Securities Investors Association (Singapore)
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Email: admin@sias.org.sg www.sias.org.sg
UEN No: S99SS0111B
GST Reg No: M90367530Y

Issuer: CEI Limited

Stock code: AVV

Meeting details:
Date: 28 May 2020
Time: 9.00 a.m.

Due to the current COVID-19 pandemic, SIAS encourage shareholders to participate at AGMs via other means and not to attend any AGM physically. Where the AGM is webcast, they can stay on top of their investments by watching the webcast and submitting their question to the company in advance. Senior citizens should avoid attending AGMs altogether and stay home.

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Q1. As noted in the chairman's message, for the financial year 2020, global economic headwinds and the COVID-2019 pandemic have resulted in uncertainties in some part of the group's businesses.

The company focuses on high mix low volume niche segment and has established a broad customer based from a diverse range of market segments, including analytical instruments, medical equipment, semi-conductor equipment, oil and gas industries.

(i) **Would management elaborate further on the impact of its operations in Batam, Singapore and Vietnam?**

(ii) **Given the high mix low volume nature of the group's business, is there a significant risk that projects and orders (both new and already in the order book) are deferred and cancelled either due to a drop in customer demand or travel restrictions and disruption in the supply chain?**

Q2. The attendance of directors at board, board committee and shareholder meetings are shown on page 11 of the annual report and reproduced below.

Type of Meetings	Board	NC	RC	AC	BRC	AGM
No. of Meetings Held	3	3	3	3	1	1

Name of Directors	No. of Meetings Attended					
Tien Sing Cheong	3	3	N/A	N/A	N/A	1
Tan Ka Huat	3	N/A	N/A	N/A	N/A	1
Tan Bien Chuan	3	3	3	3	1	1
Tang Martin Yue Nian	3	3	3	3	1	*
Gan Chee Yen	3	N/A	3	3	1	*
Colin Ng Teck Sim	1	1	1	1	1	1
Theng Siew Lian Lisa	(Appointed on 1st December 2019)					
Wang Ya Lun Allen (Alternate Director to Gan Chee Yen)	2	N/A	2	2	1	*

* Absent with apologies

(Source: company annual report)

As can be seen from the table above, Mr Colin Ng Teck Sim attended just 1 out of the 3 board meetings and 3 out of the 9 board committee meetings held.

The company has stated that the dates of board and board committee meetings as well as annual general meeting ("AGM") are scheduled one year in advance. To assist directors in planning their attendance, the company secretary consults every director before fixing the dates of these meetings.

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(i) **Can shareholders understand if there were any extenuating circumstances that led Mr Ng to be absent at the board meetings and board committee meetings?**

In addition, 2 directors were absent at the annual general meeting held on 24 April 2019. The alternate director (to one of the absent directors) did not attend the annual general meeting as well.

(ii) **Similarly, can shareholders understand if there were any extenuating circumstances that led Mr Tang Martin Yue Nian and Mr Gan Chee Yen to be absent at the board meetings and board committee meetings?**

(iii) **Given that the company's AGM is an important platform for directors to engage with shareholders, how can the company and the directors better ensure that directors attend the AGM?**

Q3. Provision 2.4 of the Code of Corporate Governance 2018 provides for the board and board committees to be of an appropriate size, and comprise directors who as a group provide the appropriate balance and mix of skills, knowledge, experience, and other aspects of diversity such as gender and age, so as to avoid groupthink and foster constructive debate.

The provision also states that the board diversity policy and progress made towards implementing the board diversity policy, including objectives, are disclosed in the company's annual report.

(i) **Would the board disclose its board diversity policy?**

In addition, the company has early adopted the two-tier vote for independent directors who have served on the board for more than 9 years.

(ii) **With regard to the current board composition, how does the board ensure that there is no groupthink and that it pro-actively achieves constructive debate despite the familiarity amongst its board directors?**

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^Amid the global COVID-19 outbreak, issuers who choose to proceed with the AGM before 30 April 2020 must provide opportunities for shareholders to ask questions. Shareholders are encouraged to read the annual report and submit any questions they might have to the companies in advance. Issuers would then publicly address the questions at the general meeting via the issuer's website, through "live" webcast and on SGXNet.

Shareholders are welcome to use and/or adapt the questions prepared by SIAS and to forward them to the company.

Can't attend the AGM or view the webcast? Check out the latest questions on the annual reports of listed companies on SIAS website

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^ Joint Statement by Accounting and Corporate Regulatory Authority, Monetary Authority of Singapore and Singapore Exchange Regulation dated 31 Mar 2020 (https://www.sgx.com/media-centre/20200331-acra-mas-and-sgx-regco-update-guidance-general-meetings)