

## **BOUSTEAD HOLDINGS BERHAD**

Summary of Key Matters discussed at the  
Fifty-Ninth Annual General Meeting (“59<sup>th</sup> AGM”) of Boustead Holdings Berhad  
 (“BHB” or “the Company”) Conducted Entirely Through Live Streaming from  
 TIIH Online at <https://tiih.online> Malaysia  
 on Thursday, 24 June 2021 at 9.30 a.m.

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### **PRESENT:**

1. Shareholders - As per the Attendance List.
2. Proxy Holders - As per the Attendance List.

### **DIRECTORS PRESENT VIRTUALLY:**

1. YBhg. Dato’ Seri Mohamed Khaled Nordin - Chairman / Non-Independent Non-Executive Director
2. YBhg. Dato’ Sri Mohammed Shazalli Ramly - Group Managing Director
3. Encik Izaddeen Daud - Deputy Group Managing Director
4. YBhg. Datuk Zainun Aishah Ahmad - Senior Independent Non-Executive Director
5. YBhg. Lt. Gen. Dato’ Fadzil Mokhtar (R) - Independent Non-Executive Director
6. YBhg. Dato’ Nonee Ashirin Dato’ Mohd Radzi - Independent Non-Executive Director
7. YBhg. Tan Sri Abu Bakar Haji Abdullah - Independent Non-Executive Director
8. YBhg. Datuk Seri Hajjah Zurainah Musa - Non-Independent Non-Executive Director

### **MANAGEMENT PRESENT VIRTUALLY:**

1. Encik Fahmy Ismail - Group Finance Director
2. Encik Ahmad Shahredzuan Mohd Shariff - Chief Transformation Officer
3. Encik Affendi Mohd Yob - Company Secretary

## **BY INVITATION:**

1. Encik Ahmad Zahiruddin Rahim - Representing External Auditors, Ernst & Young PLT (EY)

### **1.0 Fully Virtual 59<sup>th</sup> Annual General Meeting Proceedings**

The 59<sup>th</sup> Annual General Meeting (AGM) was fully conducted virtually in accordance with the announcement of the Government of Malaysia on 28 May 2021 on the implementation of a full Movement Control Order starting 1 June 2021 and pursuant to the Revised Guidance Note on the Conduct of General Meetings for Listed Issuers by the Securities Commission.

### **2.0 Opening Address by Chairman**

The Chairman, YBhg. Dato' Seri Mohamed Khaled Nordin welcomed all members to the 59<sup>th</sup> Annual General Meeting of the Company.

The Chairman proceeded to present his opening remarks. He briefed on the Company's detailed strategic review and developed plans to transform the operations, as follows:

- The Group revenue for 2020 was lower compared to the previous year. The Group also recorded lower impairments, higher surplus from operations and an increase of Earnings Before Tax, Depreciation and Amortisation.
- The Group closed the year with loss per share of 27.2 sen and net assets of 154 sen per share. Shareholders' funds stood at RM3.1 billion for year ended 31 December 2020.
- The Group recorded a net profit at RM43.1 million in the 1<sup>st</sup> quarter ended 31 March 2021.
- The Group is focusing on the Reinventing Boustead strategy to revamp ways in executing businesses, capitalising on emerging opportunities and accelerating value creation to improve business prospects and maximise returns to shareholders.

### **3.0 Presentation by Group Managing Director**

The Group Managing Director (GMD) briefed on the financial performance of BHB and its group of companies (Group) for the financial year ended 31 December 2020. The presentation slides also covered explanation on the following areas:

- The Group's plan
- Boustead Group's DNA
- Rejuvenated Core
- Boustead Group's Core Businesses
- Boustead Digital Services
- Boustead Technology Services
- BICEP
- Execution Machinery for the REINVENTION of the Group
- Reinventing Boustead
- Group Financial Performance
- Revenue by Division

- FY2020 Revenue Segmental Distribution
- Profit/Loss Before Tax and Zakat by Division
- Net Asset Per Share vs. Share Price
- Key Financial Initiatives Under the Reinventing Boustead Strategy

The Group achieved revenue of RM7.9 million for the year, which was lower compared to RM10.3 million, mainly due to a drop in average fuel prices which specifically affected BHPetrol. The Plantation and Pharmaceutical Divisions recorded high revenue of RM763 million and RM2.7 billion. The Property and Heavy Industries Divisions recorded a lower revenue of RM603 million and RM575 million.

#### **4.0 Matters raised by the Minority Shareholder Watchdog Group (MSWG)**

MSWG via a Letter dated 14 June 2021 raised several questions, which were replied by the Company via a letter dated 23 June 2021 and shared with the members of the Company during the AGM. A copy of the same is attached to these minutes as **Appendix A**.

#### **5.0 Significant Matters raised by Shareholders**

Shareholders/Proxies raised significant matters which were duly answered by the Board and members of Senior Management. A copy of the question and answer discussed is annexed hereto as **Appendix B**.

#### **6.0 Resolution Passed**

Based on the aforesaid results, the Chairman declared 9 Ordinary Resolutions CARRIED, and 1 Ordinary Resolution WITHDRAWN, as follows:

NO	RESOLUTIONS	VOTE FOR		VOTE AGAINST		RESULTS
		NO OF SHARES	%	NO OF SHARES	%	
1.	Ordinary Resolution 1 Re-election of Lieutenant General Dato' Fadzil Mokhtar (R)	1,376,745,016	99.68	4,431,831	0.32	Carried
2.	Ordinary Resolution 2 Re-election of Dato' Nonee Ashirin Dato' Mohd Radzi	1,377,674,585	99.75	3,502,161	0.25	Carried
3.	Ordinary Resolution 3 Re-election of Dato' Sri Mohammed Shazalli Ramly	1,375,811,391	99.75	3,487,067	0.25	Carried
4.	Ordinary Resolution 4 Re-election of Datuk Seri Hajjah Zurainah Musa	1,376,176,176	99.70	4,133,463	0.30	Carried
5.	Ordinary Resolution 5 Re-election of Tan Sri Abu Bakar Haji Abdullah	1,375,400,504	99.64	4,906,095	0.36	Carried

NO	RESOLUTIONS	VOTE FOR		VOTE AGAINST		RESULTS
		NO OF SHARES	%	NO OF SHARES	%	
6.	Ordinary Resolution 6 Payment of Directors' Fees, Allowances and other Benefits from 25 June 2021 until the next conclusion of Annual General Meeting of the Company	0	0	0	0	Withdrawn
7.	Ordinary Resolution 7 Re-appointment of Ernst & Young as Auditors of the Company	1,377,902,739	99.76	3,265,878	0.24	Carried
8.	Ordinary Resolution 8 Authority to Directors to Allot and Issue Ordinary Shares	1,376,022,947	99.62	5,196,642	0.38	Carried
9.	Ordinary Resolution 9 Renewal of Shareholders' Mandate for Recurrent Related Party Transactions	171,694,625	97.73	3,989,614	2.27	Carried
10.	Ordinary Resolution 10 Additional of Shareholders' Mandate for Recurrent Related Party Transactions	171,574,741	97.66	4,109,760	2.34	Carried

Pursuant to Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions were voted by poll.

## **7.0 Record of Appreciation**

On behalf of the Board, the Chairman placed on record the Board's appreciation to Mr. Loong Caesar, Mr. Abraham Verghese TV Abraham, Puan Nik Amlizan Mohamed, YBhg. Dato' Sri Amrin Awaluddin and YBhg. Dato' Abdul Hamid Sh. Mohamed for their contributions as Directors of Boustead Holdings Berhad. The Board also thanked the Management and employees of the Company/the Group for their continuing efforts to ensure the success of Boustead Holdings Berhad.

The Annual General Meeting concluded at 12.00 p.m.



## Boustead Holdings Berhad 3871-H

(A member of LTAT Group)

23 June 2021

Minority Shareholder Watchdog Group  
11<sup>th</sup> Floor, Bangunan KWSP  
No. 3 Changkat Raja Chulan  
Off Jalan Raja Chulan  
50200 Kuala Lumpur

**Attention: Mr Devanesan Evanson; Chief Executive Officer**

Dear Sirs,

### **59<sup>th</sup> ANNUAL GENERAL MEETING (AGM) TO BE HELD ON 24 JUNE 2021**

We thank you for your letter which was received on 14 June 2021. Our response to your enquiries is set out below:

#### **Operational and Financial Matters**

1. BHB has put in place a clear blueprint of Group-wide initiatives which the Group is already in the process of implementing. To support and ensure the successful execution of these initiatives, it is focused on developing a pool of 300 talents to drive the Reinventing Boustead strategy. With these initiatives progressing steadily, the Group will be able to define a clearer direction to revitalise Boustead and contribute to the long-term sustainability of the Group (page 38 of Annual Report (AR) 2020).
  - (a) Please provide greater clarity on the Group's rejuvenation plan and the initiatives to be taken for each core business? How would these initiatives identified in the blueprint contribute towards building greater resilience and efficiency in its operations with more sustainable business models?

#### **Our response:**

**The Group's plan is to maximise value creation by strengthening and improving the performance of the existing core businesses, introducing new business models for new revenue generations, as well as launching several strategic initiatives to identify and explore new opportunities for the group.**

**This will be driven by a 3-prong approach:**

- i. **A Rejuvenated Transformation Programme (Rejuvenated EDGE20) for the core businesses driven by a new Performance Improvement Programme;**
- ii. **Exploring and venturing into new business opportunities and sustainability by embracing innovative and relevant Technological Services, and;**

*"A TRADITION OF STRENGTH AND STABILITY. A VISION OF GROWTH AND EXCELLENCE"*

## Operational and Financial Matters (Cont'd.)

- iii. **Adoption of relevant and synergistic Digital Businesses to support the core businesses and to enhance new value creation for the future.**

The aspiration to shift from Boustead's traditional Brick-and-Mortar businesses will be incubated through the newly established Boustead Technology Services (BTS) and Boustead Digital Services (BDS). BTS will be exploring technologies such as championing renewable energy, digitizing defense solutions and Internet of Things (IoT), and Unmanned Aerial Vehicle (UAV). BDS will be focusing on developing and enhancing digital solutions within the Group's ecosystem through co-creations, co-ownerships and prudent investments in digital companies.

With the 3-prong approach at the centre of our Reinventing Boustead strategy, we have identified more than 50 initiatives and placed them under 3 different categories for effective implementation and execution:

- i. **Chronic Initiatives: Priority Initiatives undertaken by the Group to regain trust from its stakeholders and investors, as well as to quickly turnaround performance, resolve legacy and current key issues in an expedited manner, or 'chronic' perspectives.**
- ii. **Iconic initiatives: Initiatives undertaken to ensure continued sustainability of the Group in the future through expansion of core businesses by incorporating technological and digital elements as mentioned above.**
- iii. **Rejuvenated EDGÆ20 initiatives: Initiatives from the rejuvenated transformation agenda EDGÆ20 undertaken to strengthen the Group's internal business processes by incorporating best-practice standards and deploying Performance Improvement Programme with focus on execution.**

- (b) What is the progress made so far? What are some of the priorities and targets for senior management in the next 1-2 years?

### Our response:

To date, several of the the initiatives undertaken have shown encouraging results, for example:

- i. **BHB returns to the black in Q1 2021 after 6 consecutive quarters of losses.**
- ii. **We have reached an agreement with the Government of Malaysia to resume the Littoral Combat Ships (LCS) Project, pending some conditions under discussion.**
- iii. **We have managed to sell a number of low-yielding assets and use these proceeds to pare down our borrowings as well as reinvest in other high potential businesses.**

## **Operational and Financial Matters (Cont'd.)**

- iv. We have created a platform that is called Boustead Innovators Creators Ecosystem Partners (BICEP) where we collaborate with multiple partners in the delivery of our iconic initiatives.
  - v. We have identified a talent pool called Bousteador 300 to drive the implementation of the initiatives under the Reinventing Boustead strategy.
  - vi. We have built an exclusive internal communication platform called Beep2 and adopted a standard project management platform called Asana to support the implementation drive.
  - vii. Adoption of anti-corruption and integrity programme.
2. Reinventing Boustead strategy also include rationalising non-strategic assets to strengthen its focus on the Group's reinvented core businesses (page 38 of AR 2020).

What are the non-strategic assets to be disposed to raise cash?

### **Our response:**

During the current year FY2021, we have managed to conclude the sale of our investment in Royale Chulan Bukit Bintang Hotel and our stake in Boustead Cruise Centre. These sales were complemented with our property development activities which included the sale of parcel of lands at our Cochrane development and other property inventories.

For the non-strategic asset disposal, the main criteria that we consider in our decision making include:

- Low-yielding assets with slow bottom-line growth.
- Shareholding structure that deters Boustead from adding value and is not in line with Boustead's investment objective as we prefer to have an active management participation.
- Non-core assets where there is no presence of synergy between the investment and Boustead's Group of Companies.

The disposal of non-strategic assets and property inventories will allow the Group to focus on the Reinventing Boustead strategy to leverage on the vast opportunities of digitalisation and concentrate on improving the prospects for our core businesses. We are confident that this strategy will propel us forward to emerge as a fundamentally stronger organisation that maximises shareholder value.

### **Operational and Financial Matters (Cont'd.)**

3. The Group is encouraged by the announcement issued by the Minister of Defence on the approval to continue the Littoral Combat Ship (LCS) project this year. It is committed to ensuring that the LCS project is completed successfully in strict adherence with the conditions outlined by the Government (page 37 of AR 2020).

What is the Company's proposal/plan to resolve the issues of this project and what are the conditions imposed by the Government? What are the latest developments on this matter?

#### **Our response:**

**The Group had submitted a proposal to the Government of Malaysia to resolve the LCS issue. On 7 May 2021, the Ministry of Defence (MINDEF) issued a press statement announcing that the Government has agreed for Boustead to continue the LCS project under certain conditions to be complied with.**

**Given the nature of the project, the Group is actively in discussion with MINDEF and various government agencies on the details and mechanisms to resume the LCS project. This is to ensure that the project will benefit the Group and the country.**

**Upon finalisation and formalisation of the arrangement, we will announce the necessary information in line with Bursa Malaysia's Main Market Listing Requirements.**

4. The Group has RM7.6 billion of debt and gearing ratio increased from 1.39 times in FY2019 to 1.48 times in FY2020. The Group has negative interest cover for the past 3 financial years (page 8 of AR 2020).

Based on the Company's reply letter dated 20 July 2020 to MSWG's letter dated 9 July 2020, the Company responded that it aims to target a healthy gearing ratio of 1.0 time and below. To address this, via Group-wide Transformation programme, it is undertaking debt restructuring and asset rationalization initiatives.

- (a) How much progress has the Company made on the abovementioned initiatives? Is gearing ratio expected to decrease by FY2021?

#### **Our response:**

**As at 31 December 2020, the Group's borrowings have decreased by RM325.7 million or 4% from FY2019. Despite the reduction, the Group's gearing ratio has increased from 1.39 times in FY2019 to 1.48 times in FY2020 due to a decrease in total equity.**

**The total equity has decreased by RM569.2 million or 10%, proportionately higher than the reduction in borrowings as a result of one-off impairments recognised during the year.**



## Operational and Financial Matters (Cont'd.)

We would like to reiterate the Group's long-term commitment to continuously work towards a healthy gearing ratio of 1.0 time and below, as communicated before. We are on track to achieve it by reporting reduced borrowings and significantly lower impairments in FY2020 as compared to FY2019. The Group has also recently announced a profit of RM43 million for its quarter ending 31 March 2021 and further reduction in borrowings by RM92 million. Hence, we hope to improve our gearing level in FY2021.

Currently, the Group is implementing the Smart Debt Management initiative which is supplemented by the Strategic Sales initiative. This is to ensure that the Group will have strategic paring-down of its debt to an optimal level. Some of the assets earmarked for disposal have already gone out to the market and some are at advanced stages. BHB has appointed advisers to assist with the potential sale of equity stake in some of these assets.

As the uncertainty surrounding COVID-19 pandemic and its impact continues, we realise that our strategy to unlock value in our non-strategic assets may take slightly longer. However, with the continuous support from our shareholders and lenders, we are not pressed to dispose these assets immediately. Any disposal of assets would happen only at the valuation that will benefit our shareholders in the long term.

- (b) How will the Board ensure that the Group will be able to meet its interest obligations, going forward?

### Our response:

The negative interest cover is mainly attributable to the losses arising from recognition of one-off impairment for the past 3 years.

Despite having a negative interest cover, the Group has always been able to meet all its interest obligations.

Under the Reinventing Boustead strategy, the Group will also continue to address the composition of its borrowings through the Smart Debt Management initiative.

5. Perpetual Sukuk has an outstanding nominal value of RM607 million, the four tranches' profit rates will increase by 1% per annum for every year subject to maximum of 15% per annum. The profit rates paid by the Group ranges 7.75% to 9.6% in FY2020 (Note 30, page 216 of AR 2020).

Given the current low interest rate environment, does the Company have plans to refinance the Perpetual Sukuk instead of paying high interest costs?

## Operational and Financial Matters (Cont'd.)

### Our response:

The Group acknowledges the fact that the profit rates that we are paying for our Perpetual Sukuk are higher than the current low interest rates in the market. Nevertheless, the Group needs to be careful when retiring / paying the Perpetual Sukuk as it is part of the equity component in our balance sheet.

Retiring it through the issuance of new borrowings will increase our gearing ratio which is now at 1.48 times. In order to avoid the increase in the gearing ratio, the feasible ways to retire our Perpetual Sukuk are through on-going monetisation of assets and generating more cash from operations.

The Smart Debt Management initiative which includes retiring the Perpetual Sukuk is part of the Reinventing Boustead strategy.

6. The Company's allowance for expected credit loss on amount due from subsidiaries increased to RM116.6 million in FY2020 (FY2019: RM70.1 million) (Note 23, page 206 of AR 2020)
- (a) Please name the subsidiary with the allowance for credit loss.

### Our response:

In FY2020, the increase in the Group's allowance for expected credit loss is mainly on the amount due from a subsidiary, Boustead Cruise Centre Sdn Bhd, of RM103 million.

The rest of the allowance are on the amount due from subsidiaries with net liabilities position resulting from accumulated losses.

- (b) What were the reasons for the high allowance for credit loss in FY2020? Is there any potential for the allowance of credit loss to be reversed in the future?

### Our response:

The increase in allowance is mainly due to allowance for expected credit loss (provision) on the amount due from a subsidiary, Boustead Cruise Centre Sdn Bhd (BCC) of RM103 million.

This provision relates to an impairment recognised as a result of an impairment assessment, by comparing the net total carrying amount of investment in BCC with the sale consideration from the proposed disposal of BCC.

## Operational and Financial Matters (Cont'd.)

The proposed disposal of BCC which was announced on 19 March 2021 is targeted for completion in the 3<sup>rd</sup> quarter of 2021. Hence, there will be no reversal of allowance for expected credit loss on the amount due from BCC.

As for the others, generally, the allowance for expected credit loss would be potentially reversed if the amount due can be recovered from the subsidiary i.e. the subsidiary has enough cash to pay the amount due to the Group or if the subsidiary recorded a net assets position in the future.

7. The ageing analysis of the Group's trade receivables shows all categories of past due trade receivables. The category of more than 120 days past due increased to RM184.2 million in FY2020 (FY2019: RM132.4 million) (Note 23, page 205 of AR 2020).

- (a) How much of these overdue trade receivables of RM184.2 million have been recovered to-date?

**Our response:**

**As at 15 June 2021, approximately RM37 million or 20% has been recovered.**

- (b) What percentage of these overdue trade receivables of RM184.2 million are expected to be non-recoverable?

**Our response:**

**Out of RM184 million, 30% has been provided for impairment. The provision also includes non-recoverable amounts in which legal actions have been taken.**

- (c) What actions have been taken to collect the overdue amounts?

**Our response:**

**We have taken the following proactive actions:**

- i. On-going discussion and negotiation with the Government on the settlement of receivables due from the Government;**
- ii. Constant reminders and meetings to follow-up on the outstanding amount, including issuing letter of demand;**
- iii. Offering loan restructuring arrangement to the affected hire purchase customers.**

## Corporate Governance Matters

8. It was stated in the Company's Corporate Governance Report 2020 that all members of the Audit Committee have undertaken continuous professional development to keep themselves abreast of relevant developments in accounting and auditing standards, practices and rules. During the reporting year, the Audit Committee members had attended several training courses. Details of their training can be seen on page 93 to 94 of the Annual Report for 2020 (page 41 of CG Report 2020).

From the list of training programmes that were attended by the Board members, all three audit committee members have not attended training related to accounting and auditing standards, practices and rules during the year as advocated under Practice 8.5 of the Malaysian Code of Corporate Governance. Hence, BHB has inaccurately stated that it has applied the practice.

### Our response:

**Even though the members of the Audit Committee have not attended any training programme related to accounting and auditing standards, practices and rules in 2020, the members of the Audit Committee have been keeping abreast of relevant developments as they have been briefed by the external auditor, Messrs. Ernst & Young on Financial Reporting developments and standards. The disclosure has been made accordingly in the Corporate Governance Report 2020.**

**The Group will ensure the members of the Audit Committee will attend at least one training programme related to accounting and auditing standards, practices and rules in 2021.**

If you like to have more information or clarification, you are welcome to contact the undersigned.

Best Regards,  
**BOUSTEAD HOLDINGS BERHAD**

A handwritten signature in black ink, appearing to be 'Fahmy Ismail', written in a cursive style.

**Fahmy Ismail**  
**Group Finance Director**

No	Name	Question	Answers
<b>QUESTIONS RECEIVED PRE - AGM (TOTAL OF 33 QUESTIONS)</b>			
1	LEE TECK HONG	<p>1. Can the director of Boustead Holdings ensure that the question raised in Boustead Plantation AGM is addressed and posted in the company website?</p> <p>2. Will LTAT consider to release non-performing asset to improve Boustead Holdings financial position?</p> <p>3. Any door gift or voucher to be given to shareholders who is present in virtual meeting?</p> <p>4. Any plan to change the auditors to one company across all the subsidiaries?</p>	<p>1. Response to questions raised during the proceeding of the AGM of Boustead Plantations Berhad has been uploaded on the website and emailed to the respective shareholders.</p> <p>2. BHB is not privy to any information and decision by its shareholders on any release of non-performing asset at LTAT level.</p> <p>3. We have announced in our AGM Administrative Guide that we are not issuing any voucher for this AGM. However, we will consider doing so in the future.</p> <p>4. The auditor for BHB and most of its subsidiaries is Ernst &amp; Young PLT (EY). The subsidiaries that are not audited by EY are listed on pages 262 to 269 of the annual report. So far, the Board does not have any plan to change the auditor for all subsidiaries into only one audit firm.</p>
2	STEPHEN LYE TUCK MENG	<p>Bursa AGM was conducted remotely and the BOD gave e-vouchers (RM40 Boost) to all shareholders who attended the meeting. MBSB AGM will be held on 30 June 2020 and they are also giving out e-vouchers to those who attend remotely.</p> <p>In view of this, since the AGM is only held once a year, and there is some substantial savings from conducting it remotely, we kindly ask the BOD to consider giving us shareholders e-vouchers as well for attending this meeting.</p> <p>Thank you.</p>	<p>We have announced in our AGM Administrative Guide that we are not issuing any voucher for this AGM. However, we will consider doing so in the future.</p>
3	STEPHEN LYE TUCK MENG	<p>In view of the Pandemic and since the company has been badly affected by the MCO, in which earnings are expected to be depressed, is the BOD going to layoff staff and/or cut salaries?</p>	<p>The diversified nature of the Group have somehow protect the Group from major financial catastrophe. Nevertheless, the key business activities that broadly affected from the MCO are our hotel business, trading of petroleum business, travel business (Boustead Travel and Boustead Cruise Centre) and property investment business.</p> <p>We are managing our staff requirements based on case to case basis, depending on how severe the impact of MCO on each business activity and how long the affected business would be able to turnaround.</p>
4	STEPHEN LYE TUCK MENG	<p>E-Vouchers:</p> <p>Bursa AGM was conducted remotely and the BOD gave e-vouchers (RM40 Boost) to all shareholders who attended the meeting. MBSB AGM will be held on 30 June 2020 and they are also giving out e-vouchers to those who attend remotely.</p> <p>In view of this, since the AGM is only held once a year, and there is some substantial savings from conducting it remotely, we kindly ask the BOD to consider giving us shareholders e-vouchers as well for attending this meeting.</p> <p>Thank you.</p>	<p>We have announced in our AGM Administrative Guide that we are not issuing any voucher for this AGM. However, we will consider doing so in the future.</p>
5	LAU ATI @ LAU CHUAN TENG	<p>Please consider giving e-voucher to participating shareholders in line with Bursa practice, Thank you.</p>	<p>We have announced in our AGM Administrative Guide that we are not issuing any voucher for this AGM. However, we will consider doing so in the future.</p>
6	LEE TECK HONG	<p>1. Kindly ensure all question raised in all Boustead related company AGM is answered in the meeting.</p> <p>2. What is the company policy on releasing the asset which is not performing?</p> <p>3. Do LTAT consider of changing the auditor of the subsidiary to one single auditor to save cost?</p> <p>- Pharma : PwC - BHld : EY - BHIC : EY - Bplant : EY</p>	<p>1. The Board will endeavour to respond to as many questions as possible. Response to unanswered questions will be emailed at the earliest possible and posted on the Company's website.</p> <p>2. As an investment holding company, BHB holds multiple investments in various sectors of the Malaysian economy. The Group is always on the lookout for ways to strengthen our diversified investment portfolio and extract the best value from our investments.</p> <p>Pursuant to that, under the transformation plan, we have initiated a new investment monitoring framework to ensure closer monitoring of assets that do not perform as expected. The Board will take the necessary remedial actions on those non-performing assets.</p> <p>3. The management cannot answer on behalf of LTAT whether they have any plan to change the auditor of the subsidiaries to one single auditor. Changing auditor into one firm for the Group will not necessarily result in lower cost or audit fees. This is because the audit fees are charged based on the amount of works done to complete the audit.</p>
7	LEE TECK HONG	<p>Any plan to reward shareholders who is loyal to the company since long time?</p>	<p>We have announced in our AGM Administrative Guide that we are not issuing any voucher for this AGM. However, we will consider doing so in the future.</p>
8	SZE KOK SING @ SEE KOK SENG	<p>Every year I would look forward to attending the company's AGM, to meet up with friends and also to collect food voucher and door gift that the company used to reward its shareholders for attending its AGM. Sad to say, I and my friends are unable to attend this particular AGM because of the pandemic. However, I hope the company will continue to show its generosity by distributing e-vouchers as a token of appreciation for shareholders who participate in this inaugural virtual online AGM.</p>	<p>We have announced in our AGM Administrative Guide that we are not issuing any voucher for this AGM. However, we will consider doing so in the future.</p>
9	LILIAN TEH	<p>sorry key wrongly</p>	<p>Thank you for your participation.</p>
10	LILIAN TEH	<p>have no question wrongly key sorry for the inconvince cause</p>	<p>Thank you for your participation.</p>
11	TEE BENG HEE	<p>Why can't the company give shareholders, doorgifts or e vouchers just because they are holding virtual meeting?</p>	<p>We have announced in our AGM Administrative Guide that we are not issuing any voucher for this AGM. However, we will consider doing so in the future.</p>
12	WONG CHIE KHEONG	<p>1. What happen to your share price that keeps falling like birds droppings from RM3 until now less than RM0.52?</p> <p>2. Why the announcement of privatisation has no progress?</p> <p>3. What are the vouchers for attending this virtual AGM like attending in the previous AGMs?</p>	<p>1. The Group have no control and influence on the movement of the share price.</p> <p>2. The intention to privatise BHB was made by our largest shareholder, LTAT based on their official press notices. The Board is not aware on the current status and progress but we will make necessary announcements pursuant to the listing requirements.</p> <p>3. We have announced in our AGM Administrative Guide that we are not issuing any voucher for this AGM. However, we will consider doing so in the future.</p>

No	Name	Question	Answers
13	YU CHOONG CHEONG	<p>1. EY has been the auditor of the company for a very long time. Has the Board considered rotating the present auditors to another from the big 4 ?</p> <p>2. Has the Board Risk Committee considered the impact of the present pandemic on the cashflow of the company ?</p> <p>3 .What is the cashflow scenario like till end of 2020 ?.</p>	<p>1. Whilst EY have been auditing us for many years, it is part of their policy to rotate the Partner-in-Charge of the Group every 5 years. This is to ensure their independence is being maintained throughout the audit engagement. "</p> <p>Currently the Board is not considering any change of audit firm.</p> <p>2. The Board Risk Committee did consider the risks and impact of the pandemic and how it affects the business and operations of the company, and is satisfied with the controls and mitigation actions to effectively manage the risks identified.</p> <p>3. Boustead Group is not spared from the effect of COVID-19 pandemic. As such, we foresee our cashflow until the end of year 2020 will remain tight. - Our main priority is to monitor our cash flow position to ensure that we can sustain as going concern.</p>
14	LIEW CHEE MENG	<p>1. How much does our Company spend for holding today virtual AGM plus remote participation &amp; voting (RPV)?</p> <p>2. Will our Management kind enough to provide e-voucher and/or meal voucher for participants of to-day event?</p>	<p>1. In addition to the need to comply with the Government's Recovery Movement Control Order (RMCO) guidelines of social distancing and not having mass gatherings, a virtual AGM is much more cost effective as it enable full shareholder participation, even from remote locations. The cost is estimated to be no more than RM100,000.</p> <p>2.We have announced in our AGM Administrative Guide that we are not issuing any voucher for this AGM. However, we will consider doing so in the future.</p>
15	LIEW YAO QIN	<p>1. How much does our Company spend to hold today virtual AGM plus remote participation &amp; voting (RPV)?</p> <p>2. Does our Company require to downsizing the human resource during the present pandemics and local/global economic uncertainties?</p>	<p>1. In addition to the need to comply with the Government's Recovery Movement Control Order (RMCO) guidelines of social distancing and not having mass gatherings, a virtual AGM is much more cost effective as it enable full shareholder participation, even from remote locations. The cost is anticipated to be no more than RM100,000.</p> <p>2. The Group is managing our staff requirements based on case to case basis, depending on how severe the impact of MCO on each business activity and how long the affected business would be able to turnaround.</p>
16	TAN KIM HONG	<p>1. Boustead Petroleum Sdn Bhd Only 12 new retail stations 2019, BHP is good revenue source to company. Any further expansion Station with fastfood or cafe opened to investor or direct set up in leasing land by HQ?</p> <p>2. Petronas and five station collaborate with kiplePay. Will BHP consider to corporate with kiple ( green packet) other than BHPetrol ecard only point collection and redeem without e wallet and AI thermal scanner installed at all petrol retail to become more digital transformation?</p>	<p>1. BHP have existing and will continue to collaborate together with various retail and fastfood operators to increase the contribution of our Non-Fuel Income (NFI) segment of business.</p> <p>2. BHP plans to leverage on technologies and digitalisation to further improve and enhance our products and services in line with the Industrial Revolution 4.0. Nevertheless, this transformation will expose BHP to substantial amount of investment along with a rapid changes to technology advancement. As such, the Board will take a prudent approach and any decision will be made upon satisfactory findings based on a detail and thorough assessment.</p>
17	CHUA SONG YUN	<p>1. Why our FFB yield per hectares are much lower than industry average?</p> <p>2. What is the age profile of our palm tree?</p>	<p>1.The lower average FFB yield of 13.9 MT per hectare (MPOB 17.2 MT/ha) was mainly due to lower yields recorded by Sabah Region of 13.9 MT per hectare (MPOB 17.7 MT/ha) and Sarawak Region of 8.2 MT per hectare (MPOB 15.6 MT/ha). The lower yield in Sabah was due to the rehabilitation programme undertaken for the newly acquired estates namely Pertama and Tawai Estates whilst estates in Sarawak experienced accessibility issues due to the challenging terrain and native blockage. Through our Transformation Programme, we remain committed to achieving a turnaround for these regions moving forward.</p> <p>2.Total area under cultivation stands at 79,400 ha, with mature and immature oil palm areas comprising 72,900 ha and 6,500 ha respectively. Average palm age is 16 years, with younger palms concentrated mainly in the Peninsular region. Through our replanting programme which is now driven by a specialised Replanting Department, we aim to achieve a more balanced age profile going forward.</p>
18	CHUA SONG YUN	<p>1. As reported in our annual report, our average CPO production cost is around RM1,535/MT, is this all-in production cost?</p> <p>2. Based on Segment Information (page 235), even without counting impairment and finance cost, our plantation division had reported an operation loss of RM21.8 million in FY2019, considering our production cost is much lower than FY2019 average CPO price, why our plantation division is still making operating loss of RM21.8 million?</p>	<p>1. The cost of production for CPO of RM1,535 per MT represents ex-mill production cost only.</p> <p>The Plantation Group's operating losses increase by 6.0% compared to 2018 on the back of 1.2% lower revenue. The Group's lower revenue was mainly due to a drop in oil per hectare and CPO price. Oil per hectare reduced by 6% from 3.2 MT per Ha in 2018 to 3.0 MT per Ha in 2019, whilst the average CPO selling price of RM2,134 per MT was 6% (or RM127 per MT) from RM2,261 per MT recorded in 2018. However, the lower revenue was largely mitigated by 0.9% lower operating costs for the year mainly from deferment of manuring activities in the year.</p>

No	Name	Question	Answers
19	CHUA SONG YUN	<p>Shockingly huge impairments and losses is reported over the past 2 years, these have caused shareholders to suffer great loss. To upheld core value of open, honest and accountability, can the board please explain:</p> <p>1. How can this happen?</p> <p>2. Are there instances of mis-management (procurement fraud, overstating revenue/assets etc) being identified?</p> <p>3. Do board and management expect another big impairment and write off?</p> <p>4. What measures did the board taken to ensure these will not happen again?</p>	<p><b>Answers</b></p> <p>1 .The Group recorded a loss before taxation of RM1.3 billion for FY2019 mainly due to :-  - one-off impairment on goodwill for Boustead Naval Shipyard of RM725 million and MHS Aviation of RM38 million,  - Impairment on H225 aircrafts under MHS Aviation for the amount of RM80 million,  - impairment of recently acquired Pertama and Tawai estates of RM176 million under Plantation Division,  - as well as impairment on our hotel in Cherating under Property Division for RM47 million,  - We are also impacted by the accelerated amortisation of Pharmacy Information System under Pharmaceutical Division of RM247 million.</p> <p>2. The impairments and accelerated amortisation, which are non-cash items occurred as we need to fulfil the requirements per accounting standards.</p> <p>Under MFRS 136 - Impairment of Assets, the Group periodically assess the impairment of our assets when the indication arises. During the Financial year, based on the assessment, the recoverable amounts of these underperforming assets were lower than the carrying amounts as at 31 December 2019. Therefore the impairments above were recognised.</p> <p>As for the accelerated amortisation of Pharmacy Information System, the Group reassess the remaining useful life of Pharmacy Information System due to uncertainties surrounding the new concession period. Hence, the Group decided to accelerate the amortisation on the balance of the carrying amount of PhIs as at 31 December 2019.</p> <p>3. At this juncture, it will be difficult to confirm whether there will be no future impairments.</p> <p>As per accounting standards, Impairment assessment is required to be done periodically and this will be influenced by market variables and future prospects that are prevalent at the time of the assessment.</p> <p>4. In order to improve the performance of in future, the Group has recently rolled out Group-Wide Transformation Plans with 20 transformation initiatives to make Boustead a high-performing and sustainable group.</p> <p>One of the key initiatives under the Transformation Plan would be Business Turnaround which aims to improve the profitability of all operating entities within the Group. We hope with improved performance, the carrying value of the assets will improve in tandem, and hence reduce the probability of having to undertake further impairments.</p>
20	CHUA SONG YUN	<p>During last year AGM, shareholders have asked about the outlook of the group, management had painted a rosy picture. However, it turns out to be quite the opposite and share price has since fallen more than 60%.</p> <p>1. Did management misguided the shareholders, and should be held accountable?</p> <p>2. To upheld core value of open, honest and accountability, can board and management from now on please tell shareholders true and bwhole picture, without mincing the words?</p>	<p>The impact seen in FY2019 was primarily due to the effect of adherence to requirements per accounting standard. This has been explained as per question no. 19(2).</p>



No	Name	Question	Answers
21	CHUA SONG YUN	<p>Welcome new MD, we are looking forward for the new transformation plan EDGE20, hopefully new MD can turn the company around. Can new MD please share more details on:</p> <p>1. How we are going to turn around the company?</p> <p>2. How to instilled a better corporate governance in our group of companies?</p> <p>3. How we can unlock low return asset's value</p> <p>4. How we can ensure not entering into failure projects / investments that caused big losses to the group (e.g. heavy engineering division)</p>	<p>1. The EDGE20 provides the solution needed for the Group to turnaround. The 20 initiatives will hopefully able to resolves the improvement required in four (4) identified areas namely in the areas of Funding, Structural, Operational and Governance.</p> <p>2. The Board place high emphasize on corporate governance and committed to ensure that the Group is govern and manage with high level of professionalism and integrity. For that reason, the Board have approved the implementation of 5 specific initiatives, out of a total of 20 initiatives under the Group-wide Transformation Plan (EDGE20) that mainly focus on elevating higher the level of corporate governance in our Group.</p> <p>3. As an investment holding company, BHB holds multiple investments in various sectors of the Malaysian economy. The Group is always on the lookout for ways to strengthen our diversified investment portfolio and extract the best value from our investments. Pursuant to that, under the transformation plan, we have initiated a new investment monitoring framework to ensure closer monitoring of assets that do not perform as expected. The Board will take the necessary remedial actions on those non-performing assets.</p> <p>4. Along the years, the Division has gained valuable experience and have developed various technical capabilities and competencies especially in managing naval shipbuilding and shiprepair projects. With the addition of some new and experience faces, the Board believes that Group will not only able to benefit financially from the Malaysian Navy Transformation Plan but more importantly to be the key and reliable service provider to support the effort to protect Malaysian security and sovereignty.</p>
22	CHUA SONG YUN	<p>1. Heavy Engineering Division has been a big drag to the group, will management to consider spin-off the division, so that it will not continue to drag on the group's performance?</p>	<p>Heavy Industries Division is one of the strategic investment made by the Group. Along the years, the Division has gained valuable experience and have developed various technical capabilities and competencies especially in managing naval shipbuilding and shiprepair projects. At this juncture, the Board believes that Group will not only able to benefit financially from the Malaysian Navy Transformation Plan but more importantly to be the key and reliable service provider to support the effort to protect Malaysian security and sovereignty.</p>
23	LAW KUNG HOO	<p>Referring to Balance Sheet on page 130 of Annual Report:</p> <p>1. Current Asset is at RM3.949 billion, while Current Liabilities is at RM7.474 billion, this means that there is a shortfall of around RM3.525 billion.</p> <p>2. Does this pose a risk of our company may not be able to meet short-term obligations?</p> <p>3. How do management plans to address this shortfall?</p>	<p>1. It is noted that for financial year ended 2019, Boustead Group was in net current liabilities position, with a shortfall of RM3.525 billion</p> <p>2. Whilst the Group is in a net current liabilities position, we are fortunate to have a strong asset base and positive shareholders' fund.</p> <p>3. Nevertheless, the Group is proactively undertaking a debt restructuring and asset rationalization exercise to further mitigate the asset and liability mismatch. Our aim, at the conclusion of these exercises, is to improve the balance sheet position of the Group.</p>

No	Name	Question	Answers
24	LAW KUNG HOO	<p>Referring to Perpetual Sukuk, which with RM607 million still outstanding (first redemption date April 2020, interest will step up by 1.5% if not redeem):</p> <p>1. As at today, did we redeem these outstanding sukuk?</p> <p>2. If not, how much additional interest cost will be incurred for FY2020 due to non-redemption? Why management decided not to redeem these sukuk and pay higher interest? Who are the major holder of these sukuk?</p> <p>3. Do we facing difficulty in raising fresh fund from capital market?</p>	<p>1. As at to-date, RM607 million of perpetual Sukuk still remains outstanding.</p> <p>2. We expect to pay a profit distribution of RM48 million in Y2020 for the outstanding amount of RM607 million. This includes an incremental profit distribution of RM 7 million or the equivalent of 1% to 1.5% when compared to FY2019.</p> <p>Under the terms of the Perpetual Sukuk Programme, BHB has the option but not the obligation to redeem the relevant tranches of the Perpetual Sukuk on its First Optional Redemption Date (FORD) or subsequent Periodic Distribution Date after FORD.</p> <p>Plans are in place to redeem these tranches. However, in the near term, the Group has prioritised and set aside cash reserve as a buffer against any potential adverse market conditions.</p> <p>On the composition of the Sukuk holders, it consists of pension funds, financial institutions and individuals.</p> <p>3. We have not faced any difficulties in raising fresh funds from capital market.</p> <p>As evident in FY2019, we have raised RM850 million from the issuance of Islamic Medium Term Notes.</p> <p>Any future fund raising activities will only be undertaken at the right time and opportunity.</p>
25	LAW KUNG HOO	<p>Referring to Note 9 &amp; 33, total borrowing increases from RM7.5 billion to RM7.9 billion (up 5.15% yoy), while debt related finance cost increases from RM366 million to RM423 million (up 15.7% yoy). Same happen in FY2020 Q1.</p> <p>1. Why finance cost increases in a much faster pace than the borrowing, given lower OPR?</p> <p>2. What is the effective borrowing interest rate for FY2018 and FY2019?</p> <p>3. Does the big loss that reported in FY2019 affected our credit rating, which results in higher borrowing cost?</p>	<p>1. The increase of finance cost by RM57.6 million in FY2019 or 15.7% yoy was mainly due to higher funding cost on IMTN. In FY2019 BHB issued new IMTN of RM850 million to retire some of our outstanding perpetual sukuk. In FY2018, BHB issued RM500 million IMTN of which, RM350 million was issued towards end of FY2018. Hence, the finance cost of IMTN in FY2018 was much lower. Also, during FY2019, the Group made repayment of borrowing and settlement of asset-backed bonds to the tune of approximately RM800 million. This offset the increase in borrowing from issuance of new IMTN in FY2019.</p> <p>2. As announced to Bursa Malaysia, the Group's borrowing interest rate is 5.5% (FY2018: 5.3%)</p> <p>3. We would like to reiterate here that the huge losses reported in FY2019 were mainly non-cash and accounting in nature. The banks are well aware of these facts as we have always been transparent in our communication. Although the credit assessments by some banks are slightly impacted by the results in FY2019, the Group do not foresee a significant increase in borrowing cost in FY2020.</p>
26	LAW KUNG HOO	<p>Our group leverage level is very high, with total borrowing of RM8.517 billion (borrowing and perpetual bond) at more than 2x of shareholder equity, this seems to be very risky. Do our management has plan to bring it down to a more healthy level?</p>	<p>The Group's debt-to-equity ration is currently below 1.5x in compliance with our main financial covenant. Nevertheless, the Group is embarking into debt restructuring and asset rationalisation initiatives under Group-wide Transformation Programme. Both programmes have the objective of addressing the composition of Group's borrowings (between short term and long term) as well as cash flow requirements. The programmes will also review the Group's interest obligations in the future. With these initiatives in place, we hope to improve the gearing level moving forward.</p>
27	CHE LODIN BIN WOK KAMARUDDIN	<p>1. I would like to congratulate the new chairman of Boustead Holdings, Datuk Seri Mohamed Khaled for the announcement on Boustead's 3-year Transformation Programme (EDGE 20) - Very appropriate and timely.</p>	<p>Thank you for the note of encouragement. The Board and Management are pleased and excited to welcome Dato' Seri Mohamed Khaled Nordin as the Chairman of Boustead Holdings Berhad.</p>

No	Name	Question	Answers
28	CHE LODIN BIN WOK KAMARUDDIN	2. Under the new Transformation Programme: i) How many business sectors would the Group be involved with and what are they. ii) Have you set a time frame to turnaround the group to make it profitable again and to start paying quarterly dividends as practiced before.	"Under the current structure, the Group is divided into 5 divisions namely, Plantation, Property & Industrials, Pharmaceutical, Heavy Industries and Trading, Finance & Investment. Upon the implementation of the Transformation Programme, there will be further fine tuning of the business sectors of the Group will be involved in. We will evaluate each business sector suitability based on 4 criteria:- i. Complementary and synergistic with the rest of portfolio. ii. High growth & profit potential with good future prospect. iii. Sustainable & future proof business. iv. Strategic National interest.  The Board is confident that upon the successful implementation of all the 3 - year Group-wide Transformation Programme, which was recently launched, the Group will be able to turnaround in a near future. The payment of dividend will be guided by the profitability and availability of cash."
29	CHE LODIN BIN WOK KAMARUDDIN	3. Since early 2019, the share price of Boustead Holdings has declined tremendously - high of RM 1.60 in 2019 to a low of RM0.34 in 2020. Boustead Holdings is no more among the top 100 bursa companies by market cap. What are the group's plans to attract investors to invest in the group on a more sustainable basis?	The Group has no control and influence on the movement of the share price.  The Board believes that upon successful implementation of all the initiatives under the Group-wide transformation program, which was recently launched, the Group will be able to turnaround and bounce back to be in the top 100 Bursa companies by market capitalisation.
30	CHE LODIN BIN WOK KAMARUDDIN	4. The Group is involved in six major sectors of the economy. If professionally managed, the group can benefit tremendously from the recovery of the local as well as global economies. What are the key performance indicators (KPIs) set by the board for management for the year 2020 and the year 2021?	The Covid-19 pandemic has somehow affect the Malaysian and global economy at an unprecedented level. Our 2020 and 2021 KPIs are currently being reassessed to take into consideration of the impact of the pandemic to the Group, which could not be easily determined due to the fact that the number of worldwide cases appears not to be subsiding.
31	CHE LODIN BIN WOK KAMARUDDIN	5. The management carried out excessive and unrealistic impairment on assets of the group especially assets of Pharmaniaga, which affected tremendously the share price and performance of the Group. Please explain the reasons for such drastic action.	The Group needs to take such action due to the requirement of MFRS 136 Impairment of Assets.
32	CHE LODIN BIN WOK KAMARUDDIN	6. Kindly give an update on the progress of the proposed privatisation of Boustead Holdings by Lembaga Tabung Angkatan Tentera (LTAT). As against the Net Asset Per Share of 1.84, (as of 31 December 2019), the RM 0.80 per share proposed to be offered by LTAT is at a big disadvantage to the minority shareholders. Please clarify.	The intention to privatise BHB was made by our largest shareholder, LTAT based on their official press notices. The Board is not aware on the current status and progress, but we will make necessary announcements pursuant to the listing requirements.
33	LEONG FOOK SEN@FRANCIS LEONG	1. Mr Chairman kindly send vouchers to attendees who participate in RPV.	We have announced in our AGM Administrative Guide that we are not issuing any voucher for this AGM. However, we will consider doing so in the future.

No	Name	Question	Answers
<b>QUESTIONS RECEIVED DURING AGM (TOTAL OF 74 QUESTIONS)</b>			
1	STEPHEN LYE TUCK MENG	E-Vouchers: Bursa AGM was conducted remotely and the BOD gave e-vouchers (RM40 Boost) to all shareholders who attended the meeting. MBSB AGM was held on 30 June 2020 and they also gave e-vouchers to those who attend remotely. In view of this, since the AGM is only held once a year, and there is some substantial savings from conducting it remotely, we kindly ask the BOD to consider giving us shareholders e-vouchers as well for attending this meeting. TQ.	We have announced in our AGM Administrative Guide that we are not issuing any voucher for this AGM. However, we will consider doing so in the future.
2	STEPHEN LYE TUCK MENG	Q: In view of the Pandemic and since the company has been badly affected by the MCO, in which earnings are expected to be depressed, is the BOD going to layoff staff and/or cut salaries?	The diversified nature of the Group has somehow protected the Group from major financial catastrophe. Nevertheless, the key business activities that are broadly affected by the MCO are our hotels, trading of petroleum, travel services and property investment. We are managing out staff requirements based on case to case basis, depending on how severe the impact of MCO on each business activity and how long the affected business would be able to turnaround.
3	TAN ENG WAUN	Hi good morning chairman appreciate reconsider evoucher for meals at royal chulan as before. Need to bring joy during covid time God bless	We have announced in our AGM Administrative Guide that we are not issuing any voucher for this AGM. However, we will consider doing so in the future.
4	CHAN LAI YIN	Hope the BOD will give us Hotel Food Voucher like before. The hotel got to start business too so let's us fill up the customer's space	We have announced in our AGM Administrative Guide that we are not issuing any voucher for this AGM. However, we will consider doing so in the future.
5	TAN ENG THENG	Hi very good morning Mr chairman Please reconsider evoucher to help us during Covid time Appreciate your kindness to bring some cheers during Covid difficult time	We have announced in our AGM Administrative Guide that we are not issuing any voucher for this AGM. However, we will consider doing so in the future.
6	WONG CHIE KHEONG	what are the evouchers / goodies for this agm attendees?  Is there a confirmed privatisation going on as to avoid any speculative news?	We have announced in our AGM Administrative Guide that we are not issuing any voucher for this AGM. However, we will consider doing so in the future.  The intention to privatise BHB was made by our largest shareholder, Lembaga Tabung Angkatan Tentera (LTAT) based on their official press notice. The Board is not aware on the current status and progress, but we will make necessary announcements pursuant to the listing requirements.
7	LEONG FOOK SEN@FRANCIS LEONG	Mr Chairman kindly send vouchers to attendees who participate in RPV. Tqvm	We have announced in our AGM Administrative Guide that we are not issuing any voucher for this AGM. However, we will consider doing so in the future.
8	HANI BINTI MANSOR	Have you set sustainability KPIs and targets for divisions and business units to comply with?	We acknowledge that clear goals and targets are important to drive our sustainability performance and promote accountability. Our quantitative sustainability targets for our sustainability key issues are currently being defined, to complement qualitative goals that had already been described in Sustainability Report 2019. The targets and goals will form part of our Second Group Sustainability Roadmap for 2021-2025.
9	TAN TENG CHEE	Hi mr Chairman very goodmorning.appreciate you confirm reconsideration give us meal voucher as in previous years. We need some cheers during covid difficult time. Other comoany has started giving evouchers instead Thank you n Gid bless Appreciate your	We have announced in our AGM Administrative Guide that we are not issuing any voucher for this AGM. However, we will consider doing so in the future.
10	TAN HUNG CHYE	Please update on the status of the Littoral Combat Ships (LCS) project. What is the latest timeline of delivery as compared to the original timeline of delivering LCS 1 in 2019? What is the implication to the project cost as a result of the change? Is the total contract value for the 6 LCS still remained at RM 9 bil, and what is the extent of cost overrun over the RM 9 bil contract value? What are the reasons behind the project delivery delay?	BNS is currently in discussion with the Government on our proposal pertaining to Variation Orders. Pending this discussion, it is premature for us to disclose any further details, We will make the necessary announcement as and when required.
11	LEE TECK HONG	Can the director ensure my question asked in Boustead Plantation AGM addressed?	We have confirmed with Boustead Plantations management that all questions raised during the AGM were answered either during the AGM or via email. In addition, Boustead Plantations has also published the questions and their answers on its corporate website.
12	TEE BENG HEE	Will Boustead Holdings Bhd give e vouchers to shareholders attending this live streaming agm and remote voting?	We have announced in our AGM Administrative Guide that we are not issuing any voucher for this AGM. However, we will consider doing so in the future.
13	REEMARACHNA A/P PORAVI	Good morning Chairman and Board Members. My support for all the resolutions despite the challenging situation faced by our Company.  Hope you would consider giving some e vouchers or food vouchers to shareholders participating in this RPV today. Just like what.Pharmaniaga did.  Thank you.	We have announced in our AGM Administrative Guide that we are not issuing any voucher for this AGM. However, we will consider doing so in the future.
14	LEE TECK HONG	1. Any plan to diversify non-performing subsidiary? 2. Any transformation plan the company had performed to reduce the losses of non-performing subsidiary?	1. As an investment holding company, BHB holds multiple investments in various sectors of the Malaysian economy. The Group is always on the lookout for ways to strengthen our diversified portfolio and extract the best value from our investment.  2. On of the key initiatives under the Transformation Plan would be Business Turnaround which aims to improve the profitability of all operating entities within the Group. We hope with improved performance, Boustead as a Group will be able to turnaround in the near future.
15	MONO KARI A/P SOKKALINGAM	Good morning Chairman and Board Members.  Our Company has always been generous with shareholders. Hope you would consider giving some e vouchers or food vouchers to shareholders participating in this RPV today.	We have announced in our AGM Administrative Guide that we are not issuing any voucher for this AGM. However, we will consider doing so in the future.
16	NYEOW CHIN HOCK	Any e gift	We have announced in our AGM Administrative Guide that we are not issuing any voucher for this AGM. However, we will consider doing so in the future.

No	Name	Question	Answers
17	LEE TECK HONG	Any plan from the company to cope with lack of foreign workers in Boustead Plantation estate?  Low manpower equal to low crop equal to low profit to Bplant and lower profit to Boustead holdings.	I. Boustead Plantations is facing shortages of skilled harvesters, which is an industry-wide problem. II. We are managing the shortages by prioritising FFB harvesting and collection. III. We are training general workers to harvest and have successfully redeployed them from upkeep to harvesting operations. IV. At the same time, we have engaged contractors to carry out field works such as circle spraying and palm sanitation. V. The border control imposed due to the MCO, while undoubtedly necessary for the collective good of our nation, has unfortunately affected our foreign workers movement and recruitment process. VI. As a short-term measure, we are re-deploying all able-bodied foreign workers from the upkeep portion of the operations into harvesting. Undoubtedly, they need to be trained and we are ensuring that adequate training is provided to ensure they become good oil palm harvesters. VII. We are also trying our best to attract locals into the crop evacuation process and are seriously looking into engaging and attracting locals.
18	LEE TECK HONG	Shall the company consider of having virtual meeting and physical meeting in the future ?	For the conduct of the AGM in future, we will stand to be guided by the directive from relevant authorities.
19	PORAVI A/L S P SITHAMBARAM PILLAY	Good morning to Chairman and Board members. We are going through an uncertain economic environment. No one knows what direction we are all heading to given the global uncertainties.  My confidence in the Board remains undisturbed. Best wishes to them. Hope there will be some vouchers for the small number of participants today.  Thank you.	We have announced in our AGM Administrative Guide that we are not issuing any voucher for this AGM. However, we will consider doing so in the future.
20	CHOW LEE MING	Please give us e-voucher for refreshments. Thank you.	We have announced in our AGM Administrative Guide that we are not issuing any voucher for this AGM. However, we will consider doing so in the future.
21	LEE KUAN CHOONG	what is the impact of bakti wirann development sdn bhd vs najib and nosmah cases?  what is the impact to the financial and its shares prices to boustead holdings	The legal case is an ongoing legal matter. It will be sub judice to comment on this matter at this juncture.
22	CHOW LEE MING	No sound. Please give us sound	Thank you for your participation in our 58th Annual General Meeting. As this is Boustead Holdings Berhad's first fully virtual AGM, we apologise for the technical glitches before and during the AGM. We truly value your feedback for improvement moving forward.
23	LAU YONG EN	Please consider giving e-voucher to participating shareholders in line with Bursa practice tq	We have announced in our AGM Administrative Guide that we are not issuing any voucher for this AGM. However, we will consider doing so in the future.
24	LEE CHONG SING	Mr.chairman, i wish to request for e-vouchers,Tqvm.	We have announced in our AGM Administrative Guide that we are not issuing any voucher for this AGM. However, we will consider doing so in the future.
25	PORAVI A/L S P SITHAMBARAM PILLAY	Feedback on RPV. Video and audio are very clear. Our Chairman`s speech is very clear.  Thank you to our Company Secretary and Share Registrar, Tricor, in getting this RPV organised well.	Thank you for your participation in our 58th Annual General Meeting. As this is Boustead Holdings Berhad's first fully virtual AGM, we truly value your feedback for improvement moving forward.
26	LEE TECK HONG	Question to Chairman: What is the insight and value you are able to bring to the company of being appointed as Chairman of Boustead Holdings? Would you reject the proposal of taking salary if the company is not making money in the financial year 2019?  Please answer my question during live of the meeting.	Our new Chairman not only has vast experience in politic and public sector but in corporate sector as well.  Among his previous corporate appointments are Chairman of Johor Corporation Berhad (JCorp) and Board of Director of companies under JCorp as well as other Johor state agencies.  Our new Chairman was appointed on 1 May 2020. Hence, for FY2019 he did not receive any remuneration from the Group and the Company.
27	LAU TING EN	Please consider giving e-voucher to participating shareholders in line with Bursa practice thanks	We have announced in our AGM Administrative Guide that we are not issuing any voucher for this AGM. However, we will consider doing so in the future.
28	LIM SOO WAT	We are very sure, all the directors who attend this RPV Agm will get their allowances.  Thus, we as shareholders to spend our times to take part in the same Agm must be threated equally.  The company also must give us some e-voucher or e-wallet to us  During this difficult time, the company is indirectly helping the Country's economy grow.  We hope the Board will consider our suggestion. TQ	We have announced in our AGM Administrative Guide that we are not issuing any voucher for this AGM. However, we will consider doing so in the future.
29	ABDUL RAHMAN GAN BIN ABDULLAH	Assamualaikum Mr Chairman, we will pleased if the company willing to give out vouchers to those who attend the meeting. Thank you.	We have announced in our AGM Administrative Guide that we are not issuing any voucher for this AGM. However, we will consider doing so in the future.
30	ABD AZIZ BIN HARUN	NIL	Thank you for your participation in our 58th Annual General Meeting.
31	LUM PEK KAM	Mr. Chairman, in these challenging times, please reward us shareholders with E-Vouchers or E-Wallets Credits who have participated in this RPV.. Thank you.	We have announced in our AGM Administrative Guide that we are not issuing any voucher for this AGM. However, we will consider doing so in the future.

No	Name	Question	Answers
32	LIM PIN YEONG	In lieu of door gifts & food pack, will eVoucher be given to shareholders participating in this virtual AGM.  When is the company expect to turnaround to those high performance years?  Will there be further major impairment and write off in the coming years.  The share price is very low no,. Is there any plan for share buy back	We have announced in our AGM Administrative Guide that we are not issuing any voucher for this AGM. However, we will consider doing so in the future.  The Board and Management believes that upon successful implementation of all the initiatives under the Group-wide transformation program, which was recently launched, the Group will be able to turnaround in the near future. However, the ability to turnaround will also depends on various factors beyond our control such as the Covid-19 pandemic, US and China crisis as well as the volatility of commodity prices such as Crude Oil and Crude Palm Oil.  It is difficult to determine whether there will be further impairment and write off as it will depend on market variables and future prospects that are prevalent at the time of the assessment.  The Board has no immediate plan to conduct share buy back exercise.
33	TAN HUNG CHYE	Following the RM 247 mil accelerated amortisation for PhIS cost at Pharmaniaga, going forward is the group still responsible for the maintenance and development of PhIS? i.e. will there be further cash outflow to be incurred for the maintenance and development of the system?	With the extension of the interim concession for the period of 25 months, maintenance of the system was also extended accordingly.
34	KOK SAK LIN	Mr.Chairman, we shareholders are spending money, time & immense effort participating in this RPV and it will be good CSR to reward us with Evouchers or Ewallets credits for our efforts. Thank you.	We have announced in our AGM Administrative Guide that we are not issuing any voucher for this AGM. However, we will consider doing so in the future.
35	CHUA SONG YUN	Do our Heavy Industries expect any further impairment in FY2020? Thank you.	It is difficult to determine whether there will be further impairment and write off as it will depend on market variables and future prospects that are prevalent at the time of the assessment.
36	CHIEW CHOY @ CHOW CHIN HOI	please do provide us some e, vouchers thank you directors	We have announced in our AGM Administrative Guide that we are not issuing any voucher for this AGM. However, we will consider doing so in the future.
37	TEH PENG TIN	How much does the company spend on this virtual Agm ? Would the board kindly consider by giving e- voucher as reward to shareholders who take interest to participate in this virtual Agm, as the company had been doing in the past, in this difficult time of COVID 19 Pandemic, Thank you	In addition to the need to comply with the Government's Recovery Movement Control Order (RMCO) guidelines of social distancing and not having mass gatherings, a virtual AGM is much more cost effective as it enable full shareholder participation, even from remote locations. The cost is estimated to be no more than RM100,000.  We have announced in our AGM Administrative Guide that we are not issuing any voucher for this AGM. However, we will consider doing so in the future.
38	CHAN NGUN FONG	Thank you for having shareholders in mind but why take away the doorgift and vouchers benefit? Share price has dropped drastically, no dividend, net loss and also sharp drop in NTA value. I believe there is already cost savings in this type of virtual meetings, kindly share the savings by giving us some vouchers as token of appreciation.	We have announced in our AGM Administrative Guide that we are not issuing any voucher for this AGM. However, we will consider doing so in the future.
39	TEH PENG TIN	I would like to request a hard copy of the company annual report, Thank you	For request of hardcopy annual report, you may request at <a href="https://tiih.online">https://tiih.online</a> by selecting "Request for Annual Report" under the "Investor Service".
40	LEE MING LIN	What is the status of Company being taken private? If this exercise is still on what is the approximate timeline?	The intention to privatise BHB was made by our largest shareholder, Lembaga Tabung Angkatan Tentera (LTAT) based on their official press notice. The Board is not aware on the current status and progress, but we will make necessary announcements pursuant to the listing requirements.
41	CHAN AH MOI	Please give us hotel vouchers by your company thank you.	We have announced in our AGM Administrative Guide that we are not issuing any voucher for this AGM. However, we will consider doing so in the future.
42	LAU ATI @ LAU CHUAN TENG	Please comment on the proposal. on pravitisation as report in press earlier. any consideration on minority investor interest, Thank you	The intention to privatise BHB was made by our largest shareholder, Lembaga Tabung Angkatan Tentera (LTAT) based on their official press notice. The Board is not aware on the current status and progress, bur we will make necessary announcements pursuant to the listing requirements.
43	LIM LEOW CHEE	Ps give us voucher for buffet like last year tq	We have announced in our AGM Administrative Guide that we are not issuing any voucher for this AGM. However, we will consider doing so in the future.
44	LEE TECK HONG	How the company set good governance when the company appoint a political person with legal degree as a Chairman of a big conglomerate?	Our new Chairman not only has vast experience in politic and public sector but in corporate sector as well.  Among his previous corporate appointments are Chairman of Johor Corporation Berhad (JCorp) and Board of Director of companies under JCorp as well as other Johor state agencies.  We believe his vast experience in politic as well as public and private sectors will certainly strengthen the Board in guiding Boustead to improve the way we do business and increase our prospect over the long term.
45	SHIRLEY TAN	Please do give participants of this virtual meeting some vouchers or ewallet top ups to brighten up our day during this covid-19 pandemic. The company already enjoy cost savings for holding this meeting virtually. Vouchers to visit your F&B outlets would also be welcome. Thank you.	We have announced in our AGM Administrative Guide that we are not issuing any voucher for this AGM. However, we will consider doing so in the future.
46	CHUA SONG YUN	Referring to Heavy Industries Division, what is the remaining value of goodwill and aircraft that carry at our book? Is there chance for further write down? Thank you.	The remaining carrying amount of goodwill for Heavy Industries Division was RM66 million, attributable to Boustead Heavy Industries Corporations. The remaining carrying value of aircraft was RM100 million.  It is difficult to whether there will be further write down on the balance of goodwill and aircraft as it will depend on market variables and future prospects that are prevalent at the time of the assessment
47	LIM SHIANG LIANG (LIN XIANGLIANG)	What is the group's target level of debt in the near/mid-term and long term?	Although we do not have a formal target level of debt, the Group aims to target a healthy gearing level of 1.0 time and below.  The Group closely monitors its gearing to ensure compliance with its covenant on bank borrowings. Generally, the bank covenant required that the gearing should be not more than 1.50 times.
48	LEE ENG FOCK	A very Gd Morning, Dato Sri. Chairman n BOD, this is the company 1st virtual AG meeting under the new normal during this challenging time, appreciate the company will maintain the normal of giving out the hotel voucher who have taken time to log in as currently it less than 150 ppl attending Hope the transformations will see all the companies perform much better and will give out dividend next year. Looking forward toward a better tomorrow for all the companies.	We have announced in our AGM Administrative Guide that we are not issuing any voucher for this AGM. However, we will consider doing so in the future.

No	Name	Question	Answers
49	LEE AH CHAI @ LEE TIEN SING	Good morning Mr Chairman, looking forward to receive a voucher for attending and support you in this RPV agm. thanking you in anticipation	We have announced in our AGM Administrative Guide that we are not issuing any voucher for this AGM. However, we will consider doing so in the future.
50	ABDUL RAHMAN GAN BIN ABDULLAH	Boustead Holding has many good company but not making enough profit and poor management and poor dividend payout. I hope the company will start paying dividend on quarterly basis and have right people for the job. Thank you.	The Board and Management believes that upon successful implementation of all the initiatives under the Group-wide transformation program, which was recently launched, the Group will be able to turnaround and start paying dividend in the near future. However, the ability to turnaround and subsequently paying dividends will also depends on various factors beyond our control such as the Covid-19 pandemic, US and China crisis as well as the volatility of commodity prices such as Crude Oil and Crude Palm Oil.
51	TAN HUNG CHYE	What is the take-up rate of the One Cochrane Residences project to date?	Total sales to-date for One Cochrane Residences is 117 unit or 26.5%. Another 41 units have been booked, pending loan approval.
52	TAN TECK HSIANG	How likely Bstead will go private?	The intention to privatise BHB was made by our largest shareholder, Lembaga Tabung Angkatan Tentera (LTAT) based on their official press notice. The Board is not aware on the current status and progress, but we will make necessary announcements pursuant to the listing requirements.
53	LOW HAN LEONG	During this difficult time, can I request e-voucher or e-wallet from the company. So that, indirectly we are helping our country to build the economy grow. TQ	We have announced in our AGM Administrative Guide that we are not issuing any voucher for this AGM. However, we will consider doing so in the future.
54	ONG SEW YANG	-	Thank you for your participation in our 58th Annual General Meeting.
55	TAN KONG HUAT @ TAN KONG YAM	What is the cost of conducting virtual AGM ? How much cheaper compare to physical AGM, if any ? Would you prefer to conduct virtual or physical AGM in future?	In addition to the need to comply with the Government's Recovery Movement Control Order (RMCO) guidelines of social distancing and not having mass gatherings, a virtual AGM is much more cost effective as it enable full shareholder participation, even from remote locations. The cost is estimated to be no more than RM100,000.
56	CHAN AH MOI	Please do give us some refreshment vouchers.	We have announced in our AGM Administrative Guide that we are not issuing any voucher for this AGM. However, we will consider doing so in the future.
57	YU CHOONG CHEONG	Syabas to the Board for selling the hotel in London. Good decision.	Thank you for the words of encouragement.
58	KHOR CHAI MOI	What is the progress of LTAT taking over privatization matter. tq	The intention to privatise BHB was made by our largest shareholder, Lembaga Tabung Angkatan Tentera (LTAT) based on their official press notice. The Board is not aware on the current status and progress, but we will make necessary announcements pursuant to the listing requirements.
59	LEO ANN PUAT	Will year 2020 be profitable considering the huge loss in 2019?	The Board and Management believes that upon successful implementation of all the initiatives under the Group-wide transformation program, which was recently launched, the Group will be able to turnaround in the near future. However, the ability to turnaround will also depends on various factors beyond our control such as the Covid-19 pandemic, US and China crisis as well as the volatility of commodity prices such as Crude Oil and Crude Palm Oil.
60	LEE TUCK FEONG	Kindly rewards shareholders through dividends and door gifts in this pandemic times. Tq	We have announced in our AGM Administrative Guide that we are not issuing any voucher for this AGM. However, we will consider doing so in the future.
61	LEE TUCK KEONG	are you trimmed sufficiently in your operations of your business in view of your performance these few years?	The Board and Management believes that the current business operations are appropriate. Any scaling down of operations will be reviewed case on case basis.
62	NGEE GEOK CHOO	Thank You for this virtual meeting, anf the presentation. I am NGEE GEOK CHOO. May i know the cost of the meeting and the comparison amount to the previous meeting. May i know is there any vouchers distributed for we participants as an encouragement? THANK YOU	We have announced in our AGM Administrative Guide that we are not issuing any voucher for this AGM. However, we will consider doing so in the future.
63	LEE KWAI YOONG	Hello hi. Are your endeavoured to improve in your daily operations in view of your cross shareholdings in other non performing subsidiaries.?	As an investment holding company, BHB holds multiple investments in various sectors of the Malaysian economy. The Group is always on the lookout for ways to strengthen our diversified investment portfolio and extract the best value from our investments. Pursuant to that, under the transformation plan, we have initiated a new investment monitoring framework to ensure closer monitoring of assets that do not perform as expected. The Board will take the necessary remedial actions on those non-performing assets and subsidiaries.
64	LEO ANN PUAT	Follow up to the answer given of the main cause on the 2019 loss, why is so many impairments in the various subsidiaries? Due to management problem?	The Group needs to take such action due to the requirement of MFRS 136 Impairment of Assets.
65	YU CHOONG CHEONG	If recently acquired assets in Boustead Plantations are required to be impaired, accounting standards aside, isnt it that the purchase price is overstated.	I. The purchase price was based on the land valuation done on the prevailing market value of the assets. (refer to Bursa Announcement dated 8 May 2018 & 30 October 2017). II. However, during the financial year, Boustead Plantations has identified indications of impairment in some of estates which have been underperformed. III. Based on the assessment, the recoverable amounts of these underperforming estates were lower than the carrying amounts as at 31 December 2019.
66	KOK SAK LIN	Mr. Chairman, in these challenging times, please RECONSIDER giving us ONLY 100+ loyal shareholders who are voting online with some E-Vouchers to ease our financial hardship. E-Vouchers will not cause virus transmission. Thank you.	We have announced in our AGM Administrative Guide that we are not issuing any voucher for this AGM. However, we will consider doing so in the future.
67	TAN SAIK KUEN	Will Boustead Holdings be similar to PerakCorp where there were big losses and assets deteriorated from few ringgit to negative asset? Rosy picture was painted but never materialised.	Boustead Holdings is a conglomerate Group with a very long history and track record. The Board and Management believes that upon successful implementation of all the initiatives under the Group-wide transformation program, which was recently launched, the Group will be able to turnaround in the near future.
68	BABY TAN @ TAN LAY CHIN	When can we expect Boustead to return to profitability?	The Board and Management believes that upon successful implementation of all the initiatives under the Group-wide transformation program, which was recently launched, the Group will be able to turnaround in the near future. However, the ability to turnaround will also depends on various factors beyond our control such as the Covid-19 pandemic, US and China crisis as well as the volatility of commodity prices such as Crude Oil and Crude Palm Oil.

No	Name	Question	Answers
69	TAN SAIK KUEN	Boustead was a good company previously. Shareholders got good dividend and hence share price was decent. Shareholders also got doorgift and vouchers. Why the sudden change, even before Covid pandemic?	<p>The Group reported stable top line results, where the revenue grew from RM10.2 billion to RM10.3 billion. The Group also clocked in EBITDA of RM455 million, an increase of 35%, that clearly reflects the viability of our businesses. However, our results were weighed down by impairments at Heavy Industries, Property and Plantation Divisions and accelerated amortisation at Pharamianga Division totalling to RM1.3 billion. Given this direct knock-on impact to the Group's earnings, we are unable to pay any dividends for the year.</p> <p>The Group has no control and influence on the movement of the share price.</p> <p>We have announced in our AGM Administrative Guide that we are not issuing any voucher for this AGM. However, we will consider doing so in the future.</p>
70	CHUA SONG YUN	Why such a rush to end the meeting? Minority shareholders only has one session in a year to communicate with management, please respect minority shareholders. Please take a leaf from former chairman, allocate plenty Q&A time to keep shareholders informed.	The Board determined to provide the answers and/or explanations to all questions raised by shareholders. The answers and/or explanations has and will be conveyed to Shareholders either live during the AGM itself or emailed to the respective Shareholders as well as posted in our website.
71	CHUA SONG YUN	Heavy Industries Division has been a big drag to the group, will management to consider spin-off the division, so that it will not continue to drag on the group's performance? Thank you.	Heavy Industries Division is one of the strategic investment made by the Group. Along the years, the Division has gained valuable experience and have developed various technical capabilities and competencies especially in managing naval shipbuilding and shiprepair projects. The Board believes that Group will not only able to benefit financially from the Malaysian Navy Transformation Plan but more importantly to be the key and reliable service provider to support the effort to protect Malaysian security and sovereignty.
72	LEE KWAI YOONG	Hi.	Thank you for your participation in our 58th Annual General Meeting.
73	CHUA CHIN LEONG	How serious is the impact of the Sino America disputes on the Company?	The conflict between USA and China has directly affected many economies including Malaysia. Companies that have direct trade activities with China and/or USA may have direct impact due to the conflict. However at this juncture, for Boustead Group, the impact from the conflict are rather minimal as our business activities are substantially local centric.
74	RIEN HASHIM	Please send me hardcopy of annual report, circulars and admin note as I have not received it, address as per registered with my broker, thank you.	For request of hardcopy annual report, you may request at <a href="https://tiih.online">https://tiih.online</a> by selecting "Request for Annual Report" under the "Investor Service".