

BOUSTEAD FY2024 EXTRAORDINARY GENERAL MEETING FOR INTERESTED PERSON TRANSACTION ADVANCE QUESTIONS AND RESPONSES

SINGAPORE, 10 DECEMBER 2023

The Board of Directors (“Board”) of Boustead Singapore Limited (“BSL” or the “Company”) wishes to express its appreciation to all shareholders who had submitted questions in advance of the Company’s Extraordinary General Meeting (“EGM”) to be convened and held on Thursday, 14 December 2023 at 2.30pm.

The Board is pleased to present both the substantial and relevant questions submitted for the purpose of the EGM and the Company’s responses in advance of the EGM. Where there are overlaps in questions, the Company has grouped related and similar questions and provided responses.

It is important to note that these responses should be read in conjunction with the Boustead Singapore Limited IPT Circular, Exit Offer Letter, Notice of EGM and Proxy Form released on 28 November 2023, all of which were earlier made available through SGXNET and the Company’s website and with contextual reference to the proceedings of the EGM including the presentation to be made and resolutions to be tabled.

Unless otherwise defined, all capitalised terms used and not defined in this announcement shall have the same meanings given to them in the IPT Circular and Exit Offer Letter.

1)	<p>In relation to the acquisition of all the shares of Boustead Projects Limited (“BPL” or the “Target”), a voluntary unconditional cash offer of S\$0.95 per BPL share was previously made (“Previous Offer”) and accepted by the majority of the former BPL minority shareholders. Hence, the new exit offer of S\$1.18 is being made to acquire the remaining 4.51% of BPL minority shareholders who did not accept the Previous Offer.</p> <p>Mr Wong Fong Fui (“FF Wong”), Mr Wong Yu Wei (“Yu Wei”) and Ms Huang Huiming Patricia (“Patricia”) are controlling shareholders and directors of both BSL and BPL. They initiated and supported the decision to buy out BPL at an initial price of S\$0.95 per BPL share under the Previous Offer, which was accepted by the majority of BPL minority shareholders during the Previous Offer. Would it be unfair that the three major shareholders now seek to be paid the exit offer price of S\$1.18 (“Exit Offer Price”) when all the former BPL minority shareholders only received S\$0.95 per BPL share?</p>
Response:	<p>The Company would like to offer some clarification in respect of the statements made above, as well as a response to the question posed.</p> <p>The Company wishes to clarify that unlike the Previous Offer, which was voluntary in nature, the Exit Offer is made in compliance with the direction of SGX RegCo set out a notice of compliance to the Company and Target on 26 September 2023 (“NOC”). SGX RegCo’s directives in the NOC are extracted below:</p> <p><i>“As at the date of this notification, the Offeror and the Company have not complied with Listing Rule 723. Pursuant to Listing Rule 1405(1)(j), the Exchange hereby directs:</i></p> <p><i>(a) the Company to be delisted pursuant to Listing Rule 724(2) (“Delisting”) if its free float is not restored to at least 10% on or before 26 September 2023; and</i></p>

(b) pursuant to Listing Rule 1306, the Offeror and/or the Company to make an exit offer to the Company's shareholders, in compliance with Listing Rule 1309 ("Exit Offer"). In particular, the Exit Offer must be fair and reasonable, and include a cash alternative as the default alternative. The IFA must also opine that the Exit Offer is fair and reasonable."

The Exit Offer was therefore made in accordance with the NOC, and in compliance with the relevant listing rules contained in the Listing Manual. In determining the Exit Offer Price of S\$1.18 per BPL Share, the independent directors of BSL ("BSL Independent Directors") had taken into consideration that the offer price of S\$0.95 per BPL Share for the Previous Offer was determined to be "not fair but reasonable" by PrimePartners Corporate Finance Pte Ltd ("PrimePartners"), the independent financial adviser appointed to advise the directors of the Target in connection with the Previous Offer and the Exit Offer, and that PrimePartners had provided a final estimated valuation range of between S\$1.17 and S\$1.38 per BPL Share in connection with the Previous Offer. The BSL Independent Directors have also noted that the Exit Offer Price, at S\$1.18 per BPL Share, is at the lower end of the final estimated valuation range for the BPL Shares of between S\$1.18 to S\$1.42, as advised by PrimePartners to the directors of the Target, in relation to the Exit Offer.

The Company also wishes to inform Shareholders that although FF Wong and Wong Yu Loon ("Yu Loon") are directors of the Company, they were excluded from decision making in connection with both the Previous Offer and the Exit Offer. Shareholders are directed to the offer document dated 27 February 2023 in relation to the Previous Offer and Paragraph 9 of the IPT Circular for further information in this regard. Furthermore, neither FF Wong nor Yu Loon are directors of the Target. Yu Wei is a director of the Target and not a director of the Company. Accordingly, Yu Wei was not involved in any decision making in connection with both the Previous Offer and the Exit Offer.

As Yu Wei is a director of the Target, he was also exempted by the Securities Industry Council from making a recommendation to the shareholders of the Target in connection with both the Previous Offer and the Exit Offer, as he faces an irreconcilable conflict of interest in doing so, being a concert party of BSL.

As Patricia is neither a director nor an employee of either the Company or the Target, she had no involvement in the making of either the Previous Offer or the Exit Offer.

The Company wishes to clarify that while FF Wong is a "controlling shareholder" of both the Company and the Target, neither Yu Wei nor Patricia are "controlling shareholders" of either the Company or the Target. The term "controlling shareholder", as defined in the Listing Manual, refers to a person who (a) holds directly or indirectly 15% or more of the total voting rights in the company; or (b) in fact exercises control over a company.

The Previous Offer was made to facilitate the Company's aim to increase its shareholding in the Target, which was in line with the Company's objective for its purchases of BPL shares in the open market since August 2021 (as disclosed from time to time in the various announcements/notifications of changes in substantial shareholding in BPL shares made on SGXNET).

It should be clarified that FF Wong, Yu Wei and Patricia (as concert parties of BSL during the Previous Offer) were excluded from the Previous Offer and were not in any position to either accept or reject the Previous Offer.

2)	Would it be unfair that BSL minority shareholders are now asked to pay more for the BPL shares owned by the three major shareholders?
Response:	<p>Please refer to the response to Question 1, above.</p> <p>The Company has also noted the opinion of Ernst & Young Corporate Finance Pte Ltd, the independent financial adviser to the BSL Independent Directors, that is set out in Paragraph 7.3 of the Circular, which is reproduced below:</p> <p>“7 OUR OPINION ON THE PROPOSED IPT AND EXIT OFFER <i>In arriving at our advice to the Independent Directors on the Proposed IPT and the making of the Exit Offer, we have reviewed and deliberated on the factors which we consider to be relevant and to have a significant bearing on our assessment. The factors we have considered in our evaluation, which are based on, among others, representations made by the Company, the Directors and the Management and discussed in detail in the earlier sections of this letter and which we have relied upon, are as follows:</i></p> <ul style="list-style-type: none"> (a) <i>terms of the Proposed IPT and Exit Offer, including the Exit Offer Price and the financial aspects of the Exit Offer;</i> (b) <i>rationale and key benefits of the Proposed IPT and Exit Offer to the Company;</i> (c) <i>chronology of events leading up to the Proposed IPT and Exit Offer;</i> (d) <i>pro forma financial effects of the Exit Offer on the Company;</i> (e) <i>comparison of valuation measures of the Target implied by the Exit Offer Price against those of the Comparable Companies;</i> (f) <i>comparison of valuation measures of the Exit Offer implied by the Exit Offer Price against those of the Comparable Transactions;</i> (g) <i>comparison of the Exit Offer against the Precedent Privatisation Transactions;</i> (h) <i>total alignment of future strategic intentions and other material interests between the Company and the Target;</i> (i) <i>the Company's intentions in relation to the Target, being a principal subsidiary of the Company;</i> (j) <i>the Company's intention to exercise its Compulsory Acquisition Right should the option be available to the Company;</i> (k) <i>the Irrevocable Undertakings obtained from the Undertaking Shareholders;</i> (l) <i>the Exit Offer Price representing a discount to the NAV and NTA of the Target as at 30 September 2023;</i> (m) <i>the Exit Offer and the Proposed IPT being EPS and NTA per Share accretive based on the pro forma financial effects of the Exit Offer; and</i> (n) <i>the conditions of the Exit Offer under Rule 1309 of the Listing</i>

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	<p><i>Manual, including the opinion by the Target's independent financial adviser that the Exit Offer Price is fair and reasonable.</i></p> <p><i>Having regard to the considerations set out in this letter and as discussed above, the information available to us as at the Latest Practicable Date and subject to the assumptions made herein, we are of the opinion that, on balance:</i></p> <p>(a) <i>pursuant to Rule 921(4)(a) of the Listing Manual, the Proposed IPT is on normal commercial terms and is not prejudicial to the interests of the Company and the Independent Shareholders; and</i></p> <p>(b) <i>pursuant to Rule 7.2 of the Code, the making of the Exit Offer is in the interests of the Shareholders.</i></p> <p><i>The Independent Directors should note that we have arrived at our opinion based on information made available to us prior to, and including, the Latest Practicable Date. Our advice on the Proposed IPT and Exit Offer cannot and does not take into account any subsequent developments after the Latest Practicable Date, as these are governed by factors beyond the scope of our review, and would not fall within our terms of reference in connection with our evaluation of the Proposed IPT and Exit Offer.</i></p> <p><i>For the avoidance of doubt, the Exit Offer is independent of the outcome of the voting on the IPT Resolution. The IPT Resolution only determines if the Interested Persons may accept the Exit Offer. Further, the three (3) ordinary resolutions for Shareholders' Approval during the EGM are not inter-conditional of each other."</i></p>
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RESPONSIBILITY STATEMENT

The directors of the Company (including any director of the Company who may have delegated detailed supervision of this announcement) have taken all reasonable care to ensure that the facts stated and all opinions expressed herein are fair and accurate and that there are no other material facts not contained in this announcement, the omission of which would make any statement in this announcement misleading. Where any information in this announcement has been extracted or reproduced from published or otherwise publicly available sources, the sole responsibility of the directors of the Company has been to ensure through reasonable enquiries that such information is accurately and correctly extracted from such sources or, as the case may be, reflected or reproduced in this announcement. The directors of the Company jointly and severally accept responsibility accordingly.

-- END OF COMPANY ANNOUNCEMENT --

By Order of the Board

Alvin Kok
Company Secretary

About Boustead Singapore Limited

Established in 1828, Boustead Singapore Limited (SGX:F9D) is a progressive global Infrastructure-Related Engineering and Technology Group listed on the SGX Mainboard.

As Singapore's oldest continuous business organisation, we focus on the niche engineering and development of key infrastructure to support sustainable shared socio-economic growth. Our strong suite of engineering services under our Energy Engineering Division and Real Estate Division centres on energy infrastructure and smart, eco-sustainable and future-ready real estate developments.

In addition, we provide technology-driven transformative solutions to improve the quality of life for all walks of life. Our Geospatial Division provides professional services and exclusively distributes Esri ArcGIS technology – the world's leading geographic information system, smart mapping and location analytics enterprise platform – to major markets in the Asia Pacific. The enterprise platform creates digital infrastructure solutions and digital twins that enable smart nations, smart cities and smart communities to solve the world's most complex problems. More effective planning and management of key infrastructure and resources are critical for economic sustainability, environmental protection and social responsibility. Our Healthcare Division provides innovative medical solutions that address age-related chronic diseases and mobility issues, with a focus on rehabilitative care and sports science in the Asia Pacific.

With a vast global network stretching across Asia, Australia, Europe, Africa and the Americas, we are ready to serve the world. To date, we have undertaken projects in 93 countries and territories globally.

Over the years, we have been a recipient of many reputable awards including the prestigious Forbes Asia 200 Best Under A Billion Award. In 2019, we were awarded the Most Transparent Company Award and Sustainability Award (Runner-Up) by the Securities Investors Association (Singapore). Between 2020 to 2023, we also ranked among Singapore's Best Employers, Singapore's Fastest Growing Companies and Asia-Pacific High-Growth Companies. We were also honoured with the Corporate Excellence & Resilience Award at the Singapore Corporate Awards 2021 Special Edition.

Visit us at www.boustead.sg.

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