



GRAND BANKS YACHTS LIMITED

(Company Reg. No.: 197601189E)
(the "Company")

MINUTES OF ANNUAL GENERAL MEETING

- VENUE** : York Hotel Singapore, (Rose Room I & II – Upper Lobby Level)
21 Mount Elizabeth, Singapore 228516
- DATE** : Thursday, 26 October 2023
- TIME** : 10.00 a.m.
- PRESENT** : **Directors:**
*Mr. Heine Askaer-Jensen – Chairman and Independent Non-Executive Director
Mr. Basil Chan – Independent and Non-Executive Director
Mr. Gerard Lim Ewe Keng – Non-Independent and Non-Executive Director
*Mr. Gary James Weisman – Independent and Non-Executive Director
*Mr. Mark Jonathon Richards – Executive Director and Chief Executive Officer
- * Attended via Video-Conference*
- IN ATTENDANCE** : Mr. Chiam Heng Huat – Chief Financial Officer
Mr. Ler Ching Chua – Secretary
- SHAREHOLDERS / INVITEES** : As per attendance record maintained by the Company.
- CHAIRMAN** : Mr. Heine Askaer-Jensen
- CHAIRMAN OF THE MEETING** : Mr. Basil Chan

CHAIRMAN

It was noted that the Chairman of the Board, Mr. Heine Askaer-Jensen, due to health reasons, was not able to be present in person for the Annual General Meeting ("**AGM**"). Mr. Basil Chan, the Independent and Non-Executive Director of the Company, was invited by the Board members to chair the AGM.

QUORUM

As a quorum was present, the Chairman declared the AGM open at 10.00 a.m. and introduced the Directors and Management team present in person at the AGM and the for the following directors, who attended the AGM via video-conference:

- 1) Mr. Heine Askaer-Jensen, Chairman of the Board, who was away due to health reasons;
- 2) Mr. Mark Jonathon Richards, the Executive Director and Chief Executive Officer, who was away to attend a USA Boat Show; and
- 3) Mr. Gary James Weisman, Independent and Non-Executive Director, who was away due to unforeseen family matters.

Mr. Askaer, Mr. Richards and Mr. Weisman, each personally, extended their apologies for not being present in person at the AGM.

NOTICE

With the consent of the shareholders present, the Notice dated 10 October 2023 convening the AGM was taken as read.

ADDRESS BY CHAIRMAN

Before proceeding with the business of the AGM, the Chairman briefed the shareholders that:

- a) In his capacity as Chairman of the meeting, he had been appointed as a proxy by shareholders who have directed him to vote "FOR" or "AGAINST" the motions and he will be voting in accordance with their instructions today.
- b) All resolutions as set out in the Notice of this meeting would be voted on by way of poll in accordance with the Company's Constitution as well as in compliance with the requirement of the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST") for all listed companies to conduct voting by poll for all general meetings.
- c) Polling would be conducted electronically via wireless handsets and voting shall take place immediately after each motion has been duly proposed and seconded.
- d) Results of poll would be announced after all the resolutions have been voted on.
- e) DrewCorp Services Pte Ltd has been appointed as Scrutineers for the poll. Boardroom Corporate & Advisory Services Pte. Ltd. has been appointed as the Polling Agent.
- f) The validity of all proxy forms completed and submitted by shareholders by the submission deadline of 10.00 a.m. on 25 October 2023 have been reviewed and the votes of all such valid proxies have been verified by the Scrutineers.
- g) Chairman thanked all shareholders for submitting their questions in advance of the AGM. The Company had in its SGXNet announcement released on 23 October 2023 addressed and provided its answers to substantial and relevant questions received in relation to the resolutions tabled for approval at today's AGM. The responses to those questions were also available at the Company's website.
- h) Chairman would open the floor to shareholders for the Q&A session after the conclusion of the CFO and CEO's presentation on the Company's financial and operational performance for FY2023.
- i) He advised that Minutes of the AGM be announced via SGXNet and published on the Company's website within one (1) month from the date of the AGM.

CHAIRMAN MESSAGE

On behalf of Mr. Askaer, the Chairman of the Board, Mr. Basil Chan read out Mr. Askaer's Chairman message outlining the overall business performance of the Group, including strong order book, new initiatives undertaken and challenges encountered by the Company during FY2023.

PRESENTATION BY THE CHIEF FINANCIAL OFFICER ("CFO") and CHIEF EXECUTIVE OFFICER ("CEO")

The Chairman then invited the CFO, Mr. Chiam Heng Huat ("**Mr. Chiam**"), to give a brief presentation on the Group's financial performance for FY2023 and 1Q FY2024. Following the CFO's presentation, the CEO, Mr. Mark Jonathon Richards, briefed shareholders on the Group's Operational performance for FY2023 and Outlooks. A copy of both presentations are annexed to these Minutes as **Appendix "A"**.

The Chairman thanked the CEO and the CFO for their presentation and continued with the proceedings of the AGM.

QUESTIONS AND ANSWERS

After the conclusion of the CEO's briefing, the Chairman opened the floor for a Questions and Answers session. A summary of all the questions and answers dealt during the AGM is annexed to these Minutes as **Appendix "B"**.

ELECTRONIC POLL VOTING PROCEDURES

After dealing with questions from the shareholders, the Chairman invited the Scrutineers to brief the shareholders on the electronic poll voting procedures. A short video explaining the procedures for the electronic voting was played. It was noted that shareholders were to cast their vote after each resolution had been formally proposed and seconded. The results of the poll would be displayed at the end of the AGM after all resolutions as set out in the Notice of AGM had been dealt with and duly voted.

The Chairman proceeded with the business of the AGM and invited the CFO, Mr. Chiam Heng Huat, to read out the proposed motions.

ORDINARY BUSINESS**1. Adoption of Directors' Statement and Audited Financial Statements of the Company for the financial year ended 30 June 2023 – Ordinary Resolution 1**

The Directors' Statement and Audited Financial Statements for the financial year ended 30 June 2023 together with the Auditors' Report thereon were tabled and noted.

The Ordinary Resolution 1 as set out in the Notice of AGM was proposed by Teh Swee Khoi and seconded by Tan Lee Hua and the shareholders were instructed to cast their votes on the motion.

2. Declaration of first and final one-tier tax exempt dividend of 1.0 Singapore cent per ordinary share for the financial year ended 30 June 2023 – Ordinary Resolution 2

The CFO informed the shareholders that the proposed dividend, if approved, would be paid on 17 November 2023.

The Ordinary Resolution 2 as set out in the Notice of AGM was proposed by Bay Guan Seng and seconded by Tan Lee Hua and the shareholders were instructed to cast their votes on the motion.

3. Re-appointment of KPMG LLP as Auditors of the Company – Ordinary Resolution 3

The CFO informed the shareholders that KMPG LLP had expressed their willingness to continue in office.

The Ordinary Resolution 3 as set out in the Notice of AGM was proposed by Lai Siew Pieng and seconded by Hwee Mei Lai and the shareholders were instructed to cast their votes on the motion.

4. Payment of additional Directors' fees of S\$51,500 for the financial year ended 30 June 2023 – Ordinary Resolution 4

The CFO informed the shareholders that the Board had recommended the payment of an additional Directors' fees of S\$51,500 for the financial year ended 30 June 2023.

The Ordinary Resolution 4 as set out in the Notice of AGM was proposed by Tan Lee Hua and seconded by Hwee Mei Lai, and the shareholders were instructed to cast their votes on the motion.

5. Payment of Directors' fees of S\$304,000 for the financial year ending 30 June 2024 – Ordinary Resolution 5

The CFO informed the shareholders that the Board had recommended the payment of S\$304,000 as Directors' fees for the financial year ending 30 June 2024 to be paid quarterly in arrears

The Ordinary Resolution 5 as set out in the Notice of AGM was proposed by Tan Lee Hua seconded by Goh Choon Hiang, and the shareholders were instructed to cast their votes on the motion.

6. Re-Appointment of Mr. Heine Askaer-Jensen as an Independent and Non-Executive Director – Ordinary Resolution 6

The CFO informed the shareholders that Mr. Askaer, who was retiring pursuant to Article 86 of the Company's Constitution and Rule 720(5) of the Listing Manual, has signified his consent to continue in office. It was noted that Mr. Askaer, upon re-appointment as an Independent and Non-Executive Director of the Company, would remain as the Chairman of the Board, Chairman of Remuneration Committee, a member of the Risk Management and Audit Committee, Nominating Committee and Strategic Committee and will be considered Independent under the SGX-ST's Listing Manual.

The Ordinary Resolution 6 as set out in the Notice of AGM was proposed by Goh Choon Hiang and seconded by Hwee Mei Lai, and the shareholders were instructed to cast their votes on the motion.

7. Re-Appointment of Mr. Basil Chan as an Independent and Non-Executive Director – Ordinary Resolution 7

The CFO informed the shareholders that Mr. Basil Chan, who was retiring pursuant to Article 86 of the Company's Constitution and Rule 720(5) of the Listing Manual, has signified his consent to continue in office. It was noted that Mr. Chan, upon re-appointment as an Independent and Non-Executive Director of the Company, would remain as the Chairman of the Risk Management and Audit Committee, Chairman of the Nominating Committee and a member of the Remuneration Committee and will be considered Independent under the SGX-ST's Listing Manual.

The Ordinary Resolution 7 as set out in the Notice of AGM was proposed by Tan Lee Hua and seconded by Teh Swee Khoi, and the shareholders were instructed to cast their votes on the motion.

8. Authority to Issue Shares – Ordinary Resolution 8

The meeting noted that Ordinary Resolution 8 was to authorise the Directors to issue new shares pursuant to Section 161 of the Companies Act 1967 and Rule 806 of the Listing Manual of the SGX-ST.

The Ordinary Resolution 8 as set out in the Notice of AGM was proposed by Teh Swee Khoi and seconded by Tan Lee Hua, and the shareholders were instructed to cast their votes on the motion.

9. Authority to issue shares under the Grand Banks Performance Share Plan 2014 and the Grand Banks Employee Share Option Scheme 2014, respectively – Ordinary Resolution 9

The meeting noted that Ordinary Resolution 9 was to authorise the Directors and/or the Remuneration Committee to grant awards and/or to offer and grant options under the abovementioned Plans, respectively, and to allot and issue shares in respect of all awards and options granted under the respective Plans.

The Ordinary Resolution 9 as set out in the Notice of AGM was proposed by Tan Lee Hua and seconded by Goh Choon Hiang, and the shareholders were instructed to cast their votes on the motion.

After all the 9 Ordinary Resolutions as set out in the Notice of AGM were duly proposed, seconded and voted, the CFO proceeded to announce the poll voting results for each resolution.

Based on the results of the poll, the Chairman declared Ordinary Resolutions 1 to 9 carried. The details of the Ordinary Resolutions and the poll results are attached as **Appendix "C"**.

CONCLUSION

There being no further business, the Chairman declared the AGM of the Company closed at 11.20 a.m. and thanked everyone for their attendance.

CONFIRMED AS A TRUE RECORD
OF PROCEEDINGS OF THE MEETING



BASIL CHAN
CHAIRMAN FOR THE MEETING

Grand Banks Yachts Limited

FY2023 Annual General Meeting

26 OCTOBER 2023



Chairman's Statement



GB
MARINE GROUP

FINANCIAL HIGHLIGHTS FY2023



BALANCE SHEET

AS AT 30 JUNE 2023

S\$ ('000)	30 Jun 23	30 Jun 22	Change (%)
Total Assets	129,481	112,994	14.6
Total Liabilities	60,358	49,509	21.9
Total Equity	69,123	63,485	8.9
Cash and Fixed Deposits	40,063	36,337	10.3
Total Borrowings	4,695	4,663	0.7
Net Asset Value Per Share (cents)	37.44	34.38	8.9

FINANCIAL SNAPSHOT FY2023

S\$ ('000)	FY2023	FY2022	Change (%)
Revenue	114,171	75,177	51.9
Gross Profit	36,785	19,963	84.3
Gross Profit Margin (%)	32.2	26.6	5.6 ppt*
Total Operating Expenses	(22,172)	(17,289)	28.2
Profit Before Tax	14,710	2,948	398.9
Net Profit	10,108	4,014	151.8
Earnings Per Share (cents)	5.47	2.17	151.8

*ppt: Percentage Points

FINANCIAL REVIEW

FY2023

- Higher boat-building activities lift FY2023 revenue 51.9% to S\$114.2 million from S\$75.2 million in FY2022
- Gross profit for FY2023 rose to S\$36.8 million (FY2022: S\$20.0 million)
- FY2023 profit before tax increased almost five-fold to S\$14.7 million (FY2022: S\$2.9 million)
- Net profit after tax rose 151.8% year-on-year to S\$10.1 million in FY2023, highest in more than ten years
- Recorded 19 new boats and one trade-in boat during the year in review
- Net order book of S\$159.4 million as at 30 June 2023, compared to S\$182.9 million a year ago

FINANCIAL REVIEW

1Q FY2024

- Revenue of S\$31.0 million in 1Q FY2024, 38.5% increase from S\$22.4 million in 1Q FY2023
- 1Q FY2024 gross profit rose 68.9% to S\$10.1 million from S\$6.0 million, outpacing revenue growth
- Accordingly, gross profit margin for 1Q FY2024 lifted to 32.6% (1Q FY2023: 26.7%)
- Profit before tax increased to S\$4.7 million in 1Q FY2024 from S\$1.1 million a year ago, driven by internal efficiency improvements and higher topline
- Accordingly, 1Q FY2024 net profit rose 158.0% to S\$2.8 million from S\$1.1 million in 1Q FY2023
- 5 new boat orders recorded; net order book stood at S\$148.8 million, compared to S\$159.4 million as at 30 June 2023

CEO's Statement



GB
MARINE GROUP

OPERATIONS REVIEW FY2023



FY2023 OPERATIONS REVIEW

- Improved scheduling and overtime policies to accelerate boat-building activities
- Improved operational efficiencies, refined processes and optimised shopfloor layout
- Secured first order for latest Palm Beach 85, largest Palm Beach model to date
- Acquired new property in December 2022 in Stuart, Florida, USA to strengthen branding in the USA, the Group's main market
- Commenced expansion of Pasir Gudang yard in August 2023 to increase production capacity

GROUP OUTLOOK

- Operating environment remains challenging amid geopolitical uncertainty, lifting of travel restrictions and high-interest rates
- That said, Group remains cautiously optimistic, based on strong visitor attendance at recent boat shows
- Strong order book will cushion impact of short-term market challenges
- Meanwhile, planned expansion will pave the way for bigger, sleeker yachts with greater fuel efficiency
- Group will continue to accelerate boat-building activities to shorten delivery times

QUESTIONS & ANSWERS



PASIR GUDANG YARD TOUR FEBRUARY 2023



UPCOMING INVESTORS AND ANALYSTS BRIEFING

Date: 8 November 2023 (Wednesday)

Time: 3:00 pm

Location:

RNN Conference Centre - 137 Cecil St, #04-01
Cecil Building, Singapore 069537



GRAND BANKS YACHTS LIMITED

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RESPONSES TO QUESTIONS RECEIVED FROM SHAREHOLDERS

AT THE ANNUAL GENERAL MEETING HELD ON THURSDAY, 26 OCTOBER 2023 ("AGM")

Summary of the questions received from the shareholders and proxyholders who had attended the Company's AGM held on 26 October 2023, and the Company's responses are as set out below.

Questions were addressed by Mr. Mark Jonathon Richards, the Executive Director and Chief Executive Officer of the Company.

Comment from Shareholder : *A note of appreciation to the Board and Management team was recorded in recognition of the Group's excellent results for the financial year ended 30 June 2023.*

Question 1 : **As the trend changes, technology changes, and customer preferences in terms of fuel efficiency have also changed. What new technologies are customers looking at? How do you read the ground and how does the Company plan to stay ahead? What is the trend in boats and how do you see yourself staying on top?**

Response : Grand Banks and Palm Beach boats use 30% – 40% less power than any equivalent vessels in their class, making them one of the most efficient boats in the world. In terms of technology and construction techniques, we use carbon fibre for weight reduction and structural strength, and we use the most efficient engines, Volvo, for fuel efficiency.

The Company's view is that hydrogen is currently the most viable solution as electric and batteries will not be suitable for long-haul vessels. We are closely monitoring the development of alternative fuels, and are ready and fully committed to using them for our boat engines in the future.

In addition, our factory extension and expansion are going to take us to the next level, and not just in production efficiencies, but also in technologies.

Question 2 : **Can the Company's mainstream revenue grow bigger as GB USA is expanding? Not just building boats, but offering service, repairs, etc. Is this something the Company is looking at in order to keep our customers with the Company in the long term?**

Response : The expansion of the Company's US headquarters in Stuart, Florida, will allow us to convert the residential site for commercial use, paving the way for better facilities and services to our customers. This will attract potential and existing customers to place new boat orders, and the service income and sales revenue generated will contribute positively to our financial performance.

Beyond service income, the Stuart yard serves as a one-stop shop for pre and after-sales customer services. Customer satisfaction is a very important aspect of the Group's business, and we have a strong reputation for providing excellent, such as giving goodwill warranty. A pleasant experience will attract potential future buyers while keeping existing customers happy, which drives long-term financial performance and value.

GRAND BANKS YACHTS LIMITED

(Company Reg. No.: 197601189E)

(the "Company")

RESULTS OF ANNUAL GENERAL MEETING HELD ON 26 OCTOBER 2023 ("AGM")

The Board of Directors (the "Board") of the Company wishes to announce that at the AGM of the Company held on 26 October 2023, the following resolutions as set out in the Notice of AGM dated 10 October 2023, were duly approved and passed by the shareholders of the Company by way of poll.

The information as required under Rule 704(16) of the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST") is set out below:

(a) Breakdown of all valid votes cast at AGM

Resolution number and details	For		Against		Total number of shares represented by votes for and against the relevant resolution
	Number of shares	As a percentage of total number of votes for and against the resolution (%)	Number of shares	As a percentage of total number of votes for and against the resolution (%)	
<u>Ordinary Business</u>					
Ordinary Resolution 1 To receive and adopt the Directors' Statement and Audited Financial Statements of the Company for the financial year ended 30 June 2023.	113,512,572	100.00	0	0.00	113,512,572
Ordinary Resolution 2 To declare a first and final one-tier tax exempt dividend of 1.0 Singapore cent per ordinary share for the financial year ended 30 June 2023.	113,070,772	100.00	0	0.00	113,070,772
Ordinary Resolution 3 To re-appoint KPMG LLP as Auditors of the Company and to authorise the Directors to fix their remuneration.	112,407,572	99.62	433,000	0.38	112,840,572
Ordinary Resolution 4 To approve payment of additional Directors' fees of S\$51,500 for the financial year ended 30 June 2023.	111,406,768	99.58	469,000	0.42	111,875,768

GRAND BANKS YACHTS LIMITED

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Results of the Annual General Meeting Held on 26 October 2023

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Resolution number and details	For		Against		Total number of shares represented by votes for and against the relevant resolution
	Number of shares	As a percentage of total number of votes for and against the resolution (%)	Number of shares	As a percentage of total number of votes for and against the resolution (%)	
<u>Ordinary Business</u>					
Ordinary Resolution 5 To approve payment of Directors' fees of S\$304,000 for the financial year ending 30 June 2024.	111,245,368	99.58	469,200	0.42	111,714,568
Ordinary Resolution 6 To re-appoint Mr. Heine Askaer-Jensen as Director by rotation pursuant to Article 86 of the Company's Constitution and Listing Rule 720(5) of the SGX-ST.	111,076,868	99.97	30,200	0.03	111,107,068
Ordinary Resolution 7 To re-appoint Mr. Basil Chan as Director by rotation pursuant to Article 86 of the Company's Constitution and Listing Rule 720(5) of the SGX-ST.	113,207,868	100.00	200	0.00	113,208,068
<u>Special Business</u>					
Ordinary Resolution 8 To approve the authority to issue shares.	111,287,268	99.25	841,200	0.75	112,128,468
Ordinary Resolution 9 To approve the authority to grant awards and/or options and to allot and issue shares under the Grand Banks Performance Share Plan 2014 and the Grand Banks Employee Share Option Scheme 2014, respectively.	99,014,968	99.11	892,200	0.89	99,907,168

GRAND BANKS YACHTS LIMITED

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Mr. Heine Askaer-Jensen, who was re-appointed as an Independent and Non-Executive Director of the Company, remains as Chairman of the Board, Chairman of Remuneration Committee, a member of the Risk Management and Audit Committee, Nominating Committee and Strategic Committee and will be considered Independent.

Mr Basil Chan, who was re-appointed as an Independent and Non-Executive Director of the Company, remains as Chairman of the Risk Management and Audit Committee, Chairman of the Nominating Committee and a member of the Remuneration Committee and will be considered independent.

(b) Details of parties who are required to abstain from voting on any resolutions

For good corporate governance, the following Directors had voluntarily abstained from voting on the following resolutions:

Name of Director	Number of Shares held	Ordinary Resolution No.
Heine Askaer Jensen	701,500	4, 5, 6, 9
Basil Chan	301,500	4, 5, 7, 9
Gary James Weisman	275,000	4, 5, 9
Gerard Lim Ewe Keng	212,000	4, 5, 9
Mark Jonathon Richards	11,025,400	9

(c) Name of firm and/or person appointed as scrutineer:

DrewCorp Services Pte. Ltd. was appointed as Scrutineers at the AGM.

By Order of the Board

GRAND BANKS YACHTS LIMITED

Ler Ching Chua

Company Secretary

26 October 2023