

BUKIT SEMBAWANG ESTATES LIMITED

(Incorporated in the Republic of Singapore)
Company Registration No. 196700177M
(the "Company")

56TH ANNUAL GENERAL MEETING

MINUTES OF THE 56TH ANNUAL GENERAL MEETING ("AGM") OF THE COMPANY HELD BY WAY OF ELECTRONIC MEANS ON THURSDAY, 28 JULY 2022 AT 10.30 A.M.

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

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.

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 2022, 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, Corporate Republic Advisory 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 had been 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 briefed the meeting on the "Financial Highlights", "Awards and Accolades", "Construction Progress", "Current Projects", "Business Portfolio" and "Business Plans".

Copies of the presentation slides are attached as 'Appendix 1' to these minutes.

QUESTIONS FROM MEMBERS

The Company had received questions from members of the Company as well as the Securities Investors Association (Singapore) (“SIAS”). Substantial and relevant questions had been answered and published on SGXNET and the Company’s website on 21 July 2022 (as annexed and marked as Appendix 2).

ORDINARY RESOLUTIONS

All the motions, as set out in the Notice dated 6 July 2022, convening the Annual General Meeting were duly proposed by the Chairman.

ORDINARY BUSINESS ORDINARY RESOLUTIONS

1. 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 2022 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	(%)
129,071,469	129,048,769	99.98	22,700	0.02

2. 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 12 cents per share be declared for the financial year ended 31 March 2022.”

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	(%)
129,083,069	129,060,369	99.98	22,700	0.02

3. RE-ELECTION OF DIRECTOR – KOH POH TIONG

The Chairman put the following motion to the meeting:

“That Mr Koh Poh Tiong, 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	(%)
129,083,069	128,901,569	99.86	181,500	0.14

4. RE-ELECTION OF DIRECTOR – ONG SIM HO

The Chairman put the following motion to the meeting:

“That Mr Ong Sim Ho, 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	(%)
129,083,069	128,916,169	99.87	166,900	0.13

5. DIRECTORS’ FEES

The Chairman put the following motion to the meeting:

“That a sum of \$428,000 be approved for payment as Directors’ fees for the financial year ended 31 March 2022.”

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	(%)
129,083,069	129,060,369	99.98	22,700	0.02

6. APPOINTMENT OF AUDITOR

The Chairman addressed item 6 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, 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 6 carried:

Total number of valid votes cast	For		Against	
	Number of shares	(%)	Number of shares	(%)
129,083,069	129,060,369	99.98	22,700	0.02

SPECIAL BUSINESS ORDINARY RESOLUTION

7. 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 1967 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 2022 to the meeting.

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	(%)
129,083,069	122,360,970	94.79	6,722,099	5.21

It was RESOLVED

That pursuant to Section 161 of the Companies Act 1967 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 present for their attendance and declared the meeting closed at 10.55 a.m.

CONFIRMED AS A TRUE RECORD OF THE PROCEEDINGS

Koh Poh Tiong
Chairman

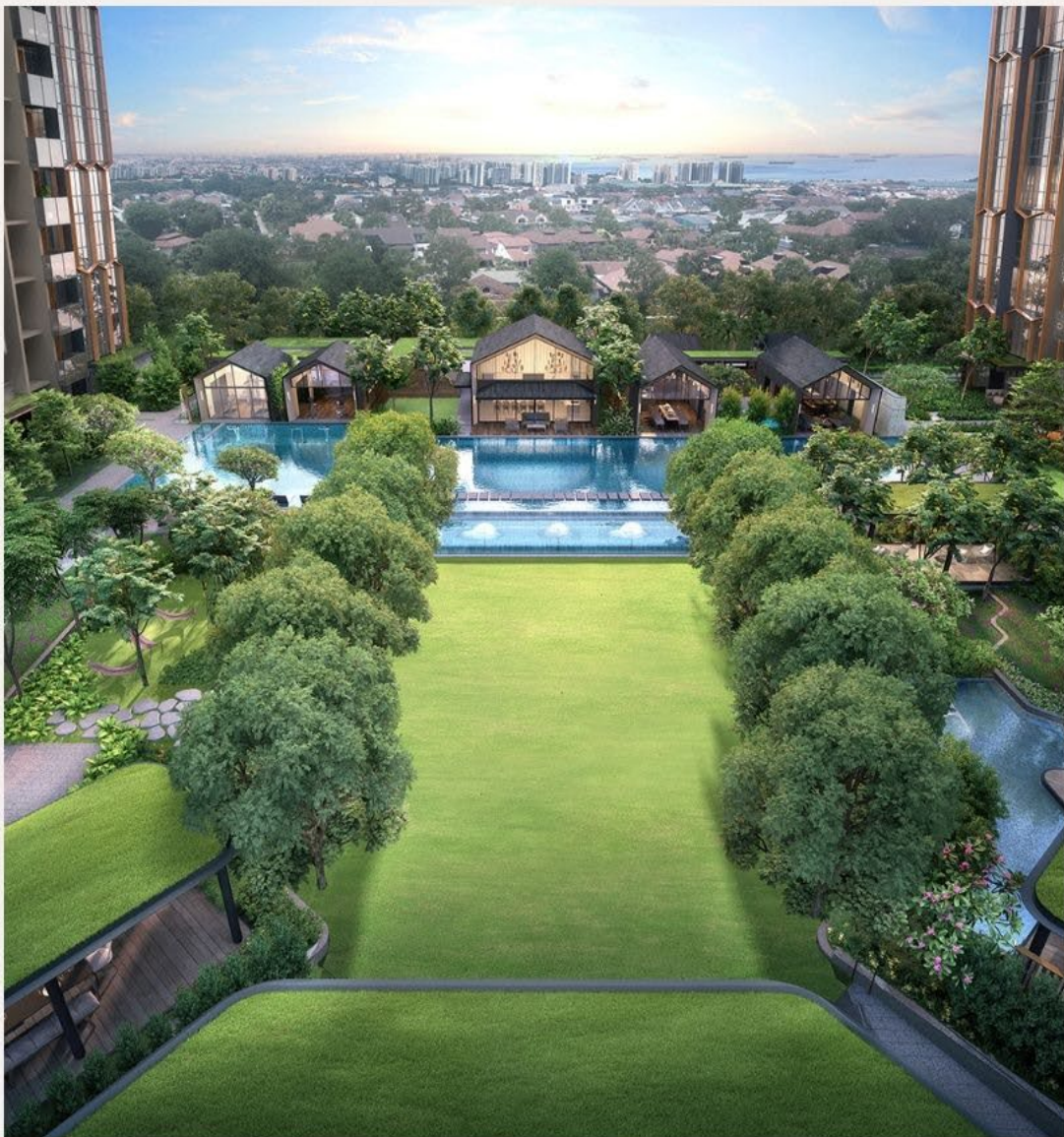


BUKIT SEMBAWANG
ESTATES LIMITED

56th Annual General Meeting 2022

28 July 2022





2021 saw the world move into the second year of the COVID-19 pandemic. Collectively, battle-hardened individuals, businesses and governments learnt to embrace change, strengthen our resolve, and operate with a deft combination of flexibility and caution.

At Bukit Sembawang Estates Limited, this challenging climate has reinforced our commitment to delivering quality experiences and practices across the entire value chain. These challenges have functioned as a driving force to reimagine and reshape the way homes are designed and built in Singapore - to create resilience not only in our business operations, but also at the heart of the homes that we build.

KOH POH TIONG
CHAIRMAN

- 01 ● Financial Highlights
- 02 ● Awards & Accolades
- 03 ● Construction Progress
- 04 ● Current Projects
- 05 ● Business Portfolio
- 06 ● Business Plans



Meeting Agenda

Financial Highlights

For the year ended 31 March	2022	2021	% Change
Revenue	\$288.23m	\$580.96m	(50.39%)
Profit Before Tax	\$95.34m	\$227.37m	(58.07%)
Profit After Tax	\$82.92m	\$189.44m	(56.23%)
Net Return on Total Equity	5.60%	12.76%	(56.11%)
Earnings Per Share	\$0.32	\$0.73	(56.16%)

Awards & Accolades

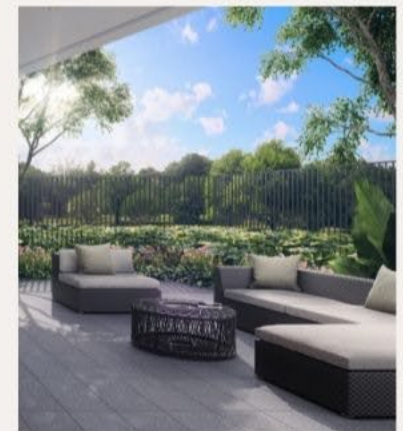


Nim Collection

PropertyGuru Asia Property Awards 2021

Winner – Best Housing Development (Singapore)

Winner – Best Landed Housing Development





8 St Thomas

FIABCI World Prix d'Excellence Awards 2021

World Silver Winner – Residential (High Rise) Category



The Atelier

PropertyGuru Asia Property Awards 2021

Highly Commended – Best Luxury Condo Development



Projects Construction Status



LIV@MB

298 Residences
10% Completed
Expected T.O.P 4Q 2024



The Atelier

120 Residences
20% Completed
Expected T.O.P 4Q 2023



Pollen Collection

132 Houses
7% Completed
Expected T.O.P 3Q 2025

LIV@MB

ELEVATED
**LUXURY
LIVING**

**IN THE COVETED MOUNTBATTEN
CONSERVATION ENCLAVE**

District 15. Mountbatten.
99-Year Leasehold. 298 Residences.





The Atelier

BESPOKE

FREEHOLD HOMES

IN PRIME DISTRICT 9
NEWTON-NOVENA ENCLAVE

District 9. Newton.
Freehold. 120 Residences.

Pollen Collection

WHERE

LIFE
FLOURISHES

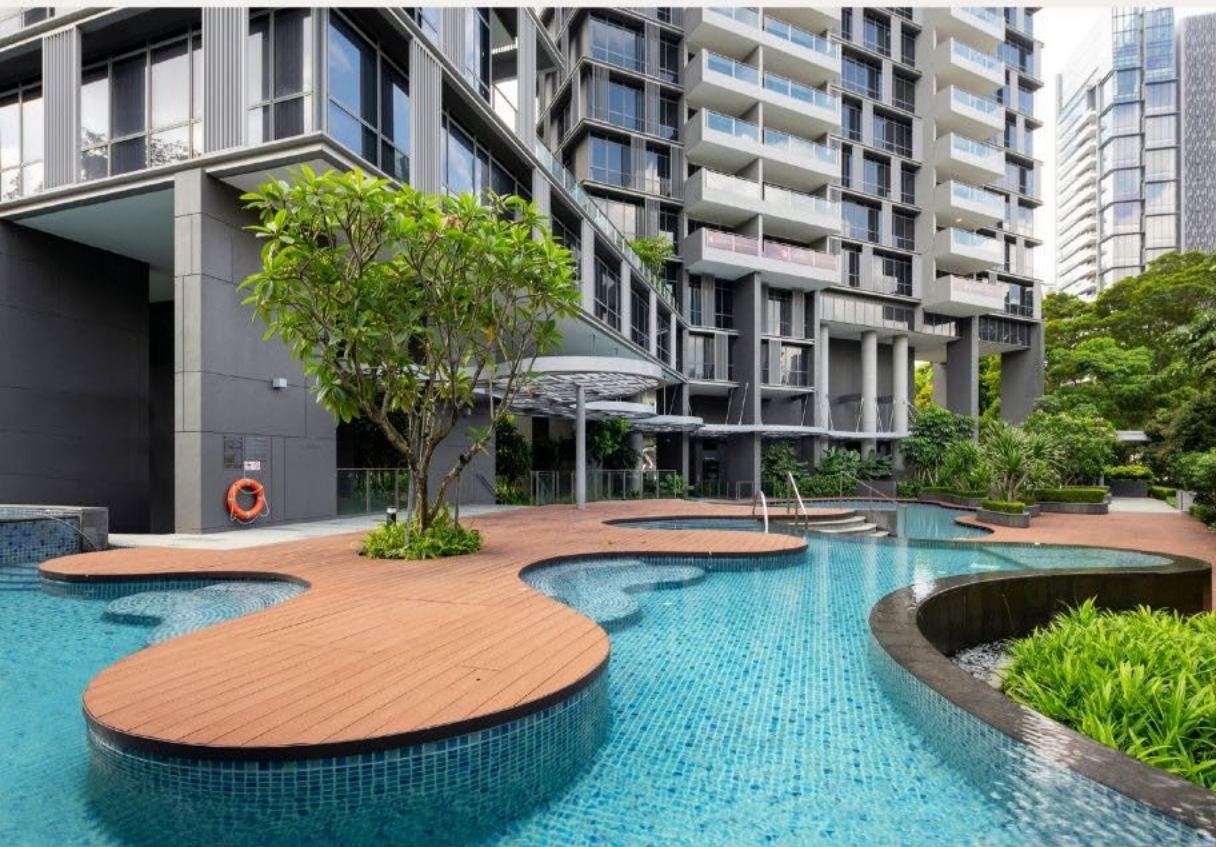
COLOUR. FREEDOM. LIFE. HOME.

District 28. Seletar.

99-Year Leasehold. 132 Landed Houses.

Estimated to launch in 2H 2022





FRASER RESIDENCE ORCHARD, SINGAPORE

**Winner of the World's Leading Serviced Apartment
World Travel Awards 2020**

District 9. Orchard. Freehold. 115 Rooms.



Landed Homes

Pollen Collection (D28)

132 Houses for sale
Estimated to launch in 2H 2022

Private Residences

The Atelier (D9)

120 Units for sale
12% of units sold

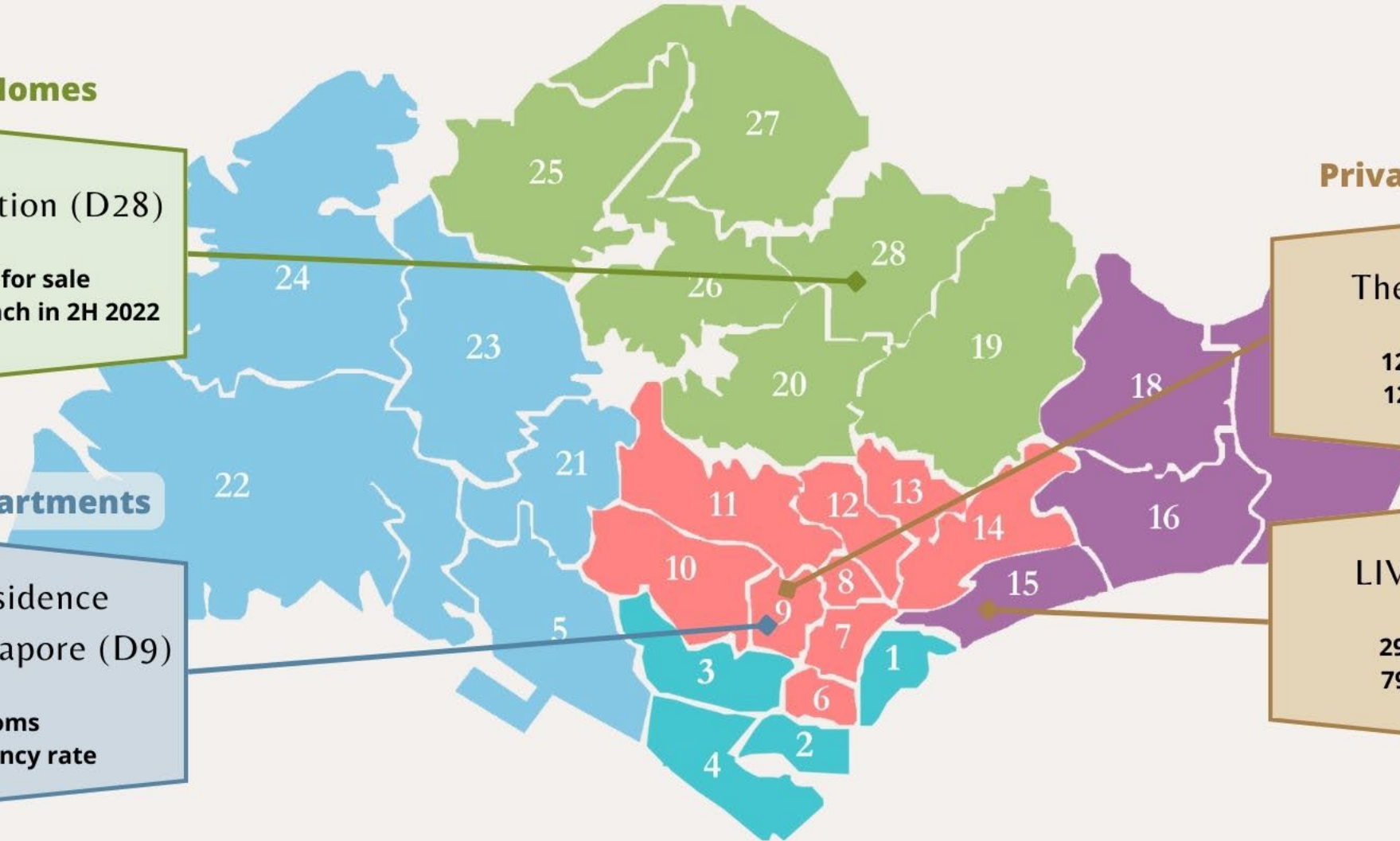
Serviced Apartments

Fraser Residence
Orchard, Singapore (D9)

115 Rooms
79% Occupancy rate

LIV@MB (D15)

298 Units for sale
79% of units sold





Business Strategy

CORE COMPETENCE

Developing luxury properties progressively

QUALITY HOMES

Building high-quality residential projects for sale

FINANCIAL STABILITY

Investing in properties for recurring income

Core Competence

Strengthen the Group's Portfolio of Distinctive Luxury Properties



Private Residences



Landed Houses





Quality Homes

Resident-centric Design Philosophy



Homes designed for the current and future generation of homeowners



Future-proof smart homes that feature innovative technology



Thoughtfully designed elements for greater comfort and privacy

Financial Stability

Focus On Creating Long-term Value
and Sustainable Growth



Evolving our approach to meet the
needs of today's homebuyers



Lookout for suitable opportunities to
supplement our land bank





BUKIT SEMBAWANG
ESTATES LIMITED

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 [Bukit Sembawang Estates Ltd](https://www.linkedin.com/company/Bukit-Sembawang-Estates-Ltd)



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**RESPONSES TO SUBSTANTIAL AND RELEVANT QUESTIONS
FOR ANNUAL GENERAL MEETING 2022**

Bukit Sembawang Estates Limited (“**BSEL**”, “**the Company**”, together with its subsidiaries, “**the Group**”) would like to thank our shareholders and the Securities Investors Association (Singapore) (“**SIAS**”) for submitting questions ahead of the Company’s 56th Annual General Meeting (“**AGM**”) to be held through electronic means on 28 July 2022 at 10.30am.

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

- A. Strategy
- B. Financials
- C. Project Sales and Development
- D. Board and Management
- E. Dividends

A. Strategy

1. What are the future plans of the Group to enhance shareholder value?

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. Together, this drives the Group’s revenue generation.

The Group takes a long-term portfolio view of all its development properties and continues to closely monitor prevailing market conditions to determine the appropriate time to purchase additional land, if necessary, to supplement its existing land bank.

B. Financials

1. As at 31 March 2022, the Group has \$530 million (FY2021: \$729 million) in cash and cash equivalents, with over \$480 million (FY2021: \$575 million) in fixed deposits (page 95 of Annual Report; Note 12 Cash and cash equivalents).

As shown in the statements of financial position (page 65 of Annual Report), borrowings amount to \$130.9 million as at 31 March 2022 (FY2021: \$337.9 million). The net finance cost of the group was \$3.37 million (FY2021: \$4.36 million) despite the Group being in a net cash position.

For shareholders’ benefit, can the Board elaborate further on its capital management strategy? Are there any reasons for the Group to borrow and incur finance costs of \$5-6 million when the Group is in a net cash position?

Response

As at 31 March 2022, the Group has reduced bank borrowings from \$337.9 million to \$130.9 million. During this period of global economic uncertainty, caused primarily by the protracted and lingering impact of the COVID-19 pandemic, and aggravated by the Russia/Ukraine crisis, the Group is conserving cash to fund existing and upcoming developments as well as to preserve financial strength for growth and reinvestments, taking into consideration a probable prolonged period of economic uncertainties.

2. **Given that interest rates have increased and are widely expected to rise more, what is the Board's strategy to better manage the Group's capital to minimise the Group's net finance costs?**

Response

The Board is closely monitoring the Group's cashflow requirements and after taking into consideration expected expenditures, will be looking into further repayment of the bank borrowings to minimise the Group's finance costs, when appropriate.

C. Project Sales and Development

1. **In the Chairman's statement, it was disclosed that the Group will be focusing its efforts on LIV @ MB and Pollen Collection, the latter planned for launch in Q3/4 of 2022. The Atelier is a 120-unit, 22-storey residential development, situated in prime District 9. The project sits on the freehold land on Makeway Avenue which was acquired in March 2018. The Atelier was previewed in February 2021 but saw its March 2021 launch shelved. With just 12% sold, what is Management's strategy to improve the sales? For the benefit of shareholders, are there any reasons why The Atelier was not discussed as a key focus of the Group in this new FY? Is Management exploring alternate options for The Atelier?**

Response

The Group intends to reposition The Atelier as the aspirational address in prime District 9 Newton and is currently fitting out new show flats to showcase the various possibilities to interested buyers as well as to enhance the development's attributes.

2. **Can the Board help shareholders understand if the Group is agile enough to execute on its development projects and to successfully launch the projects in a timely manner to de-risk the Group? Has the Board reviewed if the "lag" of 3-4 years to launch a project is in line with the industry? If not, how will the Company be improving its "time-to-market"?**

Response

The Group takes a long-term portfolio view of all its development properties and continues to closely monitor and assess prevailing market conditions to determine the appropriate time for the launch of any of its development projects.

3. **What is the Group's view of the market sentiment for landed homes in Singapore, especially high end, luxury large terraced and semi-detached houses? Does Management expect the rising interest rates to dampen demand for the Pollen Collection? How is the Group marketing this project to attract potential buyers?**

Response

Interest rates are expected to rise, and may or may not have an impact on the interest of buyers in both landed and non-landed properties. However, as a result of the pandemic, there appears to be a greater interest in the purchase of properties with larger floor areas, based on sales achieved in 2021 and 1H2022. With the limited supply of landed homes, especially brand-new developments from the primary market, we expect demand for landed homes to remain resilient.

4. **Given that Fraser Residence Orchard, Singapore is externally managed, what is the level of influence and oversight by Management? How does Management value-add to the operation of the Group's luxury serviced apartments?**

Response

The Management works closely with international hospitality provider, Frasers Hospitality, to remain competitively comparable with other serviced apartments within the vicinity, so as to provide sustainable recurring income to the Group. The recurring income segment will continue to complement the property development segment of the Group.

5. **In a rapidly rising housing loan mortgage rate environment this year, what is the Group's management plan to boost up the sale number of The Atelier project, which completion date is targeted in 4Q 2023?**

Response

The timing of launch for The Atelier was assessed to be in line with market conditions in FY2022. However, it may remain challenging to anticipate changes to these conditions and other extenuating circumstances that may affect buyers' interests such as public health concerns due to a spike in COVID-19 cases and extended restrictions to cross border travel. The Management is currently fitting out new show flats to highlight the development's attributes and reviewing strategies to increase sales for The Atelier.

6. **As reported in the Company's Annual Report 2021, the Pollen Collection project achieved 5% work completion at that material time. Why was there no or minimum progress of site work over the last one year?**

Response

The project is in the advanced piling stage. The Group believes that high quality and uniquely designed properties, which will always be highly sought after, require careful planning and designing. A steadfast approach remains a high priority for the Group as we focus on delivering long-term sustainable value to our customers and stakeholders.

7. **Can the Group provide some clarity on the plan to develop their large landed housing land bank they possessed? Is the Group able to achieve a sale of at least 80 units of the landed housing per financial year, taking together both the 99-year leasehold and freehold lands?**

Response

The Group takes a long-term portfolio view of all its development properties and continues to closely monitor and assess prevailing market conditions to determine the appropriate time for the launch of any of its development projects.

The Group is mindful to maintain, as much as possible, an even supply and demand balance with a stable cash flow of the Group, and will continue to adopt a prudent and measured stance and pace the sale of its development properties.

D. Board and Management

1. **The Company does not currently have a Chief Executive Officer ("CEO") or a Chief Financial Officer. Has the Board/Nominating Committee ("NC") assessed if the Group has the necessary human resources and the depth in its management team to execute the Group's growth strategies?**

Response

The Board has reviewed and is satisfied that the Group currently has the necessary human resources in place to meet its objectives. The Board considers the senior management team appropriately qualified, and each has sufficient knowledge and experience to discharge his/her responsibilities in the Company. The Board works closely with the senior management team to execute the Group's strategies and to ensure the long-term success of the Group.

To build management bench strength, the Board has been undertaking a process to identify a suitable candidate to be the next CEO of the Group. Currently, the search is in an advanced stage, and it is anticipated that BSEL will be in a position to make an announcement on the appointment of the new CEO within the next 3 months.

2. Who is responsible for the Group's Profit and Loss?

Response

The responsibility for the Group's Profit and Loss lies with the Board of Directors and the Chief Operating Officer.

3. With nearly \$1.5 billion in total equity, the Group would greatly benefit from appointing an experienced CEO with a proven track record, with experience gained working in a large real estate developer, to lead the Group. What is the progress made by the company in its search for a new CEO? What are the criteria used to shortlist the CEO candidate?

Response

Please refer to our response under paragraph D1.

4. Did the vacant CEO role contribute to the Group's delayed launch of LIV @ MB and The Atelier?

Response

No, the Group takes a long-term portfolio view of all its development properties and continues to closely monitor and assess prevailing market conditions to determine the appropriate timing for the launch of any of its development projects.

5. Would the NC elaborate further on the Group's succession planning of senior executives and the depth of the Group's leadership bench strength in the core functions of the Group?

Response

The Group has a list of employees to fill vacant management positions that may arise which is the result of undertaking a regular succession planning exercise. The Group operates with the Chief Operating Officer supported by four Head of Departments and each Head of Department is supported by two line managers. The Group is committed to invest in the training and development of all personnel in the organisation (including the level supervised by the line managers) to improve the Group's leadership and management bench strength in the core functions over time.

6. The Company has yet to identify and appoint a CEO, after the previous CEO retired more than 2 years ago. Please advise on the progress in the search of a suitable candidate.

Response

Please refer to our response under paragraph D1.

E. Dividends

- 1. Can the Company consider declaring a special interim dividend when they report their half-yearly interim results in November 2022?**

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 endeavours to balance dividend returns 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 a sustainable ordinary dividend on an annual basis.

By Order of the Board

Lotus Isabella Lim Mei Hua
Company Secretary
21 July 2022
Singapore