

# **BUKIT SEMBAWANG ESTATES LIMITED**

(Incorporated in the Republic of Singapore)

Company Registration No. 196700177M

(the "Company")

## **55<sup>TH</sup> ANNUAL GENERAL MEETING**

**MINUTES OF THE 55<sup>TH</sup> ANNUAL GENERAL MEETING ("AGM") OF THE COMPANY HELD BY WAY OF ELECTRONIC MEANS ON WEDNESDAY, 28 JULY 2021 AT 10.30 A.M.**

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### **PRESENT:**

Mr Koh Poh Tiong	: Chairman and Independent Director
Mr Ong Sim Ho	: Independent Director (via webcast)
Mr Lee Chien Shih	: Non-Executive Director (via webcast)
Ms Fam Lee San	: Non-Executive Director (via webcast)
Mr Chng Kiong Huat	: Non-Executive Director (via webcast)
Mr Charles Chow Kim Ghee	: Chief Operating Officer
Ms Lim Mei Hua Lotus Isabella	: Company Secretary (via webcast)

### **MEMBERS**

As per attendance record maintained by the Company.

### **IN ATTENDANCE**

As per attendance record maintained by the Company.

### **CHAIRMAN**

Mr Koh Poh Tiong took the Chair. On behalf of the Board, the Chairman extended a warm welcome to members who attended the meeting which was held via webcast due to the COVID-19 restriction orders.

There being a quorum present, the Chairman called the meeting to order, and proceeded with the formal business of the AGM.

### **NOTICE OF MEETING**

The Notice of the meeting, having been published on SGXNET and the Company's website on 6 July 2021, was taken as read.

### **VOTING BY WAY OF A POLL**

The Chairman advised all members present that pursuant to the requirements of the Listing Rules of the Singapore Exchange Trading Securities Limited, all resolutions for this meeting would be put to the vote, by way of a poll.

The Chairman further advised that, with that in view, Janusys Consultants Pte Ltd. had been appointed Scrutineers, for the conduct of the poll. Members, who wished to vote on the resolutions, had appointed the Chairman of the meeting as their proxy to vote on their behalf, in accordance with the COVID-19 alternative arrangements for meetings. Based on the proxy forms received by the Company, the proxy votes were collected and counted. The poll votes had been validated by the Company's appointed scrutineer.

### **PRESENTATION BY CHIEF OPERATING OFFICER**

The Chairman invited the Chief Operating Officer, Mr Charles Chow Kim Ghee, to present the business updates of the Group. Mr Chow delivered the presentation using slides (as annexed and marked as Appendix 1) which covered "Financial Highlights", "Awards and Accolades", "Projects' Construction Progress & Sales Status" and "Looking Forward: Business Plans".

## QUESTIONS FROM MEMBERS

The Company had received questions from a few members. Substantial and relevant questions were answered and published on SGXNET and the Company's website on 27 July 2021. The summary of questions and answers is annexed hereto and marked as Appendix 2.

## ORDINARY RESOLUTIONS

All the motions, as set out in the Notice dated 6 July 2021, convening the Annual General Meeting were duly proposed by the Chairman.

### ORDINARY BUSINESS ORDINARY RESOLUTIONS

## DIRECTORS' STATEMENT AND AUDITED FINANCIAL STATEMENTS

The Chairman put the following motion to the meeting:

"That the Directors' Statement and Audited Financial Statements for the financial year ended 31 March 2021 and the Auditor's Report thereon be hereby adopted."

The Chairman announced the results as follows and declared Resolution 1 carried:

Total number of valid votes cast	For		Against	
	Number of shares	(%)	Number of shares	(%)
139,353,305	139,353,305	100	0	0

### RESOLVED:

**That the Directors' Statement and Audited Financial Statements for the financial year ended 31 March 2021 and the Auditor's Report thereon, be adopted.**

## FINAL DIVIDEND AND SPECIAL DIVIDEND

The Chairman put the following motion to the meeting:

"That a final dividend of 4 cents per share and a special dividend of 29 cents per share be declared for the financial year ended 31 March 2021."

The Chairman announced the results as follows and declared Resolution 2 carried:

Total number of valid votes cast	For		Against	
	Number of shares	(%)	Number of shares	(%)
139,353,305	139,353,305	100	0	0

### RESOLVED:

**That a final dividend of 4 cents per share and a special dividend of 29 cents per share be declared for the financial year ended 31 March 2021.**

#### RE-ELECTION OF DIRECTOR – LEE CHIEN SHIH

The Chairman put the following motion to the meeting:

“That Mr Lee Chien Shih, retiring by rotation pursuant to Regulation 94 of the Company’s Constitution, be re-elected as Director of the Company.”

The Chairman announced the results as follows and declared Resolution 3 carried:

Total number of valid votes cast	For		Against	
	Number of shares	(%)	Number of shares	(%)
139,353,305	139,350,205	99.998	3,100	0.002

#### RESOLVED:

**That Mr Lee Chien Shih, retiring by rotation pursuant to Regulation 94 of the Company’s Constitution, be re-elected as Director of the Company.**

#### RE-ELECTION OF DIRECTOR – FAM LEE SAN

The Chairman put the following motion to the meeting:

“That Ms Fam Lee San, retiring by rotation pursuant to Regulation 94 of the Company’s Constitution, be re-elected as Director of the Company.”

The Chairman announced the results as follows and declared Resolution 4 carried:

Total number of valid votes cast	For		Against	
	Number of shares	(%)	Number of shares	(%)
139,353,305	139,243,205	99.921	110,100	0.079

#### RESOLVED:

**That Ms Fam Lee San, retiring by rotation pursuant to Regulation 94 of the Company’s Constitution, be re-elected as Director of the Company.**

#### RE-ELECTION OF DIRECTOR – CHNG KIONG HUAT

The Chairman put the following motion to the meeting:

“That Mr Chng Kiong Huat, retiring by rotation pursuant to Regulation 94 of the Company’s Constitution, be re-elected as Director of the Company.”

The Chairman announced the results as follows and declared Resolution 5 carried:

Total number of valid votes cast	For		Against	
	Number of shares	(%)	Number of shares	(%)
139,353,305	139,353,305	100	0	0

**RESOLVED:**

**That Mr Chng Kiong Huat, retiring by rotation pursuant to Regulation 94 of the Company's Constitution, be re-elected as Director of the Company.**

**DIRECTORS' FEES**

The Chairman put the following motion to the meeting:

"That a sum of S\$459,500/- be approved for payment as Directors' fees for the financial year ended 31 March 2021."

The Chairman announced the results as follows and declared Resolution 6 carried:

Total number of valid votes cast	For		Against	
	Number of shares	(%)	Number of shares	(%)
139,353,305	139,353,305	100	0	0

**RESOLVED:**

**That a sum of S\$459,500/- be approved for payment as Directors' fees for the financial year ended 31 March 2021.**

**APPOINTMENT OF AUDITOR**

The Chairman addressed item 7 on the Agenda which was to re-appoint Deloitte & Touche LLP as Auditor of the Company to hold office until the conclusion of the next Annual General Meeting and to authorise the Directors to fix their remuneration.

There being no other nomination, the Chairman recommended that Deloitte & Touche LLP, Certified Public Accountants, Singapore, be re-appointed as Auditor of the Company at a remuneration to be fixed by the Directors. The Chairman put the following motion to the meeting:

"That Deloitte & Touche LLP be re-appointed as Auditor of the Company to hold office until the conclusion of the next Annual General Meeting and that the Directors be authorised to fix their remuneration."

The Chairman announced the results as follows and declared Resolution 7 carried:

Total number of valid votes cast	For		Against	
	Number of shares	(%)	Number of shares	(%)
139,353,305	139,353,305	100	0	0

**RESOLVED:**

**That Deloitte & Touche LLP be re-appointed as Auditor of the Company to hold office until the conclusion of the next Annual General Meeting and that the Directors be authorised to fix their remuneration.**

**SPECIAL BUSINESS**  
**ORDINARY RESOLUTION**

**GENERAL AUTHORITY TO ALLOT AND ISSUE SHARES**

The Chairman advised that the Special Business of the Agenda was to consider the motion as set out in the notice convening the meeting to grant authority to the Directors to allot and issue shares in the capital of the Company pursuant to the provisions of Section 161 of the Companies Act and the listing rules of the Singapore Exchange Securities Trading Limited. The Chairman put the motion set out under "General authority to allot and issue new shares in the capital of the Company" in the Notice of AGM dated 6 July 2021 to the meeting.

The Chairman announced the results as follows and declared Resolution 8 carried:

Total number of valid votes cast	For		Against	
	Number of shares	(%)	Number of shares	(%)
139,353,305	132,661,906	95.198	6,691,399	4.802

**RESOLVED**

**That pursuant to Section 161 of the Companies Act, Chapter 50 of Singapore and the Listing Manual of Singapore Exchange Securities Trading Limited ("SGX-ST"), authority be and is hereby given to the Directors of the Company to:**

- (a) (i) allot and issue shares in the capital of the Company ("Shares") whether by way of rights, bonus 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 or exchangeable into Shares,

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

- (b) (notwithstanding that 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 was in force,

provided that:

- (1) 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, in the capital of the Company (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of Shares to be issued other than on a pro-rata basis to shareholders of the Company (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed 10% of the total number of issued shares, excluding treasury shares, in the capital of the Company (as calculated in accordance with sub-paragraph (2) below);
- (2) (subject to such manner of calculation as may be prescribed by the SGX-ST), for the purpose of determining the aggregate number of Shares that may be issued under sub-paragraph (1) above, the total number of issued shares, excluding treasury shares, shall be based on the total number of issued shares, excluding treasury shares, in the capital of the Company at the time of the passing of this Resolution, after adjusting for:
  - (a) new Shares arising from the conversion or exercise of any convertible securities or from the exercise of share options or vesting of share awards which were issued and are outstanding or subsisting at the time of the passing of this Resolution; and
  - (b) any subsequent bonus issue, consolidation or subdivision of Shares;
- (3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the Constitution for the time being of the Company; and
- (4) (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.

## **CLOSING**

There being no other business, the Chairman thanked the members electronically present for their attendance and declared the meeting closed at 10.55 a.m.

## **CONFIRMED AS A TRUE RECORD OF THE PROCEEDINGS**

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Koh Poh Tiong  
Chairman




# 55<sup>TH</sup> Annual General Meeting

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28<sup>th</sup> July 2021





"2020 was a year marked by disruption, resilience and reinvention. This unprecedented global crisis has underscored the importance of resilience and adaptability as we navigate these challenging times together. Against this backdrop, we have reaffirmed our commitment to building strength, flexibility and innovation into the very foundations of our business, as we continue to stay true to our mission of creating quality homes for generations to come."

— KOH POH TIONG, CHAIRMAN





# AGENDA

1

Financial Highlights

2

Awards & Accolades

3

Projects Construction Progress & Sales Status

4

Looking Forward: Business Plans

# FINANCIAL HIGHLIGHTS



<b>For the year ended 31 March</b>	<b>2021</b>	<b>2020</b>	<b>% Change</b>
Revenue	\$580.96m	\$369.72m	57.14%
Profit Before Tax	\$227.37m	\$102.26m	122.35%
Profit After Tax	\$189.44m	\$76.08m	149.00%
Net Return on Equity (%)	12.76%	5.75%	122.91%
Earnings Per Share	\$0.73	\$0.29	151.72%



**BCA**

Top 10 Developers

**PropertyGuru Asia  
Property Awards 2020  
Best Landed Developer**



**BCA Quality Mark  
Award 2020**

Merit

**EdgeProp Excellence  
Awards 2020**

Top Landed Development

# AWARDS | Luxus Hills Contemporary Collection



**PropertyGuru Asia  
Property Awards 2020**

Best Housing  
Development (Singapore)

**PropertyGuru Asia  
Property Awards 2020**

Best Landed Housing  
Development



## Asia Pacific Property Awards 2020

Architecture Multiple Units



**FIABCI World Prix d'Excellence Awards 2021**

World Silver Winner – Residential (High Rise) Category

# AWARDS | Fraser Residence Orchard, Singapore



**World Travel Awards 2020**

World's Leading Serviced Apartments 2020



# PROJECTS UNDER CONSTRUCTION



**Pollen Collection**

5% Completed  
Expected TOP 4Q 2024



**LIV @ MB**

298 Residences  
3% Completed  
Expected TOP 4Q 2024



**The Atelier**

120 Residences  
10% Completed  
Expected TOP 3Q 2023



# PROJECTS FOR SALE



## 8 St Thomas

District 9

River Valley

Freehold

250 Residences

[bsel.sg/8stthomas](https://bsel.sg/8stthomas)



# PROJECTS FOR SALE

## The Atelier

District 9  
Newton  
Freehold  
120 Residences

[bsei.sg/theatelier](https://bsei.sg/theatelier)



# UPCOMING PROJECTS



## Pollen Collection

District 28

Seletar

99-Year Leasehold

Estimated to launch by Q2 2022

[bsel.sg/pollencollection](https://bsel.sg/pollencollection)



# UPCOMING PROJECTS

## LIV @ MB

District 15

Mountbatten

99-Year Leasehold

298 Residences

Estimated to launch by Q2 2022

[bsel.sg/livatmb](https://bsel.sg/livatmb)



# OPERATION OF SERVICED APARTMENTS



## FRASER RESIDENCE ORCHARD, SINGAPORE

District 9  
Orchard  
Freehold  
115 Rooms



## Landed Homes

### A. Nim Collection (District 28)

- Phase 1: **100% of units sold**
- Phase 2: **96% of units sold**

### B. Luxus Hills (District 28)

- Signature Collection: **100% of units sold**
- Contemporary Collection: **95% of units sold**

### C. Pollen Collection (District 28)

- Under construction
- Scheduled to launch by Q2 2022

## Private Residences

### D. 8 St Thomas (District 9)

- 250 units for sale
- 99% of units sold**

### E. The Atelier (District 9)

- 120 units for sale
- Under construction
- 3% of units sold**

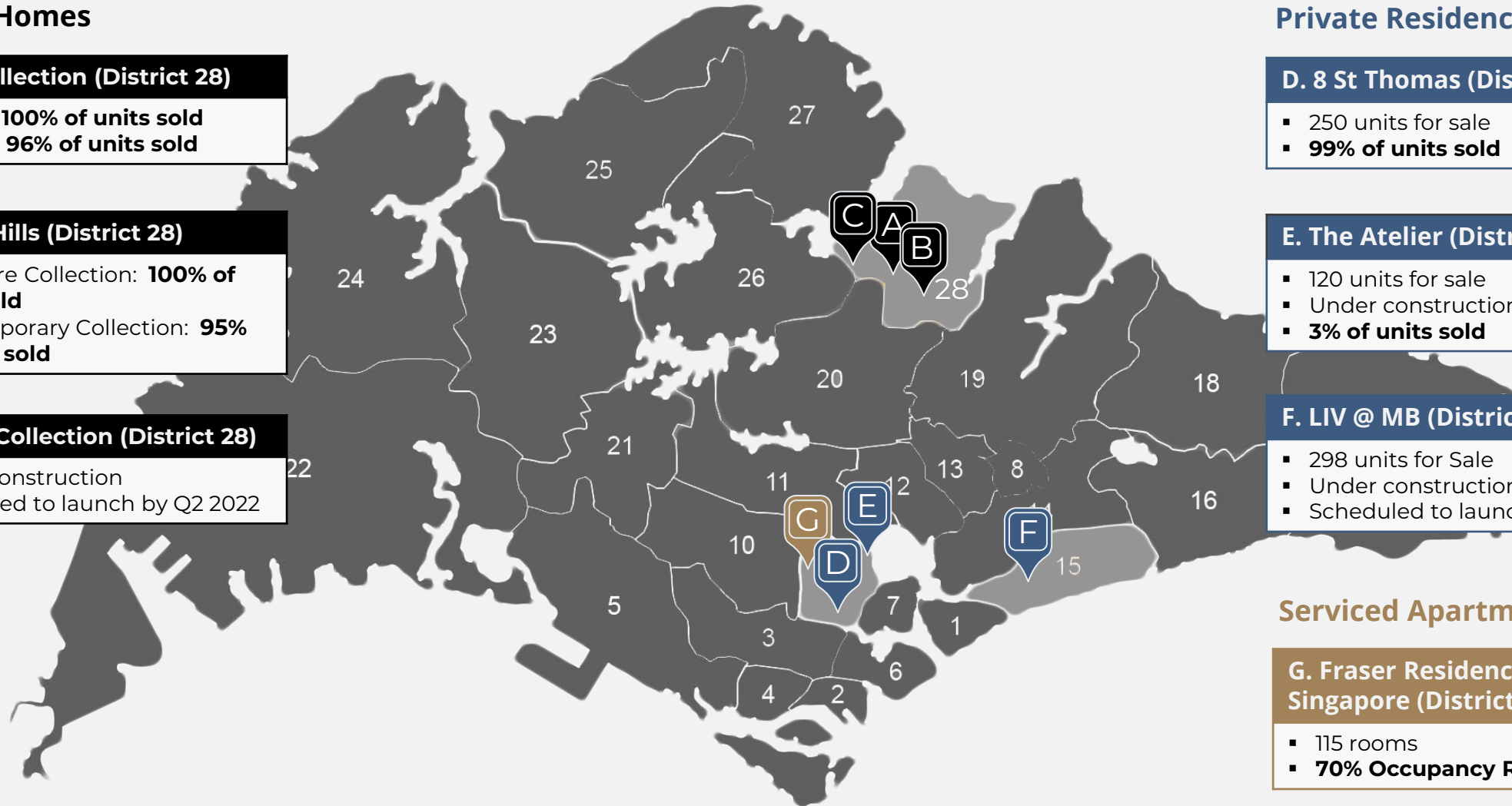
### F. LIV @ MB (District 15)

- 298 units for Sale
- Under construction
- Scheduled to launch by Q2 2022

## Serviced Apartments

### G. Fraser Residence Orchard, Singapore (District 9)

- 115 rooms
- 70% Occupancy Rate**



# BUSINESS APPROACH & STRATEGY



## CORE COMPETENCE

Developing luxury properties progressively

## QUALITY HOMES

Building high-quality residential projects for sale

## FINANCIAL STABILITY

Investment in properties for recurring income





# CORE COMPETENCE



## Strengthen the Group's Portfolio of Distinctive Luxury Properties

- Pollen Collection  
99-year leasehold landed housing
- LIV @ MB  
99-year leasehold residences



# QUALITY HOMES



## Forward-looking Development Philosophy

- Homes designed for the current and future generation of homeowners
- Thoughtfully designed elements for greater comfort and privacy



# FINANCIAL STABILITY



## Focus On Creating Long-term Value and Sustainability

- Taking measured steps when assessing the suitability of the market in terms of new releases
- Lookout for suitable opportunities to supplement our land bank



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Over the years, the Group has built resilience into the core of our business and kept our focus on creating long-term value and sustainability through our diversified portfolio of properties, substantial landbank and forward-looking strategies.

The Group will continue to adopt a prudent and measured stance as we assess the new-launch market in the upcoming year.

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\*The marketing plans as indicated in the presentation slides may be subjected to changes depending on market conditions and the business environment.



# BUKIT SEMBAWANG ESTATES LIMITED



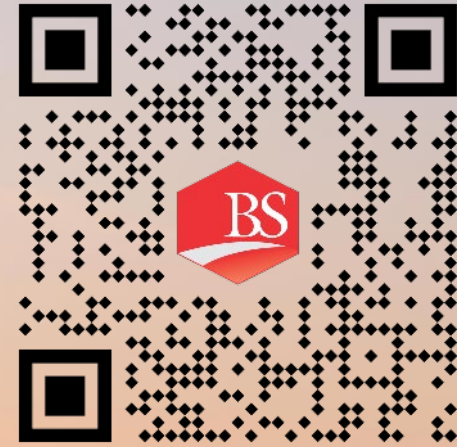
Phone 68900333



Website [bsel.sg](http://bsel.sg)



LinkedIn [Bukit Sembawang Estates Limited](https://www.linkedin.com/company/bukit-sembawang-estates-limited)



Scan for website



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**RESPONSES TO SUBSTANTIAL AND RELEVANT QUESTIONS  
FOR ANNUAL GENERAL MEETING 2021**

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Bukit Sembawang Estates Limited (“**BSEL**”, “**the Company**” or together with its subsidiaries, “**the Group**”) would like to thank our shareholders for submitting questions ahead of the Company’s 55<sup>th</sup> Annual General Meeting (“**AGM**”) to be held through electronic means on 28 July 2021 at 10.30am.

The Company would like to share our responses to the questions received in the following categories:

- A. Strategy
- B. Financials
- C. Impact of COVID-19
- D. Project Sales and Development
- E. Board and Management
- F. Dividends
- G. Substantial Shareholders

**A. Strategy**

- 1. Can the Board share on how is the plan to build up the recurring income business segment vs the income generating development business? What is current ratio between these 2 and what is the desired target ratio? Has the company set a growth target or strategy or vision for what it intends to achieve over the next 3-5 years?**

[Response](#)

The Group has a healthy land bank and a steady sales pipeline of landed housing and condominiums. It also has in its portfolio, a long term recurring income asset, namely Fraser Residence Orchard Singapore, and these together drives the Company’s business income. For the year ended 31 March 2021, property development contributed to more than 90% of the Group’s revenue.

The Group does not have any specific acquisition target even as it continues to seek out, for purposes of acquisition, high yield properties to build up its recurring income segment to complement the income derived from the property development segment.

The Group will also continue to strengthen its land bank through acquisitions via en-bloc sales and government land sales, keeping in view, an appropriate gearing level to ensure sustainability and to create long term value for our stakeholders.

- 2. There have been more active effort to work our balance sheet harder since 2017/19, embarking on some high rise commercial and residential development. What have change? What is the thinking behind these effort and can you share what is the long term vision of this strategy will pan out?**

[Response](#)

The Group does not have any high rise development designated for commercial use. Please refer to the Company’s response to question A1.

3. **For Fraser Residence Orchard Singapore, the revenue generated last year was \$7.5m. Is there a fixed rental lease that the Group is receiving from Frasers Hospitality and how long is the lease?**

**Given the low yield, has the Group changed its stance in relation to building recurrent income stream via Capex intensive investment properties versus developing more high end projects for sale that the Group has built a good track record upon?**

[Response](#)

The rental income derived from Fraser Residence Orchard Singapore is not a fixed amount. The Group has entered into a Management Agreement with Frasers Hospitality, to remunerate them on the basis of management fees at agreed rates, for an initial operating term of 10 years, subject to review, with an option for extension.

The Group views the serviced apartment segment as part of a long-term business model to provide sustainable recurring income to the Group, and does not currently have any intention of divesting Fraser Residence Orchard Singapore. In the interest of sustainability, the Group endeavors to work with reputable business partners, one of which is Frasers Hospitality. The recurring income segment will continue to complement the property development segment of the Group.

4. **With average size per project of high rise increases in Singapore, moving towards S\$1bn per plot of Government Land Sales (“GLS”). What is our options to remain relevant given our bite size Gross Development Value (“GDV”) at around S\$600m?**

[Response](#)

The Group takes a long-term portfolio view of all its development properties and is continuously reviewing market conditions to determine the appropriate time to purchase land to replenish its land bank. This will be carried out through acquisitions via en-bloc sales and government land sales, keeping in view, an appropriate gearing level to ensure sustainability and to create long term value for our stakeholders.

## **B. Financials**

1. **Has the development at 8 St Thomas been fully sold and the sales proceeds fully received?**

[Response](#)

The Group has achieved 99.6% sales at 8 St Thomas. The sales proceeds have not been fully collected as a number of the units were sold with deferred payment schemes.

2. **Please confirm if completed properties under Note 8 of the Notes to Financial Statements have mostly been sold apart from 1 unit at St Thomas as of 21 June 2021 and profits will be booked once sales are completed?**

[Response](#)

The Group has almost fully sold its stock of units for all of its completed developments as at the Financial Year ended 31 March 2021. Profits will be recognised in the subsequent financial year upon completion of the respective sales.

3. **Refer to page 81 of Annual Report, Note 5 of the Notes to Financial Statements, please provide details of the Freehold Properties stated at \$184,338,000 in Property, Plant and Equipment? Which Freehold Properties are impaired to the tune of \$44,109,000?**

[Response](#)

The Freehold Properties relate to Fraser Residence Orchard Singapore. For details, please refer to page 109 of Annual Report under Property Owner.

4. **Refer to page 86 of Annual Report, Note 8 of the Notes to Financial Statements, please provide details of cost of land, development costs incurred to year end and the amount of interest capitalised?**

[Response](#)

The Group is unable to provide details of cost of land and development costs incurred till date, due to commercial sensitivities.

The Group has ceased capitalization of borrowing costs on its development properties.

5. **With reference to St Thomas Walk on page 108 of the Annual Report, where was the total carrying amount of the balance units stated on the balance sheet? Have these balance units been sold after 21 June 2021?**

[Response](#)

The carrying amount of the remaining unsold units of St Thomas Walk has been included under completed units in Note 8 of the Notes to Financial Statements for the year ended 31 March 2021. As of 21 June 2021, a total of 249 freehold homes or 99.6% of 250 units have been sold at 8 St Thomas.

Sale proceeds from the last remaining unit after 21 June 2021 will be accounted for in the Financial Year ending 31 March 2022.

6. **The Nim Road/AMK Avenue 5 tracts of land – estimate 220k Sq M, what is the carrying book value per Sq M?**

[Response](#)

We are unable to disclose the carrying book value per Sq M, due to commercial sensitivities.

7. **What is the carry cost of investment for Fraser Residence Orchard Singapore after the impairment? Why the decision and what sort of Revenue Per Available Room (“RevPar”) and occupancy are needed to be profitable at this new carrying cost?**

[Response](#)

The carrying cost of Fraser Residence Orchard Singapore is approximately \$203 million which is included under Freehold Properties, Furniture, Fittings and Equipment and Plant and Machinery, as set out in Note 5 of the Notes to Financial Statements, on page 81 of the Annual Report. The Group views the serviced apartment segment as part of a long-term business model to provide sustainable recurring income to the Group and to complement the property development segment of the Group. The profitability of the asset is determined on the long term basis and is not based on RevPar nor occupancy.

## **C. Impact of COVID-19**

1. **Has there been a significant rise in construction costs for the Group's development projects, given the disruption in the foreign labour market due to COVID-19?**

[Response](#)

The Group's development projects has been impacted by the COVID-19 pandemic.

Construction cost is expected to rise significantly due to the disruption in the foreign labour market and the increased cost of building materials.



- 2. Please confirm if properties under development under Note 8 of the Notes to Financial Statements mainly relate to The Atelier, LIV @ MB and The Pollen Collection, and how are the construction works progressing on these projects as a result of industry wide COVID-19 disruptions?**

[Response](#)

Properties under development under Note 8 of the Notes to Financial Statements mainly relate to The Atelier, LIV @ MB and Pollen Collection.

The Group's development projects have been impacted by the COVID-19 pandemic.

Construction cost is expected to rise significantly due to the disruption in the foreign labor market and the increased cost of building materials.

Construction works have also been disrupted and the completion dates are expected to be extended due to the industry wide disruptions.

#### **D. Project Sales and Development**

- 1. The Group currently has 2 non-landed development properties, Atelier and LIV @ MB. These are recently acquired landbanks in 2018, but the Group has yet to achieve meaningful sales or has been slow to launch compared to peers. The government has given 5 years to developers to sell and any further extension in timeline due to COVID-19. Is the Group planning to accelerate sales to avoid any potential penalty and also to take advantage of the resilient property market?**

[Response](#)

The Group believes that high quality and uniquely designed properties will always be highly sought after even during challenging market conditions. A steadfast approach remains high priority for the Group as we focus on delivering long-term sustainable value to our customers and stakeholders.

The Group takes a long-term portfolio view of all its development properties and will carefully review the market condition to determine the appropriate time for the launch of any of its development projects such as The Atelier and LIV @ MB.

The Group is mindful to maintain a good supply and demand balance with a stable cash flow of the Group, and shall continue to adopt a prudent and measured stance and pace the sale of its development properties to avoid any potential penalties.

- 2. Are there any plans and approximate time to launch the next phase of Luxus Hills?**

[Response](#)

The next phase of Luxus Hills is currently planning-in-progress.

The Group takes a long-term portfolio view of all its development properties and will carefully review the market conditions to determine the appropriate time for the launch of any of its development projects such as Luxus Hills.

The Group is mindful to maintain a good supply and demand balance with a stable cash flow of the Group, and shall continue to adopt a prudent and measured stance and pace the sale of its development properties.

3. **Refer to page 107 of Annual Report under Lots 9425C and Lots 17640K, please provide details of Phases 1-7 and 13-15. Phase 8,9 and 16 are stated as 100% completed but under "Description" they are stated as "Building plans have been approved". Are these phases completed?**

[Response](#)

As stated under Properties of the Group "Description" on page 107 of Annual Report, for Luxus Hills development Phases 1 to 9 and 16, both the Building plans have been approved and the main building work were completed. Our Luxus Hills development does not consist of Phases 13 to 15.

As clarified on page 106 of the Annual Report 2020, Luxus Hills Phase 16 was formerly referred to as Phase 10. Thus, the completed Luxus Hills development consisted of only Phases 1 to 9 and 16 as stated on page 107 of the Annual Report 2021. All future phases of Luxus Hills development have been subsumed and re-parcelled into Phases 10, 11 & 12 henceforth Phases 13 to 15 no longer exists.

4. **Refer to page 107 of Annual Report under Lot 18257X - Phase 1 and Phase 2, these are stated as 100% completed but this contradicts the remarks under "Description" that only the main buildings were completed. Are the two Phases completed?**

[Response](#)

Yes, the 2 Phases have been completed.

5. **Refer to page 108 of Annual Report under Lot 18415A, what about Phase 1 and 2? Under "Future phases", please indicate Gross Floor Area ("GFA") based on past experiences.**

[Response](#)

Please refer to Properties of the Group "Description" on page 107 of Annual Report, Phases 1 and 2 are under Lot 18257X. Phase 3 and the future phases are in Lot 18415A/18416K/16449W MK 18 at Nim Road/Ang Mo Kio Avenue 5/CTE, as listed on Page 108 of Annual Report.

The future phases are still under design and development stage; thus, the GFA is still subject to finalization and URA approval.

6. **Refer to page 108 of Annual Report under Lot 9934W, why is the GFA only approximately 20% of the Site Area?**

[Response](#)

As future phases are still under the design and development stage; the GFA is still subject to finalization and URA approval.

7. **In Business Times of 8 June 2021, it is stated that the company has an estimate 240,000 Sq M of land bank but referring to Page 108 of the Annual Report, the figure does not seem to add up to support this number. Please state the land bank that the company has.**

[Response](#)

Please refer to Properties of the Group on page 107 and 108 of Annual Report. The Group has a land bank of 236,990 Sq M. It comprises future phases of our landed and non-landed developments, which are yet to be launched.

8. **It appears that selling price per unit at S\$3-3.5m have been a trend for the past 5-7 years, is that a fair observation? What could allow us to push for high selling price?**

[Response](#)

The selling prices for landed homes are driven by a multitude of factors, which include prevailing market sentiments, supply and demand, as well as the intrinsic value placed by buyers on the development itself.

The price is dictated by which the market deems as fair value and reasonable. The prices of landed properties have been gradually increasing due to higher land value and construction costs. The Group develops properties that meet with the market needs and price the properties accordingly.

9. **150 Sq M plot for 4k – 4.2k Sq Ft build up per landed property. Is there a limit of how much more we can push? Say increase plot ratio?**

[Response](#)

The maximum GFA for landed properties is determined by the URA's envelope control. The Group develops landed homes on the basis of the needs of its customers, taking into consideration affordability. A larger built up area may render the property too expensive for potential buyers.

10. **What are the Gross Development Value (“GDV”) of The Atelier, 8 St Thomas, LIV @ MB?**

[Response](#)

The Group is unable to provide details of GDV due to commercial sensitivities.

## **E. Board and Management**

1. **Has the Group appointed a CEO and CFO to replace the outgoing executives? If not, why? Running a property company well is a full-time job and requires excellent judgement in land banking and selling, etc. Could the Group put in its best efforts to secure a strong management team to lead the Group to greater heights?**

[Response](#)

The Board is in the process of searching for the appropriate CEO to lead and strengthen the management team. As the CEO is a key senior executive, the Board is carefully evaluating potential candidates to ensure suitability and fit into the Group. Once the appointment is finalised, the Board will make the necessary announcements.

In the interim, the Board is working closely with the senior management team to execute the Group's strategies and to ensure the long-term success of the Group.

## **F. Dividends**

1. **Has the Board reviewed if the Group has the capacity to lift base ordinary dividend payout?**

[Response](#)

The proposed dividends are determined by the Board after taking into account the Group's performance, the cash position and the need to preserve financial strength for growth and reinvestments.

The Company endeavors to balance dividend return to shareholders with the need for long-term sustainable growth whilst aiming for an efficient capital structure. The Company also strives to provide shareholders with sustainable ordinary dividend on an annual basis.

## **G. Substantial Shareholders**

- 1. Refer to page 111 of Annual Report, what are the relationships among these substantial shareholders? If they have no legal relationship, please state so.**

### Response

Kallang Development (Pte) Limited is a subsidiary of Lee Rubber Company Pte Ltd. As disclosed under footnote 4 on page 111 of the Annual Report, Lee Pineapple Company (Pte) Ltd has a deemed interest in the Company's shares through its material shareholding in Singapore Investments Pte Ltd. The substantial shareholders as disclosed, namely Lee Rubber Company Pte Ltd, Lee Pineapple Company (Pte) Ltd, Singapore Investments Pte Ltd and Selat Pte Limited, have common shareholders.

By Order of the Board

Lotus Isabella Lim Mei Hua  
Company Secretary  
27 July 2021  
Singapore