



RESPONSE TO SGX QUERIES

The Board of Directors of BBR Holdings (S) Ltd (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to provide the following information in response to the queries raised by the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) on 21 April 2022 in relation to the Company’s Annual Report for the full year ended 31 December 2022 (“**AR FY2022**”).

SGX-ST’s Query:

Listing Rule 710 requires issuers to explicitly state, when deviating from the provisions prescribed in the Code of Corporate Governance 2018 (the “Code”), an explanation on how the practices it had adopted are consistent with the intent of the relevant principle. We note that the Company had not complied with Provision 2.2 of the Code as Independent directors do not make up a majority of the Board where your Chairman is not independent, and there were no explanations provided for in your AR FY2022 on how it is consistent with the intent of Principle 2 of the Code. Please clarify how the practices the Company had adopted are consistent with the intent of Principle 2 of the Code, which requires the Board to have an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interest of the Company.

Company’s Response:

The Board currently comprises eight directors, of which two are Executive Directors and six are Non-Executive Directors, out of which three are Independent Directors. The Independent Non-Executive Directors therefore make up one-third of the Board.

Although Independent Directors do not make up a majority of the Board where our Chairman is not independent, the Company continues to maintain a strong and independent element on the Board. The Board has diversity of thought and background in its composition with Independent Directors exercising oversight function and leading discussions to form decisions in the best interest of the Company.

Board Committees - Audit Committee, Remuneration Committee and Nominating Committee - are all chaired by an Independent Director and majority of the members in these committees are Independent Directors.

Executive Directors make up a minority on the Board while Non-Executive Directors form the majority. The Non-Executive Directors including the Independent Directors, constructively challenge Management’s proposals or decisions with their independent judgement, help develop proposals on strategy and they review and monitor Management’s performance against goals and objectives. Their views and opinions provide alternative perspectives to the Group’s business.

The independence of each Independent Director is reviewed annually by the Nominating Committee. Pages 118 and 119 of AR FY2022 set out how the Nominating Committee assesses the independence of the Independent Directors.

Additionally, as set out on page 115 of AR FY2022, all directors shall fully avoid any conflict of interest possible and declare any actual and potential conflicts of interest. He/she should not vote on any matter in which he/she has any direct or indirect interest and should recuse himself/herself from the portion of the meeting where there is a potential conflict. In addition, his/her presence should not be counted towards the quorum of any meeting for any resolution where he/she is recused or refrained from voting.

In view of the above, the Company is of the view that the intent of Principle 2 of the Code is met with an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the Company.

BY ORDER OF THE BOARD

Tan Kheng Hwee Andrew
Chief Executive Officer
24 April 2023