GOODLAND GROUP LIMITED

Incorporated in the Republic of Singapore
Company Registration No. 200405522N

RESPONSE TO SGX REGCO'S QUERIES IN RELATION TO THE COMPANY'S CONDENSED INTERIM FINANCIAL STATEMENT (UNAUDITED) FOR THE SIX-MONTH FINANCIAL PERIOD ENDED 31 MARCH 2022

The Board of Directors (the "**Board**") of Goodland Group Limited (the "**Company"**, and together with its subsidiaries, the **"Group"**) refers to the queries raised by the Singapore Exchange Regulation ("**SGX RegCo**") on 17 June 2022 in relation to the Company's Condensed Interim Financial Statements (Unaudited) for the six-month financial period ended 31 March 2022 released on 13 May 2022 and wishes to provide the following information:

SGX Query 1:

In respect of the Group's development properties for sale of S$215,890,000, please disclose:-
(i) the nature and breakdown of the development properties for sale.

The Company's Response:

The nature and breakdown of the development properties for sale is as follows:-

Region	Development Types	Value*
Local	Industrial, Commercial, Residential	S$49,817,000
Overseas	Commercial, Residential	S$166,073,000
	Total	S$215,890,000

*Rounded to nearest thousand

SGX Query 2:

In respect of the Group's bank borrowings amounting to S$77,123,000, please disclose:-

(i) the details of the loan, including the terms of the loan interest on loans and maturity dates;
(ii) when were the loans obtained and approved by the Board including the Audit Committee; and
(iii) the use of proceeds from the loan.

The Company's Response:

Details of the loan are indicated at below table:

Nature of Loan	Bank Borrowings as at 31 March 2022*	Terms of the loan interests	Maturity Dates	Date of Approval from Board including the Audit Committee
Property Development	S$46,875,000	1, 3 or 6 months	Repayable on monthly, quarterly or half-yearly basis until legal sales completion of development projects	HT - 27 September 2021 JK - 10 February 2020 ML - 6 Jan 2020 KCD - 26 November 2019
		1 or 3 months	Repayable on monthly or quarterly basis until legal sales completion of development projects	SR - 23 September 2021
		1 month	Repayable on demand or unless it is rolled over for another interest period	KCD - 20 Sep 2018
Working Capital	S$30,248,000	3 or 6 months	Repayable on full on maturity date unless it is rolled over for another interest period	RL - 2 June 2014 KCL - 30 April 2014 AR - 19 Sep 2016
Total	S$77,123,000			

*Rounded to nearest thousand

HT: Development property ("DP") on Hillside Terrace; JK: DP on Jalan Kemuning; ML: DP on Mayflower Lane; KCD: DP on Kim Chuan Drive; SR: DP on Serangoon Road; RL: Investment Property ("IP") on Roberts Lane; KCL: IP on Kim Chuan Lane; AR: IP on Amber Road

SGX Query 3:

It is noted that the Company has a net cash generated from operating activities of -S$11,924,000 and a profit for the period of S$1,467,000. Please explain why the Company is unable to generate net cash inflow from its operating activities, despite the Company's profit position for the financial period.

The Company's Response:

Included in the negative net cash generated from operating activities were the acquisitions of development properties at Serangoon Road and Hillside Terrace during the financial period. 80% of the acquisition costs are financed by financial institutions.

SGX Query 4:

Given the Group's current liabilities of S$90,373,000 and cash and cash equivalents of only S$9,420,000, please disclose the Board's assessment on (i) whether the Company's current assets are adequate to meet the Company's bank borrowings of S$77,123,000, including its bases of assessment; and (ii) how the Company intends to fulfil its significant payment obligations in the next 12 months. Where the Company has worked out debt repayment plans to fulfil its debt obligations, please disclose if the Company is on track to fulfilling these obligations.

The Company's Response:

(i) Of the amount of S$77,123,000 in bank borrowings, S$46,875,000 of property development loans were utilised for the costs of land acquisitions and construction costs for the Group's development projects.

The Board from time to time reviews the progress of development property sales and stages of construction and is in the opinion that the Group is achieving steady progress on both sales and construction stages for the various development projects; and will be able to repay the related bank borrowings in the next 1 to 5 years as and when they fall due. As for the working capital loan, continuous rental proceeds from investment properties and profits from sale of development properties will enable the Group to fulfil its debt liabilities.

(ii) For the next 12 months, and similarly for the long-term, rental proceeds from investment properties and profits from sale of development properties will enable the Group to fulfil its debt obligations as and when they fall due. The Group is on track to fulfilling these obligations.

The Group has been actively reviewing our leasing operations by engaging existing tenants in active conversation and securing new tenants with good financial health records in order to form a strong income pool from rental proceeds. For development properties, the Group will cautiously add-on to its land bank and beef up the marketing activities to secure buyers.

By Order of the Board
Goodland Group Limited

Hor Swee Liang
Company Secretary

21 June 2022