

SUTL ENTERPRISE LIMITED
Incorporated in the Republic of Singapore
(Company Registration No. 199307251M)

**ANNUAL GENERAL MEETING TO BE HELD ON 20 APRIL 2023
RESPONSES TO SUBSTANTIAL AND RELEVANT QUESTIONS**

The board of directors (“**Board**”) of SUTL Enterprise Limited (the “**Company**”) refers to:

- (i) the annual report of the Company for the financial year ended 31 December 2022 (the “**Annual Report**”);
- (ii) the notice of Annual General Meeting issued on 5 April 2023 in relation to the Twenty-Ninth Annual General Meeting (“**AGM**”) of the Company to be held on 20 April 2023 at 3.00 p.m.; and
- (iii) the Company’s announcement dated 5 April 2023 on the arrangements for the AGM (“**Announcement**”).

As stated in the Announcement, shareholders may submit matters and questions relating to the business of the AGM, the Company will respond to substantial and relevant questions received from shareholders in the manner and by the time and date set out in the Announcement, and the Company will publish its response on SGXNET and the Company’s website at <https://www.sutlenterprise.com> prior to the AGM.

The Company would like to thank the shareholders who have submitted questions. The responses to the substantial and relevant questions received by the Company are set out in the Appendix to this announcement.

BY ORDER OF THE BOARD

TAY TENG GUAN ARTHUR
Executive Director and Chief Executive Officer
14 April 2023

RESPONSES TO SHAREHOLDERS' QUESTIONS - ANNUAL GENERAL MEETING, 20 APRIL 2023

No.	Question	Response
1.	Please update on the status of your overseas projects, owned, and managed? Are they making any financial contribution? Are there any more projects that you are currently negotiating.	SUTL Enterprise's vision is to be Asia's leading premier integrated marina developer. The Group provides consultancy and management oversight to third-party owned marinas located in China and Indonesia under the ONE ^o 15 brand. These include marinas under construction and to be completed marinas. Among them, ONE15 Marina Nirup would be the first to be launched in July 2023. The rest of the marinas under management contracts would follow subsequently, subject to the progress of construction by the project owners in-market. Meanwhile, the Group has resumed its hunt for suitable opportunities in Asia-Pacific, including marina consultancy projects in Ho Chi Minh City and Phu Quoc Island in Vietnam, and Bali in Indonesia. Other opportunities include management contracts for third party marinas, potential acquisition of existing marinas and developmental projects to build new integrated marinas which we would share in time to come.
2.	There is a rapid rise in business leisure with some sources quoting an increase of 25% compared to pre-Covid. How does SUTL Enterprise intend to attract such business leisure travelers to visit its marinas and/ or take up SUTL yacht chartering services in collaborations with its business partners such as Resort World Sentosa and MICE events organizers?	SUTL Enterprise collaborates with various business partners to capture consumers from different demographics. For example, we have collaborations with various banks, credit card companies, hospitality firms, membership clubs, conference, and exhibition organizers to promote our various products, from membership, F&B, catering sales, hotel rooms, yacht charter, etc. We will continue to evaluate which channels are most effective and continue to pursue various business opportunities. However, the most important and loyal customers of the club in Sentosa is the members of the club and management has to ensure the highest level of service is provided to them.
3.	Has SUTL Enterprise studied the particular needs of business leisure travellers so that it can customize packages that best meet this group of travellers? The best business ideas often blossom when networking events are organized in a yacht with the constant breeze of fresh air and surrounded by the welcoming vast sea.	To date, SUTL Enterprise has recruited over 40 yachts belonging to members into its fleet of yachts for charter. The fleet size ranges from small vessels of around 30ft+ to large superyachts of over 115ft+. We have packages available starting from \$650, which cater to different purposes, from private friends and family charters to corporate charters for retreats, meetings, product launches, and more. Depending on the customers' demands, we will augment our offerings by recruiting in-demand vessel types available on the market into the fleet. For more information, please refer to https://www.one15luxuryyachting.com/ .

4.	<p>I have noticed under section 16 in the notes to the financial statements that the company has placed \$22.773m into credit linked notes and another \$6.888m into quotable bonds. As the company's strength is in marina development and consultancy, please kindly elaborate on the rationale behind the decision to invest in these financial instruments. Can you elaborate on the nature of this instrument ie. is there any impairment as a result of the recent saga involving instruments like Credit Suisse ATIs? In addition, what is the expected investment duration and return for the investment in the credit linked notes as there is a certain level of risk involved in this.</p>	<p>As mentioned in previous responses, SUTL Enterprise's focus remains in the marina business. While the Group continues to hunt for suitable opportunities in Asia-Pacific, the available cash balances have been used to purchase short-term Singapore Government Securities or credit-linked notes linking to these securities. These securities have a maturity of less than or equivalent to a year and have a cut off yield ranging from 1.65% to 5.49% for FY2022. Due to the short-term nature of these securities, the Group could ensure cashflow liquidity for its business operations and at the same time, earn interest income from available cash balances.</p>
5.	<p>SUTL Enterprise realized deferred tax amount of S\$791,000 in FY 2022? How does SUTL Enterprise determine how much deferred tax to realize in a particular FY? What is the amount of deferred tax that has yet to be realized? Will there be a built up in deferred tax assets over time for SUTL Enterprise or deferred tax has already reached a plateau?</p>	<p>This arose as a result of a confirmation during the year from the tax authorities that capital allowances will be available on certain property, plant and equipment of the Group. Management had previously taken the prudent view that these would not be available.</p> <p>The amount of deferred tax recognised is largely dependent on profitability of the Group and the availability of deferred tax assets or liabilities at the point of recognition.</p> <p>The amount of unrealised deferred tax is disclosed in Note 9C of the FY2022 financial statements and this amount may fluctuate year on year depending on the underlying assets or liabilities, such as new property, plant and equipment and changes to tax provisions. It is impracticable to predict if, and to what extent, these assets will build up.</p>