

PENGUIN INTERNATIONAL LIMITED

(Company Registration No : 197600165Z)
(Incorporated in the Republic of Singapore)

Minutes of the 2023 Annual General Meeting (“AGM”) of the Company held via “live” webcast at 21 Tuas Road, Singapore 638489 on Thursday, 27 April 2023 at 10.30 a.m.

PRESENT

- Directors : Jeffrey Hing Yih Peir (Executive Chairman)
James Tham Tuck Choong (Managing Director)
Joanna Tung May Fong (Finance and Administration Director)
- In Attendance : Law Chwan Yaw (Group Financial Controller)
Michelle Heng (Company Secretary)

VIA LIVE WEBCAST

- Directors : Winston Kwek Choon Lin (Lead Independent Director and Remuneration Committee (“RC”) Chairman)
Henry Tan Song Kok (Independent Director and Audit and Risk Committee (“AC”) Chairman)
Leow Ban Tat (Independent Director and Nomination Committee (“NC”) Chairman)
Keith Tan Keng Soon (Non-executive Non-independent Director)
- Shareholders : As set out in the attendance records maintained by the Company

WELCOME AND INTRODUCTION

The Chairman, Mr Jeffrey Hing, extended a warm welcome to shareholders who joined the live webcast of the AGM. Shareholders who were accessing the AGM via the live webcast would be treated as present and may be named in the attendance list.

The Chairman informed shareholders that the AGM was conducted by electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020.

The Board of Directors and Management has addressed all substantial and relevant questions received from shareholders prior to the AGM and the Company’s responses have been published on both the Company’s website and on the website of Singapore Exchange Securities Trading Limited (“SGX-ST”) on 21 April 2023 (attached as Appendix A to these minutes).

As there will be a “live” question and answer session as well as “live” voting conducted at this AGM, shareholders accessing the AGM proceedings via the audio-visual webcast platform would be able to ask questions “live” by submitting their questions relating to the proposed resolutions of the AGM through the messaging function on the webcast platform. The Chairman invited shareholders to submit their questions and votes “live” at the Meeting. He stated that similar questions would be consolidated and questions for which responses had already been posted on the Company’s corporate website and on SGXNET prior to the AGM, would not be addressed again. As questions would be addressed before all proposed resolutions put to vote, shareholders could hear from the Board and Management before casting their live votes. The instructional video on submitting questions and how to cast votes was played.

The Chairman introduced his fellow board members, namely Mr James Tham, the Managing Director and Ms Joanna Tung, the Finance and Administration Director who were present at the Meeting as well as the other Board Members who were attending the Meeting remotely, namely, Mr Winston Kwek, the Lead Independent Director and RC Chairman, Mr Henry Tan, Independent Director and AC Chairman, Mr Leow Ban Tat, Independent Director and NC Chairman and Mr Keith Tan, Non-executive Non-independent Director. He also informed the Meeting that the Group Financial Controller, Auditors, Company Secretary, Share Registrar, Polling Agent and Scrutineers, together with their representatives, were also in attendance.

The Chairman took the opportunity to thank the Board and all Penguin employees for their hard work and sacrifices in yet another challenging year.

BUSINESS PERFORMANCE FOR FY2022

The Managing Director and the Finance and Administration Director, presented a brief overview of the performance of the Group operations and financial highlights for FY2022 to shareholders. The slides presented have been published on the website of SGX-ST and the Company's website after the meeting.

Following the presentation, the Chairman commenced the AGM proceedings.

QUORUM AND POLL VOTING PROCEDURE

As there was sufficient verified shareholders attending the AGM electronically to form a quorum, the Chairman declared the AGM open.

The Notice of the AGM dated 6 April 2023 was taken as read as it had been published on the website of SGX-ST and the Company's website.

All proxy forms received had been checked and found to be in order. The Chairman informed shareholders that in his capacity as Chairman of the Meeting, he had been appointed as proxy for a number of shareholders and had voted in accordance with the specific instructions of each shareholder. Shareholders attending the live webcast, were informed that they could submit their votes for all resolutions during the proceedings and could change their vote any time while the poll was still opened.

In line with the Company's Constitution and Listing Rules, voting at the AGM was conducted by poll. Boardroom Corporate and Advisory Services Pte Ltd and Reliance 3P Advisory Pte Ltd were appointed as Polling Agent and Scrutineer respectively for purposes of the poll.

BUSINESS OF MEETING

The Chairman proceeded with the business to be transacted at the AGM.

ORDINARY RESOLUTIONS:

1. RESOLUTION 1: ADOPTION OF THE DIRECTORS' STATEMENT AND AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

The Chairman proposed:

"That the Directors' Statement and Audited Financial Statements for the financial year ended 31 December 2022 and the Auditor's Report thereon be and is hereby received and adopted."

2. **RESOLUTION 2: DECLARATION OF FIRST AND FINAL TAX EXEMPT (ONE-TIER) DIVIDEND**

The Chairman proposed:

“That a First and Final tax exempt (one-tier) dividend of 2.25 cents per ordinary share for the financial year ended 31 December 2022 be and is hereby approved and that it be paid on 23 May 2023 to the shareholders registered with the Company at the close of business on 10 May 2023.”

3. **RESOLUTION 3: APPROVAL OF DIRECTORS' FEES**

The Chairman proposed:

“That the Directors' Fees of S\$184,000.00 for the financial year ended 31 December 2022 be and is hereby approved.”

4. **RESOLUTION 4: RE-ELECTION OF MR JEFFREY HING YIH PEIR AS DIRECTOR**

As the next resolution related to the re-election of the Chairman as a Director of the Company, the Chairman invited Mr James Tham, the Managing Director, to take over the chair for Resolution 4.

Mr James Tham took over the chair and proposed:

“That Mr Jeffrey Hing Yih Peir who retires in accordance with Regulation 92 of the Company's Constitution, be and is hereby re-elected as Director of the Company.”

Mr James Tham then handed the chair back to the Chairman to conduct the rest of the proceedings.

5. **RESOLUTION 5: RE-ELECTION OF MR LEOW BAN TAT AS DIRECTOR**

The Chairman referred the Meeting to resolution 5 on the re-election of Mr Leow Ban Tat, who retired in accordance with Regulation 92 of the Company's Constitution as a Director of the Company. Mr Leow, if re-elected, will continue to serve as an Independent Director, Chairman of the Nominating Committee and member of the Remuneration and Audit and Risk Committees. The Chairman proposed:

“That Mr Leow Ban Tat who retires in accordance with Regulation 92 of the Company's Constitution, be and is hereby re-elected as Director of the Company.”

6. **RESOLUTION 6: RE-ELECTION OF MR WINSTON KWEK CHOON LIN AS DIRECTOR**

The Chairman referred the Meeting to resolution 6 on the re-election of Mr Winston Kwek Choon Lin who retired in accordance with Regulation 92 of the Company's Constitution as a Director of the Company. Mr Kwek, if re-elected, will continue to serve as the Lead Independent Director, Chairman of the Remuneration Committee and member of the Audit and Risk and Nominating Committee. The Chairman proposed:

“That Mr Winston Kwek Choon Lin who retires in accordance with Regulation 92 of the Company's Constitution, be and is hereby re-elected as Director of the Company.”

7. **RESOLUTION 7: RE-APPOINTMENT OF PKF-CAP LLP AS AUDITOR**

The Chairman proposed:

“That PKF-CAP LLP, be and is hereby re-appointed Auditor of the Company to hold office until the conclusion of the next Annual General Meeting at a remuneration to be agreed between the Directors and the Auditor.”

SPECIAL BUSINESS:

The Special Business on the agenda were considered next.

8. **RESOLUTION 8: SHARE ISSUE MANDATE**

The Chairman informed the Shareholders that Resolution 8 was for the authority to Directors to allot and issue shares pursuant to the Share Issue Mandate as set out in the Notice of Meeting dated 6 April 2023 and proposed the following motion:

*“That pursuant to Section 161 of the Companies Act 1967 and the Listing Manual (“**Listing Manual**”) of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”), authority be and is hereby given to the Directors of the Company to:*

- (a) (i) *issue shares in the capital of the Company (“**Shares**”) whether by way of bonus issue, rights issue or otherwise; and/or*
- (ii) *make or grant offers, agreements or options (collectively “**Instruments**”) that might or would require Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into Shares; and/or*

at any time to such persons and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit; and

- (b) *(notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue Shares in pursuance of any Instrument made or granted by the Directors while this Resolution is in force,*

provided that:

- (i) *the aggregate number of Shares to be issued pursuant to this Resolution (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed 50% of the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) in the capital of the Company at the time of passing of this Resolution, of which the aggregate number of Shares issued other than on a pro rata basis does not exceed 20% of the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) in the capital of the Company.*
- (ii) *for the purpose of determining the aggregate number of Shares that may be issued under sub-paragraph (i) above, the total number of issued Shares (excluding treasury shares and subsidiary holdings) shall be based on the total number of issued Shares (excluding treasury shares and subsidiary holdings) as at the time of the passing of this Resolution after adjusting for:*
 - (aa) *new Shares arising from the conversion or exercise of convertible securities;*
 - (bb) *new Shares arising from exercising share options or vesting of share awards provided the options or awards were granted in compliance with Part VIII of*

Chapter 8 of the Listing Manual of the SGX-ST; and

(cc) any subsequent bonus issue, consolidation or subdivision of Shares;

and provided also that adjustments in accordance with (aa) or (bb) are only to be made in respect of new shares arising from convertible securities, share options or share awards which were issued and outstanding or subsisting at the time this Resolution is passed; and

(iii) (unless revoked or varied by the Company in general meeting) the authority conferred by this Resolution shall continue in force until the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required by law to be held, whichever is the earlier and in this Resolution, "subsidiary holdings" has the meaning given to it in the Listing Manual of the SGX-ST."

9. RESOLUTION 9: PROPOSED RENEWAL OF THE SHARE BUY-BACK MANDATE

The Chairman moved on to the last resolution for the meeting and informed shareholders that Resolution 9, as set out in the Notice of Meeting dated 6 April 2023 would empower the Directors to purchase or otherwise acquire issued ordinary shares in the Company, subject to market conditions, during the period that the Mandate is in force and proposed the following motion:

That:

- (a) for the purposes of the Companies Act 1967 (the "**Companies Act**"), the exercise by the Directors of the Company of all the powers of the Company to purchase or otherwise acquire issued Shares ("**Share Buy-Back**") not exceeding in aggregate the Prescribed Limit (as hereafter defined), at such price(s) as may be determined by the Directors from time to time up to the Maximum Price (as hereafter defined), whether by way of:-
- (i) An on-market Share Buy-Back ("**On-Market Share Buy-back**"), transacted on the SGX-ST's trading system; and/or
 - (ii) An off-market Share Buy-Back ("**Off-Market Equal Access Share Buy-back**") effected otherwise than on the SGX-ST in accordance with any equal access scheme(s) as may be determined or formulated by the Directors of the Company as they consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Companies Act, and otherwise in accordance with all other laws and regulations and rules of the SGX-ST as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (the "**Share Buy-back Mandate**");
- (b) unless varied or revoked by the Company in a general meeting, the authority conferred on the Directors of the Company pursuant to the Share Buy-back Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the passing of this Resolution and expiring on the earlier of:-
- (i) the date on which the next Annual General Meeting of the Company is held;
 - (ii) the date on which the Share Buy-backs are carried out to the full extent mandated; or
 - (iii) the date by which next Annual General Meeting of the Company is required by law to be held;

(c) *In this Resolution:-*

“Prescribed Limit” means ten per cent (10%) of the total number of Shares issued by the Company (excluding any treasury shares and subsidiary holdings that may be held by the Company) as at the date of passing of this Resolution; and

“Maximum Price” in relation to a Share to be purchased or acquired, means an amount (excluding brokerage, commission, stamp duties, applicable goods and services tax, clearance fees and other related expenses) not exceeding:-

(i) *in the case of an On-Market Share Buy-back, 105% of the Average Closing Price of the Shares; and*

(ii) *in the case of an Off-Market Equal Access Share Buy-back pursuant to an equal access scheme, 110% of the Average Closing Price of the Shares;*

Where:-

“Average Closing Price” means the average of the last dealt prices of an ordinary Share for the five consecutive Market Days on which the Shares are transacted on the SGX-ST immediately preceding the date of the On-Market Share Buy-back by the Company or, as the case may be, the date of the making of the offer pursuant to the Off-Market Equal Access Buy-back, and deemed to be adjusted, in accordance with the Listing Manual, for any corporate action that occurs after the relevant five-day period;

“Market Day” means a day on which the SGX-ST is open for trading in securities; and

“Date of the making of the offer” means the date on which the Company announces its intention to make an offer for an Off-Market Equal Access Share Buy-back, stating the purchase price which shall not be more than 110% of the Average Closing Price of the Shares (excluding related expenses of the purchase or acquisition) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Equal Access Share Buy-back.

(d) *the Directors of the Company and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they and/or he may consider expedient or necessary to give effect to the transactions contemplated by this Resolution.*

QUESTION AND ANSWER SESSION

The Chairman reviewed the questions submitted by shareholders via the webcast and Management addressed them accordingly.

The questions that were sent in during the webcast and the responses thereto by Mr James Tham, the Managing Director and Ms Joanna Tung, the Finance and Administration Director were as follows:

(1) *Are supply chain disruptions easing in 2023?*

Mr Tham said that although supply chains issues were improving compared to the previous year, deliveries were now taking longer e.g. an order for main engine which used to take about 6 to 8 months, now takes about 12 to 14 months to arrive.

- (2) *How does the Company plan to manage the rising costs of labour and materials?*

Mr Tham replied that it was an ongoing challenge for the Company to manage rising costs especially in an inflationary environment. In terms of equipment and materials, Management is of the view that they will be able to manage the costs and get a fair deal through the good relationships built up with reliable and trusted project partners.

In terms of labour cost, whether it is in Singapore, Batam or Malaysia, where the Group operates, Penguin endeavours to ensure that employees are paid a fair wage even in an inflationary environment. This is managed by focusing on productivity and improving processes whether it is on the shop floor, vessel or office.

- (3) *Are current charter rates of crewboat and windfarm vessels comparable to before the oil and gas downturn in circa 2014?*

Although sentiments in the offshore industry appear to be improving, Mr Tham felt that charter rates could be better. He said that while demand is on an increasing trend, it may take some time to clear the current oversupply of offshore support vessels.

As for the charter rates for windfarm vessels, there is some pressure on the rates in Europe where newer or larger windfarm vessels compete with the older or smaller ones. He mentioned that better charter rates could be had in Taiwan, Japan or Korea where strict cabotage regulations apply.

- (4) *Does our Company foresee more business coming from Africa or Europe?*

Mr Tham responded that in terms of growth for Penguin, it is expected to be from Europe for the next couple of years. There are also interesting growth areas in Africa, beyond Nigeria, for the Group which will continue to be an important market for Penguin.

- (5) *Does Management feel that we are in market up cycle? Have charter rates and utilization rate for vessels increased relative to last year? Are there still vessels that are not on charter?*

As the first two questions had already been addressed, Mr Tham responded to the third question and stated that there were some crewboats that were in between charters. Management remains fairly optimistic about the charter market notwithstanding the competition in the market.

- (6) *How is our Company's progress with regard to the emerging opportunities in offshore wind farms?*

Although the question was addressed earlier, Mr Tham said that Penguin remains committed to being part of the growth in the offshore windfarm industry. As an aluminium shipbuilder, Penguin is focused only on high-speed crew transfer vessels although there is a variety of and lots of opportunity in offshore wind that goes beyond crew transfer vessels. He encouraged other Singapore companies to look into this space as well.

- (7) *Is there any oversupply or shortage of crew boats and CTVs currently in the market? What factor are contributing to this oversupply or shortage?*

Mr Tham agreed that there was currently an oversupply of crewboats globally on the market. However, there is a gravitation towards better quality and better maintained crewboats and CTVs and that will be where the competition lies. As for windfarm vessels, with the oversupply in Europe, the competition is with the newer and bigger vessels with a preference for vessels that can go further; provide better creature comforts, or carry more cargo.

He was of the view that overly optimistic orders and overly optimistic builders were the main contributors of the oversupply.

- (8) *What are the opportunities and challenges the Company expect to face in the Renewables / Wind Farm Sector?*

Mr Tham stated that the question had already been addressed.

- (9) *With sustainability being a major focus, is future-proofing new builds a challenge? With high uncertainty in terms of choice of fuel and ability to refuel globally, does this cause to not want to order new vessels?*

Where future-proofing is concerned, Mr Tham said that it was not only in relation to sustainability. Whilst decarbonisation is a consideration when developing new vessels for the future, designing of crewboats must ultimately be about sustainability, comfort and efficiency.

- (10) *How do we maintain our edge against competitors?*

Mr Tham said that there was no magic formula for this. The Penguin team will endeavor to go the extra mile for its customers and above and beyond what is expected.

- (11) *What percentage of our revenues is related to the Offshore Renewables Sector/Wind Farm Sector?*

Ms Tung stated that 27% of the revenue was related to the Offshore Renewables Sector/Wind Farm Sector.

- (12) *Does Penguin have sufficient financing options for the years ahead?*

Ms Tung responded in the affirmative.

VOTING

As all questions had been addressed and all resolutions tabled, the Chairman directed that a poll be taken on all the resolutions pursuant to the Company's Constitution. After shareholders completed the "live" voting, the Chairman declared the voting closed. The Chairman then adjourned the Meeting at 11.10 a.m. for the votes to be counted.

After the Scrutineers completed their verification, the Meeting resumed at 11.17 a.m. with the requisite quorum.

The Chairman proceeded to announce the results of the voting for Resolution 1 to Resolution 9, which were displayed on the webcast screen. The Chairman read out the results of the polls as follows:

Ordinary Resolution 1 – Adoption of the Directors' Statement and Audited Financial Statements for the year ended 31 December 2022

Results	For	Against	Total
Votes received	177,504,073	0	177,504,073
Percentage	100.00%	0%	100.00%

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

Ordinary Resolution 2 – Declaration of First and Final Tax Exempt (One-tier) Dividend

Results	For	Against	Total
Votes received	177,504,073	0	177,504,073
Percentage	100.00%	0%	100.00%

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

Ordinary Resolution 3 – Approval of Directors’ Fees

Results	For	Against	Total
Votes received	177,504,073	0	177,504,073
Percentage	100.00%	0%	100.00%

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

Ordinary Resolution 4 – Re-election of Mr Jeffrey Hing Yih Peir as Director

Results	For	Against	Total
Votes received	177,504,073	0	177,504,073
Percentage	100.00%	0%	100.00%

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

Ordinary Resolution 5 – Re-election of Mr Leow Ban Tat as Director

Results	For	Against	Total
Votes received	177,504,073	0	177,504,073
Percentage	100.00%	0%	100.00%

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

Ordinary Resolution 6 – Re-election of Mr Winston Kwek Choon Lin as Director

Results	For	Against	Total
Votes received	177,504,073	0	177,504,073
Percentage	100.00%	0%	100.00%

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

Ordinary Resolution 7 – Re-appointment of PKF-Cap LLP as Auditor

Results	For	Against	Total
Votes received	177,504,073	0	177,504,073
Percentage	100.00%	0%	100.00%

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

Ordinary Resolution 8 – Share Issue Mandate

Results	For	Against	Total
Votes received	177,361,373	142,700	177,504,073
Percentage	99.92%	0.08%	100.00%

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

Ordinary Resolution 9 – Proposed Renewal of the Share Buy-back Mandate

Results	For	Against	Total
Votes received	177,504,073	0	177,504,073
Percentage	100.00%	0%	100.00%

Based on the results of the poll, the Chairman declared Resolution 9, carried.

CLOSING

As there was no other business, the Chairman thanked all shareholders who attended the live webcast and declared the Meeting closed at 11.23 a.m.

Confirmed by:

Jeffrey Hing Yih Peir
Executive Chairman



PENGUIN INTERNATIONAL LIMITED

(Company Registration Number: 197600165Z)

**ANNUAL GENERAL MEETING TO BE HELD ON 27 APRIL 2023
RESPONSES TO SUBSTANTIAL AND RELEVANT QUESTIONS FROM SHAREHOLDERS**

The Board of Directors of Penguin International Limited (the "Company") would like to thank shareholders for submitting their questions in advance of the Annual General Meeting to be held by electronic means on 27 April 2023.

The responses to the questions are set out as follows:

- 1. On page 120 of Annual Report, chartering revenue has increased by 17.2% to \$30.85m but segment profit has declined by about 4.6% to \$9.63m. Why has the profit margin declined? Has the chartering rates or utilisation declined during the year?**

Our profit margin decline was due mainly to lower charter rates for our crewboats, fewer fleet vessel sales, higher marine insurance costs and higher crew costs.
- 2. The Group has added 9 new crewboats to the chartering fleet. Have these vessels been successfully chartered out to customer?**

Most of the 9 new crewboats were on charter in FY2022.
- 3. The Group has spent high CAPEX on adding new crewboats to the chartering fleet. Do the Group intend to continue this rate of expansion for the next financial year?**

Barring unforeseen circumstances, we will continue to expand and renew our fleet of crewboats, as we try to grow our chartering business.

By Order of the Board

James Tham Tuck Choong
Managing Director
21 April 2023