

## MINUTES OF ANNUAL GENERAL MEETING HELD ON 28 JULY 2021 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 (Independent Non-Executive Director)
- Liak Teng Lit (Independent Non-Executive Director)

#### Management:

- Chan Shiok Faun (Group Chief Financial Officer)

### Absent with apologies:

- Chong Ngien Cheong (Independent Non-Executive Director)

### 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)
- Shirley Tay (Secretary, Boustead Projects Limited)
- Kok Moi Lre (Auditors, PricewaterhouseCoopers LLP)
- Teh Wee Wen (Auditors, PricewaterhouseCoopers LLP)
- Yeo Shi Tian (Auditors, PricewaterhouseCoopers LLP)
- Ng Eng Leng (Auditors, PricewaterhouseCoopers LLP)
- Rick Ong (Share Registrar, Boardroom Corporate & Advisory Services Pte Ltd)
- Sia Chee Hui (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 6 July 2021 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 6 July 2021, shareholders would not be able to ask questions or vote during the Meeting and the Chairman 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, 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 2021 ("FY2021") and discussed the various opportunities and challenges.

#### 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 any any statement regarding Boustead Projects is a restatement of what has already been disclosed.

Mr Wong Yu Loon reported that while the construction environment was very tough, the Boustead Projects team did a good job by selling its portfolio of properties at exceptional values and hence registered a record profit.

Like all construction companies, Boustead Projects faces an industrywide transformation as low productivity, low skilled labour gives way to modern software tools and equipment. Mr Wong Yu Loon is confident that the management of Boustead Projects would be able to manage the transition and take the lead in adopting best design-and-build practices.

#### Energy Engineering Division

Mr Wong Yu Loon reported that the Energy Engineering Division finally sold off its under-performing water business, the result being the results of the division will no longer be distorted by the loss-making water business. The division also registered record revenues and profits for FY2021 due to impeccable project execution during the financial year, leading to very decent margins uplift.

However, orders secured in FY2021 of only S\$52 million was not ideal, reflecting the very tough COVID-19 environment with reduced demand for oil & gas projects. The pandemic also prevented site inspection studies which adversely affected the division's plans to expand into brownfield work and services.

The immediate outlook for the division is that it is virtually certain that it will register less revenue than it did in the previous two years. The silver lining is that there seems to be more project activities among its clients, and it is reasonably confident that it can win more orders in the coming year than in FY2021. Longer term wise, given that its equipment is exclusively

used in the fossil fuel/petrochemical sector, the situation remains complex and uncertain in view of the broad range of opinions regarding the transition from fossil fuels.

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 and plastics from hydrocarbons;
- Continue to build brownfield service capabilities; and
- Find new areas outside of oil & gas where its heat transfer expertise and complex project management skills can be deployed, example in carbon capture solutions.

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 was pleased to report that FY2021 was the fifth consecutive year of revenue and profits for the Geospatial Division. He attributed this to great products from Esri Inc, but more importantly an awesome team and culture at the division to sell the products and make it happen.

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 Esri technology, thus creating a virtuous circle. This is evident in the historical numbers – over the last four years, the Esri Direct business grew 1.6 times while the Esri Aligned business grew in lock step at 1.9 times.

The division's GIS technology and expertise has a role to play in promoting the current trends of smart cities, digital government, location intelligence, big data, etc. While claims surrounding these trends may be somewhat exaggerated, the productivity and efficiency gains are real, and most of the division's customers have already realised this. There is therefore a fair bit of positive momentum going on for the division.

The only macro downside facing the division is unsustainable government deficits incurred to fight the COVID-19 pandemic – although this has not happened yet, government customers may be budget-constrained to buy the division's products and services.

#### Healthcare Division

Mr Wong Yu Loon said he mentioned last year that COVID-19 would have significant impact on the Healthcare Division's business as hospital customers at the frontline of the battle

against the pandemic would have less time and mind space to hear how its products and services can generate better health and productivity outcomes.

This turned out to be the case in FY2021 as the division registered negative growth and incurred a loss. However, the negative performance was not due solely to COVID-19 – the division should have sold more products and services and will need to get better at selling.

The immediate term prospect for division is uncertain. The Singapore and China rehab markets should improve, as these are countries that have gotten their healthcare system functioning well despite the COVID-19 situation. However, Malaysia and Thailand are not managing well, which means that their healthcare institutions are under stress and are in no mood to buy healthcare products. The division has also made insufficient progress at improving its sales capabilities.

The longer term rewards for the division can be sizeable in view of demand for more effective healthcare solutions and higher healthcare spending but the division has to plan and execute well.

Finally, Mr Wong Yu Loon highlighted a noteworthy project over the last financial year. The Geospatial Division has developed a smart mapping platform to improve the construction permitting process. The platform automates the enquiry and permitting process for all construction companies and utilities in Australia. Instead of selling the technology or the solution, the division runs the platform and delivers the service to each user and charges on a consumption basis. He acknowledged the innovation and the brains behind this project, in particular, Mr Brett Bundock and Mr Gary Johnson, and urged shareholders to send them words of encouragement.

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 FY2021.

In respect of the Group’s financial results for FY2021, Ms Chan Shiok Faun highlighted the following:

- Despite the pandemic, the Group’s revenue for FY2021 was the second highest over at least the past decade. The reduction in revenue from FY2020 was a result of the Real Estate Division’s Engineering & Construction segment being heavily impacted by the unprecedented COVID-19 pandemic following a prolonged closure of Singapore project sites. The impact was buffered by the improved revenue of the Geospatial Division and Energy Engineering Division.
- The record profit before tax was contributed significantly by the gain from the Real Estate Division’s Boustead Industrial Fund value-unlocking transaction 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, impairment losses, legal settlement and JSS payouts, net profit in FY2021 would have improved by 23% over FY2020.
- Group net profit for FY2021 was significantly boosted by the Real Estate Division’s value-unlocking gain.
- With the value-unlocking transaction by the Real Estate Division, the Group’s net cash position increased to S\$472.8 million in FY2021. Together with the cash inflow from operating activities, net increase in cash and cash equivalents net of forex for FY2021 was S\$194.6 million.

- Return on shareholders' equity increased to 23.5% in FY2021 from 9.0% in the preceding year, boosted by the significant profit from the Real Estate Division's value-unlocking transaction.
- Earnings per share improved significantly to 23.3 cents for the same reason, as did net asset value per share which increased to 92.3 cents, although this was reduced by dividends payments during the year.
- The drop in orders secured in FY2021 to S\$230 million was a result of business activities impacted by the COVID-19 pandemic.
- With the stellar set of results for FY2021, the Directors are pleased to propose a final ordinary dividend of 3 cents per share. With the Real Estate's value-unlocking gain in FY2021, the Directors are also pleased to propose a special dividend for FY2021 of 4 cents per share. Total dividend per share for FY2021, including the 1 cent interim dividend paid, is 8 cents per share.

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

#### 4) **Responses to Advance Questions from Shareholders**

The Chairman reported that the Company received over 30 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 26 July 2021 and also uploaded on the Company's corporate website. He 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 6 July 2021.

#### 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 2021 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: 288,085,085 votes or 99.95%.  
Votes AGAINST the resolution: 155,300 votes or 0.05%.

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 3.0 cents per ordinary share for the financial year ended 31 March 2021 be and is hereby approved.”

The Chairman announced the result of the votes as follows:

Votes FOR the resolution: 288,316,785 votes or 100%.  
Votes AGAINST the resolution: Nil votes or 0%.

The Chairman declared the resolution carried.

Resolution 3 (Ordinary) – Approval of Special Dividend

The Chairman proposed the following resolution:

“That a special tax exempt (one-tier) dividend of 4.0 cents per ordinary share for the financial year ended 31 March 2021 be and is hereby approved.”

The Chairman announced the result of the votes as follows:

Votes FOR the resolution: 288,316,785 votes or 100%.  
Votes AGAINST the resolution: Nil votes or 0%.

The Chairman declared the resolution carried.

Resolution 4 (Ordinary) – Re-Election of Mr Wong Yu Loon

The Chairman proposed the following resolution:

“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 Chairman announced the result of the votes as follows:

Votes FOR the resolution: 220,946,391 votes or 76.63%.  
Votes AGAINST the resolution: 67,370,394 votes or 23.37%.

The Chairman declared the resolution carried.

Resolution 5 (Ordinary) – Re-Election of Mr Liak Teng Lit

The Chairman proposed the following resolution:

“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 Chairman announced the result of the votes as follows:

Votes FOR the resolution: 287,855,402 votes or 99.84%.  
Votes AGAINST the resolution: 461,383 votes or 0.16%.

The Chairman declared the resolution carried.

The Chairman reported that Mr Chong Ngien Cheong had advised that he would be stepping down as a Director of the Company following the conclusion of this Annual General Meeting. Mr Chong, who is retiring pursuant to Article 94 of the Company’s Constitution, has not sought re-election as Director at this meeting so as to facilitate Board renewal in line with good governance practices.

The Board of Directors placed on record its gratitude and appreciation for Mr Chong’s long service and contributions to the Company in his role as an Independent Non-Executive

Director, Chairman of the Nominating Committee and member of the Audit & Risk Committee and Remuneration Committee.

Resolution 6 (Ordinary) – Approval of Directors’ Fees for Financial Year Ending 31 March 2022

The Chairman proposed the following resolution:

“That Directors’ fees of up to S\$278,000 for the financial year ending 31 March 2022 be and is hereby approved, payable quarterly in arrears.”

The Chairman announced the result of the votes as follows:

Votes FOR the resolution: 288,316,785 votes or 100%.  
Votes AGAINST the resolution: Nil votes or 0%.

The Chairman declared the resolution carried.

Resolution 7 (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: 288,290,785 votes or 99.99%.  
Votes AGAINST the resolution: 26,000 votes or 0.01%.

The Chairman declared the resolution carried.

**6) As Special Business**

Resolution 8 (Ordinary) – Authority to Allot and Issue Shares pursuant to Section 161 of Companies Act, Chapter 50

The Chairman proposed the following resolution:

“That authority be and is hereby given to the directors of the Company 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 of the Company 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: 279,222,184 votes or 96.85%.  
Votes AGAINST the resolution: 9,094,601 votes or 3.15%.

The Chairman declared the resolution carried.

#### Resolution 9 (Ordinary) – Proposed Renewal of Share Buy-Back Mandate

The Chairman proposed the following resolution:

“That:

- a) 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:

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

- b) 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;
- c) 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:
  - i) The date on which the next annual general meeting of the Company is held or required by law to be held;
  - ii) 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
  - iii) The date on which the authority contained in the Share Buy-Back Mandate is varied or revoked;
- d) 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:

- i) In the case of an On-Market Share Purchase, 105% of the Average Closing Price;
- ii) 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;

- e) 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: 82,384,837 votes or 100%.

Votes AGAINST the resolution: Nil votes or 0%.

The Chairman declared the resolution carried.

#### Resolution 10 (Ordinary) – Authority to Allot and Issue Shares under Boustead Restricted Share Plan 2011

The Chairman proposed the following resolution:

“That authority be and is hereby given to the Directors of the Company to grant awards in accordance with the provisions of the Boustead Restricted Share Plan 2011 and 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 grant of awards under the Boustead Restricted Share Plan 2011, provided that the aggregate number of new shares to be issued pursuant to the Boustead Restricted Share Plan 2011 shall not exceed ten per cent (10%) of the issued ordinary share capital of the Company (excluding treasury shares) from time to time.”

The Chairman announced the result of the votes as follows:

Votes FOR the resolution: 256,325,620 votes or 88.90%.

Votes AGAINST the resolution: 31,991,165 votes or 11.10%.

The Chairman declared the resolution carried.

Resolution 11 (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: 288,316,785 votes or 100%.

Votes AGAINST the resolution: Nil votes or 0%.

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