested that a scheme of arrangement pertaining to all of the shares of Boustead Projects would be a more appropriate option.

Mr Wong Fong Fui declared that he is in a position of conflict of interest regarding the proposed privatisation and delisting of Boustead Projects as he also holds Boustead Projects shares, adding that he personally feels that the proposal is good for all

shareholders. He invited Mr Mak Lye Mun, Lead Independent Director, to share his thoughts on the matter.

Mr Mak explained that at the time the proposal was first mooted, the independent directors felt that the price of Boustead Projects was attractive for the purpose of increasing the Company's stake and the consensus was a voluntary unconditional offer would be the fastest way to achieve this. Had the Company opted for a scheme of arrangement, it would have had to convene an extraordinary general meeting to seek shareholders' approval (given that Mr Wong Fong Fui holds close to 20% of Boustead Projects) and the Company would have lost the element of surprise.

Mr Mak pointed out that the Board is responsible for the interests of the Company's shareholders, not necessarily those of Boustead Projects' shareholders, and the objective of the exercise was to acquire as many Boustead Projects shares as possible at the lowest price possible. Had the Company opted for a scheme of arrangement, it would have been "all or nothing". Under the voluntary unconditional offer, the Company could have pursued a compulsory purchase had it managed to acquire more than 90% of the Boustead Projects shares not already owned by the Company and its concert parties. In the event, it fell short of that target but the Company still managed to acquire an additional 20% of Boustead Projects at an attractive price.

Mr Mak said there are currently two sets of rules to abide by - Boustead Projects has been asked to restore its free float pursuant to the Listing Rules while under the Takeover Code, the Company cannot make another offer that is better than the first offer for a period of six months after the initial offer.

Elaborating on the difficulty of setting a suitable offer price for the Boustead Projects shares, Mr Mak said the price has to be fair and reasonable from the point of view of Boustead Projects shareholders while at the same time be in the interest of the Company's shareholders. The situation is further complicated by the fact that Mr Wong Fong Fui also holds close to 20% of Boustead Projects, which the Company's shareholders have to bear in mind should their approval be sought for a new offer.

Although he is not at liberty to discuss the various scenarios being looked into, Mr Mak said the Company is continuing discussions with the regulators and with a view to finding a suitable path forward over the next couple of months.

Responding to a question from Mr Chen Yen Siong on the reasons why the Company chose not to acquire Mr Wong Fong Fui's 20% shareholding in Boustead Projects, Mr Mak explained that acquiring Mr Wong Fong Fui's stake would involve a pre-conditional offer and would require the approval of the Company's shareholders in an extraordinary general meeting. Mr Mak said doing so would in effect "show your cards" and the Company would not have acquired as many Boustead Projects shares as it had.

Mr Wong Fong Fui added that he is prepared to sell his Boustead Projects shares at the price offered by the Company for the benefit of the Group. He assured shareholders that he is not holding on to his Boustead Projects shares in order to fetch a better price as he does not want to benefit at the expense of other shareholders.

Asked by Mr Gary Goh whether the acquisition and subsequent consolidation of the additional interest in Boustead Projects would result in a negative goodwill impact (arising from the difference in the purchase price and the net asset value acquired) in the income statement, Ms Chan Shiock Faun clarified that the negative goodwill will not hit the income statement and will instead be reflected in capital reserves under the statement of financial position.



#### **4.3 Investments in Joint Ventures**

Mr Alvin Lim referred to page 167 of the Annual Report on investments in joint ventures. In respect of the Bideford House and KTG joint ventures, he asked what the Group and the respective partners provided to these joint ventures.

Mr Thomas Chu, Managing Director of Boustead Projects, explained that the joint ventures are strategic in nature. In the case of the Vietnam joint venture, the partner, KTG provides the pipeline in addition to collaborating as local partner in executing the project. As for the Bideford House joint venture, Ms Chan Shiok Faun said the joint venture is funded by bank loans and equal amounts of cash injection provided by both joint venture partners.

#### **4.4 Geospatial Division**

Mr Sanford Chee referred to the manpower challenges faced by the Geospatial Division and asked how the division plans to address the issues of talent shortage and staff attrition and what longer term plans are in place to put the division on the right growth trajectory.

Mr Wong Fong Fui said he has been concerned for some time about the talent issues faced by the Geospatial Division. When he served on the Board of the National University of Singapore, he encouraged the management of the university to start a course on geospatial technology to address the shortage of geospatial talent locally. However, this has not materialised even though government bodies have acknowledged a need for geospatial talent. He has since been working with his alma mater, the University of New South Wales on a proposed geospatial centre of excellence to produce geospatial talent.

Mr Wong Yu Loon said all IT companies face similar issues of talent shortage and staff attrition, adding that the business environment has become a lot more complicated with new challenges that need to be addressed, e.g. cloud computing, cyber security etc. Geospatial staff have a lot more to learn in order to do their jobs competently. Reflecting on the performance of the Geospatial Division over the past few years, Mr Wong Yu Loon noted that he has stopped using the description “another year of record revenues and profits” since FY2022. This was partly attributable to the fact that learning was slow during the Covid-19 pandemic. The Geospatial Division is addressing this by giving greater focus on training its staff and improving coordination between different teams.

Mr Steven Ooi noted that the clients of the Geospatial Division are also talented in geospatial technology and suggested that management consider on-the-job training arrangements for its geospatial staff at clients such as the Australian government. He added that China, with its high youth unemployment rate, could be a talent pool to tap.

Addressing Mr Ooi’s comments, Mr Wong Fong Fui said the Geospatial Division has been losing its staff to its clients, instead of the other way around. Economically, it would be better for the division to train its own staff and for new talent, the division is looking into working with universities to produce geospatial talent. As for China as a source of talent, he said management has not looked into this and is not sure how this may work out.

Mr Chua Lye Kiat asked whether there is a risk of the Geospatial Division losing its exclusive Esri distributorship, which it relies heavily upon, and whether there is a risk of losing the Australian government contracts due to geopolitical factors. While acknowledging that there exists a risk of losing the Esri distributorship, Mr Wong Yu Loon said the division has held the distributorship for over 40 years. The division has maintained very good ties with Esri Inc and both parties see the relationship as mutually

beneficial. As for the risk of the Australian government cutting off ties with Esri Australia because it is majority owned by a Singapore company, it is unclear but the risk appears low given that Australia and Singapore are considered allies.

#### **4.4 Directors' Fees**

Mr Sanford Chee pointed out that there was a typographical error in relation to the resolution number in Explanatory Note 1 to the notice of AGM on directors' fees. He noted that the Company's announcement dated 24 July 2023 provided the explanation for the increase in directors' fees, i.e. to expand the number of seats for independent non-executive directors, and said it would have been helpful to include the explanation in the explanatory note. Mr Chee added that in plans to expand the number of directors, the Board should consider adding someone with Geospatial expertise to help grow the business.

Mr Alvin Kok, Secretary, clarified that upon further checking, the resolution number reference in Explanatory Note 1 was correct. However, he agreed that it would be helpful to shareholders to include the explanation for the increase in directors' fees in the explanatory note itself and thanked Mr Chee for his suggestion.

#### **4.5 Design and Build**

Mr Sanford Chee suggested that instead of engaging in design and build, the Group could just focus on design, e.g. design and consultancy on eco-sustainability projects, and leave the building work to other reliable partners. This would help address the manpower constraints, keep the Group asset light and improve returns on investment.

Mr Wong Fong Fui said the suggested business model can be looked at in greater detail, adding that the Group should operate using business models that can maintain its competitive edge.

#### **4.6 Energy Engineering Division**

Mr Chia Hong Kiat noted that the Energy Engineering Division is also highly technical and asked how management decides on new projects.

Mr Wong Fong Fui explained that the division has a robust system in place that focuses on risk management and has an excellent track record in evaluating projects. The division operates in a niche market in the oil and gas industry, employing established heat transfer technology in both existing and new applications. The market is a mature one with significant barriers to entry.

Responding to Mr Chia's comment that he hopes to see more engineering expertise at the Board, Mr Wong Fong Fui said that at the operational level, there are many engineers, each vigorously satisfying their own requirements as well as checking on their colleagues in order to successfully deliver the projects. He added that Board members, even those with engineering backgrounds, may not have the detailed technical knowledge to contribute meaningfully at the operational level.

Asked by Mr Chia whether the reformers in the division are designed in-house and whether the outlook for reformer projects is positive, Mr Wong Yu Loon explained that reformers are a kind of heater but there is a chemical reaction in the presence of a catalyst. Each reformer cost tens of millions of dollars and multiple parties are involved in the value chain: the end user/owner of the plant, the contractor who builds the plant, the licensor who owns the reformer design and technology, and contractors like Boustead International Heaters ("BIH") who are qualified by the licensor and end user to build the reformers. BIH has been shut out of the reformers market until now because it

did not have the design team and capabilities for such projects. While there is no order book yet for reformers as it has just started, BIH has won engineering studies for reformer works to determine the feasibility of building reformers, which qualifies BIH as a contractor.

## **5. Poll Voting**

As there were no further questions, the Chairman stated that all resolutions at this Meeting shall be voted on by way of poll in accordance with the requirements of the SGX Listing Rules. The Chairman invited representatives from Boardroom Corporate & Advisory Services Pte Ltd to give a short presentation explaining the electronic poll voting process.

The Meeting then proceeded with the resolutions set out in the Notice of the Meeting dated 5 July 2023.

## **6. As Ordinary Business**

### Resolution 1 (Ordinary) – Adoption of Audited Financial Statements

Ordinary Resolution 1 below was proposed by Mr Leong Onn Kay and seconded by Mr Chow Lye Kiew:

“That the Directors’ Statement and Audited Financial Statements for the year ended 31 March 2023 and the Independent Auditors’ Report thereon as presented and now submitted to this Meeting, be and are hereby received and adopted.”

The motion, having been proposed and seconded, was put to vote by poll and the results of the poll was as follows :-

TOTAL number of votes cast: 268,403,465  
Votes FOR the resolution: 264,558,436 votes or 98.57%.  
Votes AGAINST the resolution: 3,845,029 votes or 1.43%.

The Chairman declared the resolution carried.

### Resolution 2 (Ordinary) – Approval of Final Dividend

Ordinary Resolution 2 below was proposed by Mr Eng Koon Hock and seconded by Mr Tan Lee Hua:

“That a final tax exempt (one-tier) dividend of 2.5 cents per ordinary share for the financial year ended 31 March 2023 be and is hereby approved.”

The motion, having been proposed and seconded, was put to vote by poll and the results of the poll was as follows :-

TOTAL number of votes cast: 267,969,450  
Votes FOR the resolution: 267,860,550 votes or 99.96%.  
Votes AGAINST the resolution: 108,900 votes or 0.04%.

The Chairman declared the resolution carried.

Resolution 3 (Ordinary) – Re-Election of Mr Wong Yu Loon

Ordinary Resolution 3 below was proposed by Mr Tan Poh and seconded by Mr Lee Yeow Hwee:

“That Mr Wong Yu Loon be and is hereby re-elected as a director of the Company under Article 94 of the Company’s Constitution.”

The motion, having been proposed and seconded, was put to vote by poll and the results of the poll was as follows :-

TOTAL number of votes cast: 267,725,660  
Votes FOR the resolution: 264,114,713 votes or 98.65%.  
Votes AGAINST the resolution: 3,610,947 votes or 1.35%.

The Chairman declared the resolution carried.

Resolution 4 (Ordinary) – Re-Election of Mr Liak Teng Lit

Ordinary Resolution 4 below was proposed by Ms Eileen Lim and seconded by Ms Susanna Ee:

“That Mr Liak Teng Lit be and is hereby re-elected as a director of the Company under Article 94 of the Company’s Constitution.”

The motion, having been proposed and seconded, was put to vote by poll and the results of the poll was as follows :-

TOTAL number of votes cast: 267,472,414  
Votes FOR the resolution: 219,175,143 votes or 81.94%.  
Votes AGAINST the resolution: 48,297,271 votes or 18.06%.

The Chairman declared the resolution carried.

Resolution 5 (Ordinary) – Approval of Directors’ Fees for Financial Year Ending 31 March 2024

Ordinary Resolution 5 below was proposed by Ms Susanna Ee and seconded by Mr Goh Choon Hiang:

“That Directors’ fees of up to S\$345,000 for the financial year ending 31 March 2024 be and is hereby approved, payable quarterly in arrears.”

The motion, having been proposed and seconded, was put to vote by poll and the results of the poll was as follows :-

TOTAL number of votes cast: 267,459,579  
Votes FOR the resolution: 264,123,304 votes or 98.75%.  
Votes AGAINST the resolution: 3,336,275 votes or 1.25%.

The Chairman declared the resolution carried.

Resolution 6 (Ordinary) – Re-Appointment of Auditors

Ordinary Resolution 6 below was proposed by Mr Tan Poh and seconded by Mr Teh Swee Khoi:

“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 motion, having been proposed and seconded, was put to vote by poll and the results of the poll was as follows :-

TOTAL number of votes cast: 267,277,145  
Votes FOR the resolution: 262,858,690 votes or 98.35%.  
Votes AGAINST the resolution: 4,418,455 votes or 1.65%.

The Chairman declared the resolution carried.

**7. As Special Business**

Resolution 7 (Ordinary) – Authority to Allot and Issue Shares pursuant to Section 161 of Companies Act 1967

Ordinary Resolution 7 below was proposed by Mr Tan San Eng and seconded by Mr Tan Lee Hua:

“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 motion, having been proposed and seconded, was put to vote by poll and the results of the poll was as follows :-

TOTAL number of votes cast: 267,569,564  
Votes FOR the resolution: 256,782,941 votes or 95.97%.  
Votes AGAINST the resolution: 10,786,623 votes or 4.03%.

The Chairman declared the resolution carried.

#### Resolution 8 (Ordinary) – Proposed Renewal of Share Buy-Back Mandate

Ordinary Resolution 8 below was proposed by Mr Goh Choon Hiang and seconded by Mr Steven Ooi:

“That:

- (i) for the purposes of 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 motion, having been proposed and seconded, was put to vote by poll and the results of the poll was as follows :-

TOTAL number of votes cast: 61,878,513  
Votes FOR the resolution: 58,647,186 votes or 94.78%.  
Votes AGAINST the resolution: 3,231,327 votes or 5.22%.

The Chairman declared the resolution carried.

Resolution 9 (Ordinary) – Authority to Allot and Issue Shares under Boustead Scrip Dividend Scheme

Ordinary Resolution 9 below was proposed by Mr Goh Choon Hiang and seconded by Ms Susanna Ee:

“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 motion, having been proposed and seconded, was put to vote by poll and the results of the poll was as follows :-

TOTAL number of votes cast: 267,822,673  
Votes FOR the resolution: 263,415,170 votes or 98.35%.  
Votes AGAINST the resolution: 4,407,503 votes or 1.65%.

The Chairman declared the resolution carried.

**8. Any Other Ordinary Business**

There being no other business, the Chairman declared the meeting closed at 4.35 p.m.

-- END OF MINUTES --

Confirmed by:

WONG FONG FUI  
CHAIRMAN