

**BUKIT SEMBAWANG ESTATES LIMITED**  
(Incorporated in the Republic of Singapore)  
Company Registration No. 196700177M  
(the “Company”)

**MINUTES OF THE 54<sup>TH</sup> ANNUAL GENERAL MEETING**

MINUTES OF THE 54<sup>TH</sup> ANNUAL GENERAL MEETING (“**AGM**”) OF THE COMPANY HELD BY WAY OF ELECTRONIC MEANS ON FRIDAY, 24 JULY 2020 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 Tan Swee Siong	: 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 Ooi Chee Eng	: Acting Chief Executive Officer, Chief Financial Officer and 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 chaired the meeting. 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.

After confirming with the Company Secretary that a quorum was 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 was published on SGXNET and the Company’s website on 2 July 2020. The Notice was taken as read.

The meeting was informed that voting was by 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 were validated by the Company appointed scrutineer, Janusys Consultants Pte Ltd.

**PRESENTATION BY ACTING CHIEF EXECUTIVE OFFICER**

The Chairman invited the Acting Chief Executive Officer, Mr Ooi Chee Eng, to present the business updates of the Group. Mr Ooi delivered the presentation using slides (as annexed and marked as Appendix 1) which covered “Financial Highlights”, “Awards for Development Projects”, “Development Projects’ Construction Progress & Sales Status” and “Looking Forward: Business Plans”.

## QUESTIONS FROM SECURITIES INVESTORS ASSOCIATION (SINGAPORE) & MEMBERS

The Company had received questions from the Securities Investors Association (Singapore) and a few members. Substantial and relevant questions were answered and published on SGXNET and the Company's website on 23 July 2020. The summary of questions and answers is annexed hereto and marked as Appendix 2.

## ORDINARY RESOLUTIONS

The motions set out below were duly proposed and based on the results of the poll announced at the meeting, the Chairman declared the following ordinary resolutions were duly passed.

### AS ORDINARY BUSINESS

#### Ordinary Resolution 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 2020 and the Auditors' Report be received and 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	(%)
129,809,110	129,809,110	100	0	0

It was resolved that the Directors' Statement and Audited Financial Statements for the financial year ended 31 March 2020 and the Auditors' Report be received and adopted.

#### Ordinary Resolution 2 - Declaration of a 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 7 cents per share be declared for the financial year ended 31 March 2020."

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	(%)
129,809,110	129,809,110	100	0	0

It was resolved that a final dividend of 4 cents per share and a special dividend of 7 cents per share be declared for the financial year ended 31 March 2020.

### Ordinary Resolution 3 - Re-Election of Director - Mr Koh Poh Tiong

The Chairman informed the Meeting that Resolution 3 on the Agenda was related to his re-election as Director of the Company and invited Mr Chng Kiong Huat to chair the meeting for Resolution 3.

Mr Chng Kiong Huat put the following motion to the meeting:

“That Mr Koh Poh Tiong, retiring by rotation pursuant to Regulation 94 of the Company’s Constitution but being eligible and offering himself for re-election, be re-elected as Director of the Company.”

Mr Chng Kiong Huat announced the results as follows and declared Resolution 3 carried:

Total number of valid votes cast	For		Against	
	Number of shares	(%)	Number of shares	(%)
129,809,110	129,709,610	99.92	99,500	0.08

It was resolved that Mr Koh Poh Tiong, retiring by rotation pursuant to Regulation 94 of the Company’s Constitution but being eligible and offering himself for re-election, be re-elected as Director of the Company.

Mr Chng Kiong Huat handed the meeting back to the Chairman of the meeting.

### Retirement of Director – Mr Tan Swee Siong

The meeting also noted that Mr Tan Swee Siong retired by rotation under Regulation 94 of the Company’s Constitution and Mr Tan informed the Board that he would not seek re-election as Director at this meeting. Upon his retirement as Director, Mr Tan also ceased to be Chairman of the Investment Committee, and a member of the Audit and Risk Management Committee, Nominating Committee, Remuneration Committee and Project Development Committee. On behalf of the Board, the Chairman thanked Mr Tan Swee Siong for his active participation and sterling contributions to the development and success of the Company during his 9-year tenure.

### Ordinary Resolution 4 - Re-Election of Director – Mr Ong Sim Ho

The Chairman put the following motion to the meeting:

“That Mr Ong Sim Ho, retiring pursuant to Regulation 76 of the Company’s Constitution but being eligible and offering himself for re-election, 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	(%)
129,809,110	129,809,110	100	0	0

It was resolved that Mr Ong Sim Ho, retiring pursuant to Regulation 76 of the Company’s Constitution but being eligible and offering himself for re-election, be re-elected as Director of the Company.

### Ordinary Resolution 5 - Directors' Fees

The Chairman put the following motion to the meeting:

“That a sum of S\$442,600/- be approved for payment as Directors' Fees for the financial year ended 31 March 2020.”

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	(%)
129,809,110	129,809,110	100	0	0

It was resolved that a sum of S\$442,600/- be approved for payment as Directors' Fees for the financial year ended 31 March 2020.

### Ordinary Resolution 6 - Appointment of Auditor

The Chairman put the following motion to the meeting:

“That Deloitte & Touche LLP be appointed as Auditor of the Company in place of the retiring Auditor, KPMG LLP and 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	(%)
129,809,110	129,809,110	100	0	0

It was resolved that Deloitte & Touche LLP be appointed as Auditor of the Company in place of the retiring Auditor, KPMG LLP and to hold office until the conclusion of the next Annual General Meeting and that the Directors be authorised to fix their remuneration.

The Chairman, on behalf of the Board, expressed a note of thanks to KPMG LLP for the past 53 years of excellent service, and welcomed Deloitte & Touche LLP as Auditor of the Company.

## AS SPECIAL BUSINESS

### Ordinary Resolution 7 – General authority to allot and issue new shares in the capital of the Company

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 2 July 2020 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	(%)
129,809,110	123,077,911	94.81	6,731,199	5.19

It was 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.

The results of the poll on each of the above resolutions are also made available on SGXNET.

### **CLOSING**

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

### **CERTIFIED AS A TRUE RECORD OF MINUTES**

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Koh Poh Tiong  
Chairman





BUKIT SEMBAWANG  
ESTATES LIMITED

# 54<sup>TH</sup> ANNUAL GENERAL MEETING

24 July 2020







“Our foremost priority in these trying times is the health and well-being of our staff, customers, and business partners. As uncertainties persist in the local and global economy, we will maintain an agile and responsive posture to safeguard our core business and continue to strive towards our vision of building quality homes for generations to come.”

– MR KOH POH TIONG, CHAIRMAN





# AGENDA

Financial Highlights

01

Awards For Development Projects

02

Development Projects' Construction  
Progress & Sales Status

03

Looking Forward:  
Business Plans

04



## FINANCIAL HIGHLIGHTS

For the year ended 31 March	2020	2019	% Change
Revenue	\$369.72m	\$357.86m	3.31%
Profit Before Tax	\$102.26m	\$128.48m	(20.41%)
Profit After Tax	\$76.08m	\$101.29m	(24.89%)
Net Return on Equity (%)	5.75%	7.76%	(25.90%)
Earnings Per Share	\$0.29	\$0.39	(25.64%)



# AWARDS HIGHLIGHTS | WATERCOVE

WATERCOVE



**PropertyGuru Asia  
Property Awards 2019**

Best Housing  
Development  
(Singapore)



**PropertyGuru Asia Property  
Awards 2019**

Best Strata Housing  
Architectural Design  
(Singapore)

**PropertyGuru Asia Property  
Awards Grand Final 2019**

Best Residential Green  
Development  
(Asia)



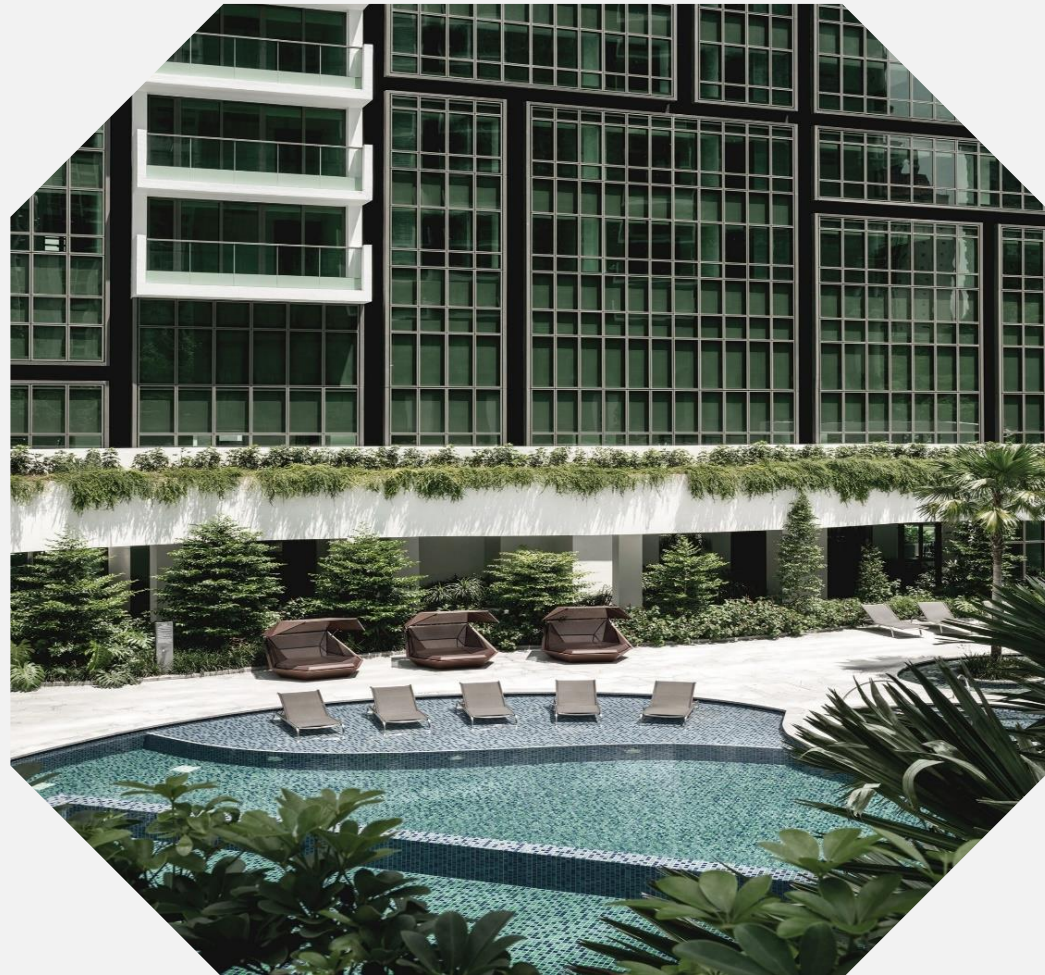


# AWARDS HIGHLIGHTS | 8 ST THOMAS



## Asia Pacific Property Awards 2019

Best Apartment/  
Condominium  
Singapore 2019-2020



## China Real Estate Design Award (CREDAWARD) 2019

Silver - High-End  
Residence Category

## FIABCI-SINGAPORE Singapore Property Awards 2019

Winner - Residential  
(High Rise) Category



# AWARDS HIGHLIGHTS | LUXUS HILLS



LUXUS HILLS

**PropertyGuru Asia  
Property Awards 2019**

Winner - Best Landed  
Housing Development  
(Singapore)



**BCA Green Mark Award 2019**

Luxus Hills  
Contemporary  
Collection - Gold<sup>PLUS</sup>

**PropertyGuru Asia Property  
Awards Grand Final 2019**

Best Housing  
Architectural Design  
(Singapore)



# 2019-2020 ASIA & INTERNATIONAL AWARDS

Project	Award Name	Title Won
Bukit Sembawang Estates Ltd	BCA	Top 10 Developers 2019
	The Edge Billion Dollar Club	Best-Performing Stock (Properties)
8 St Thomas	FIABCI-SINGAPORE Singapore Property Awards	Winner - Residential (High Rise) Category
	Asia Pacific Property Awards	Best Apartment/Condominium Singapore 2019-2020
	China Real Estate Design Award (CREDAWARD)	Silver - High-End Residence Category
	Global Architecture and Design Awards 2019	Third Award - Housing More than 5 Floors (Built)
Luxus Hills	PropertyGuru Asia Property Awards Grand Final	Best Housing Architectural Design (Singapore)
		Best Housing Interior Design (Singapore)
	PropertyGuru Asia Property Awards (Singapore)	Winner - Best Landed Housing Development
		Winner - Best Landed Housing Architectural Design
		Winner - Best Landed Housing Interior Design





## 2019-2020 ASIA & INTERNATIONAL AWARDS (CONT'D)

Project	Award Name	Title Won
Luxus Hills Signature Collection	BCA Quality Mark Award	Certified
Luxus Hills Contemporary Collection	BCA Green Mark Award	Gold <sup>PLUS</sup>
Nim Collection P1 & 2	BCA Quality Mark Award	Merit
Skyline Residences	Asia Pacific Property Awards	Award Winner – Residential High-rise Development Singapore 2019-2020
Watercove	BCA Quality Mark Award	Star
	PropertyGuru Asia Property Awards Grand Final	Best Residential Green Development (Asia)
		Best Housing Development (Singapore)
		Best Housing Architectural Design (Singapore)
	PropertyGuru Asia Property Awards (Singapore)	Winner - Best Housing Development
		Winner - Best Strata Housing Development
		Winner - Best Strata Housing Architectural Design
		Winner - Best Residential Green Development



# DEVELOPMENT PROJECTS WITH CONSTRUCTION COMPLETED IN FY2020

01

**WATERCOVE**

80 Houses | TOP 2Q 2019

02

**NIM COLLECTION P1**

47 Houses | TOP 2Q 2020

03

**NIM COLLECTION P2**

51 Houses | TOP 3Q 2019

04

**LUXUS HILLS  
CONTEMPORARY  
COLLECTION**

39 Houses | TOP 1Q 2020

100%  
COMPLETED



# WATERCOVE



District 27 | Sembawang |  
Freehold | 80 Houses



ARTIST'S IMPRESSION





# NIM COLLECTION

District 28 | Seletar |  
99-Year Leasehold | 98 Houses

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



ARTIST'S IMPRESSION





## LUXUS HILLS

CONTEMPORARY COLLECTION

District 28 | Seletar |  
999-Year Leasehold | 39 Houses

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



ARTIST'S IMPRESSION



# SALES STATUS OF DEVELOPMENT PROJECTS

## WATERCOVE



100%

80 Units Sold

## NIM COLLECTION P1



100%

47 Units Sold

## NIM COLLECTION P2



94%

48 Units Sold

## LUXUS HILLS SIGNATURE & CONTEMPORARY COLLECTION



99%

116 Units Sold

## 8 ST THOMAS



64%

160 Units Sold

\*Sales figures as at 18 June 2020.





## SALES STATUS SUMMARY

Development Project	No. Of Units	Total Units Sold	% Sold
Watercove	80	80	100%
Nim Collection P1	47	47	100%
Nim Collection P2	51	48	94%
Luxus Hills Signature & Contemporary Collection	117	116	99%
8 St Thomas	250	160	64%
<b>Total</b>	<b>545</b>	<b>451</b>	<b>83%</b>

\*Sales figures as at 18 June 2020.



# UPCOMING DEVELOPMENT PROJECTS

01

**THE ATELIER**

120 Residences

(Former Makeway View)

02

**LIV @ MB**

298 Residences

(Former Katong  
Park Towers)

03

**BESPOKE LANDED  
HOMES AT SELETAR**

132 Houses



— *The* —  
**ATELIER**

District 9 | Newton |  
Freehold | 120 Residences

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



ARTIST'S IMPRESSION





# LIV @ MB

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

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



ARTIST'S IMPRESSION





# BESPOKE LANDED HOMES AT SELETAR

District 28 | Seletar |  
99-Year Leasehold | 132 Houses



ARTIST'S IMPRESSION





# BUSINESS PORTFOLIO

## A. Watercove (District 27)

- 100% of Units Sold

## B. Nim Collection (District 28)

- Phase 1: 100% of Units Sold
- Phase 2: ~94% of Units Sold (3 Houses remaining)

## C. Luxus Hills (District 28)

- Final Phase: ~99% of Units Sold (1 House remaining)

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

- 45% Occupancy Rate

## E. 8 St Thomas (District 9)

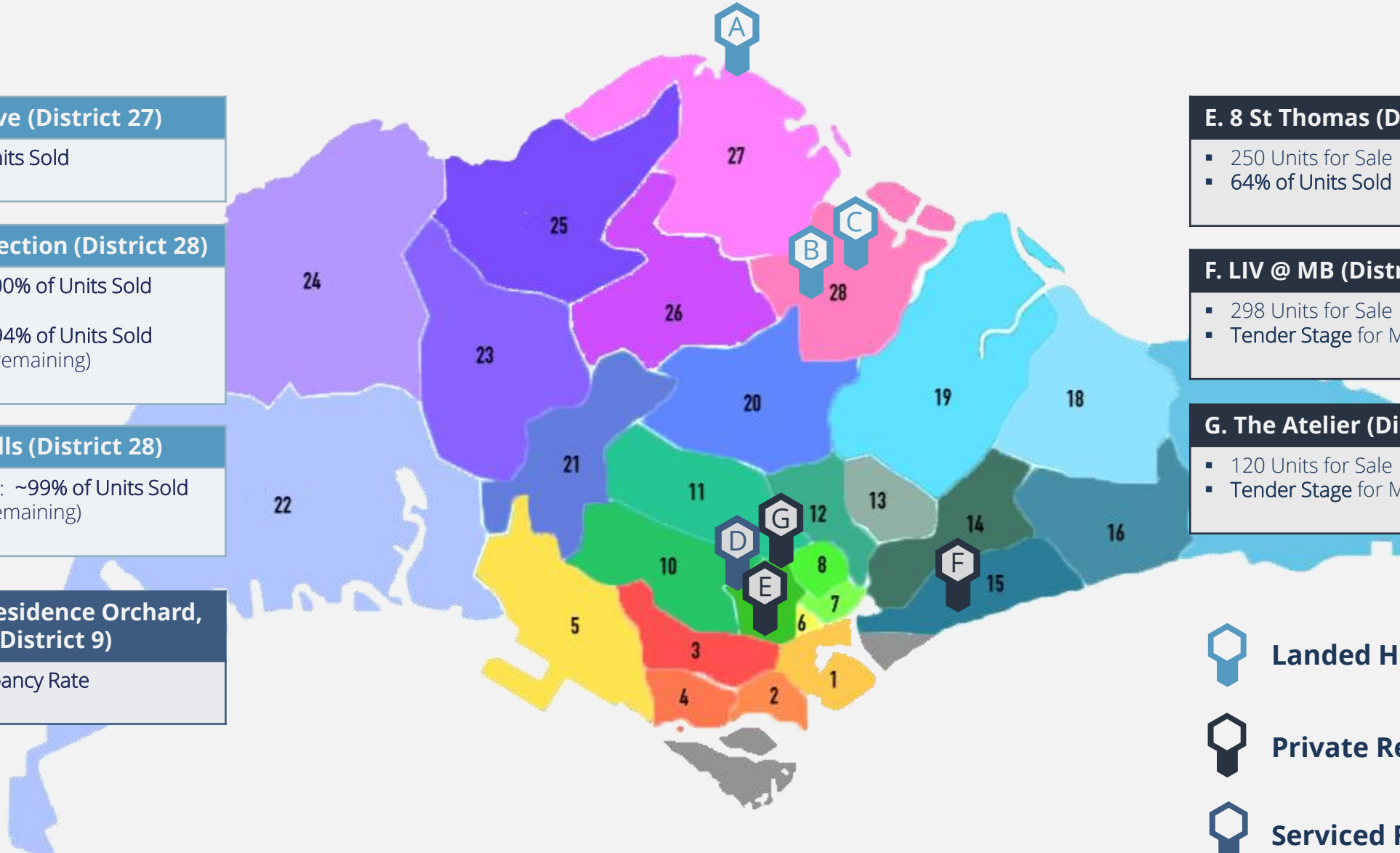
- 250 Units for Sale
- 64% of Units Sold

## F. LIV @ MB (District 15)

- 298 Units for Sale
- Tender Stage for Main Contractor

## G. The Atelier (District 9)

- 120 Units for Sale
- Tender Stage for Main Contractor



\*All information is accurate as at 18 June 2020.



# THREE-PRONGED BUSINESS STRATEGY



## CORE COMPETENCE

Strengthen the Group's core competence in developing landed 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 Core Competence In Developing Landed Properties Progressively

Offering different types of landed  
properties to meet purchasers'  
preferences & lifestyle

- I. Bespoke landed homes at Seletar  
99-year leasehold mixed landed housing
- II. Luxus Hills at Ang Mo Kio Ave 5  
999-year leasehold conventional housing







QUALITY HOMES

## Building High-quality Residential Homes

### Luxury Private Residences

- I. 8 St Thomas
- II. The Atelier  
(Former Makeway View)
- III. LIV @ MB  
(Former Katong Park Towers)



ACTUAL PHOTO - 8 ST THOMAS



# FINANCIAL STABILITY

## Investment In Properties For Recurring Income

- I. Fraser Residence Orchard, Singapore
- II. Other property assets



ACTUAL PHOTO – FRASER RESIDENCE ORCHARD



We will pursue the three-pronged business strategy in the mid to long-term, as we work to strengthen our current and future position for greater shareholder value.

In the near term, we will continue launching both completed and under construction development projects in a timely manner.

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



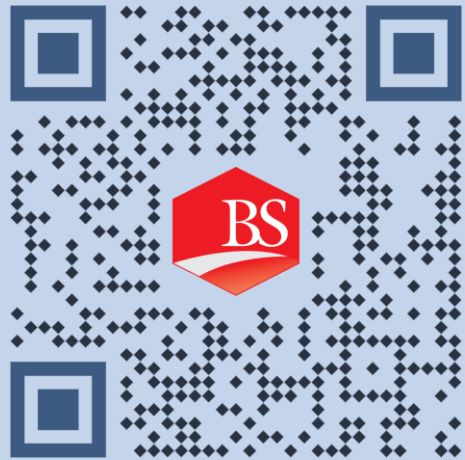
ARTIST'S IMPRESSION – 8 ST THOMAS





BUKIT SEMBAWANG  
ESTATES LIMITED

THANK YOU



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



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





**BUKIT SEMBAWANG ESTATES LIMITED**  
(Incorporated in the Republic of Singapore)  
Company Registration No. 196700177M

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**RESPONSES TO SUBSTANTIAL AND RELEVANT QUESTIONS  
FOR ANNUAL GENERAL MEETING 2020**

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Bukit Sembawang Estates Limited (“**BSEL**”, “**the Company**” or 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 54<sup>th</sup> Annual General Meeting (“**AGM**”) to be held through electronic means on 24 July 2020 at 10.30am.

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

- A. Financials
- B. Impact of COVID-19
- C. Sales and Marketing
- D. Board and Management
- E. Impairment
- F. Dividends
- G. Corporate Reporting

**A. Financials**

**1. How was the Return on Equity of 5.75% for FY2020 calculated?**

[Response](#)

Return on Equity was calculated based on FY2020 Profit after tax divided by Total Equity as at 31 March 2020 multiplied by 100% (i.e. S\$76,081,000/S\$1,323,552,000 X 100% = 5.75%).

**2. What is the Group’s holding cost for 8 St Thomas?**

[Response](#)

The holding cost for 8 St Thomas is commercially sensitive information. The Group is currently selling the unsold units, and revelation of information on holding cost may compromise the confidentiality. The Group will endeavour to sell out the unsold units to mitigate the holding cost.

**3. Has management evaluated the Return on Investment (ROI) of the Group’s high-rise development projects, including 8 St Thomas?**

[Response](#)

Yes, we have conducted detailed financial feasibilities and evaluations for our high-rise development projects, including 8 St Thomas.

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

### **1. How has the COVID-19 pandemic impacted the business?**

#### Response

The impact of COVID-19 in FY2020 is limited as the crisis only began to deepen from March 2020, the last month of our financial year.

Prior to the circuit breaker measures, we launched two brand-new landed residential projects in the Luxus Hills estate. Luxus Hills (Signature Collection) was launched in August 2019 and was fully sold within a month. Luxus Hills (Contemporary Collection) was launched in February 2020, with all 39 999-year leasehold landed homes sold within two weeks.

The market response to our 99-year leasehold landed houses at Nim Collection was also positive in FY2020. As at 18 June 2020, all 47 houses at Phase 1 and 94% of 51 houses at Phase 2 have been sold.

The Group believes in adopting a measured approach as we maintain our mid to long term objectives in order to steer the Company through the uncertainties that lie ahead.

With sound and sustainable government policies and supportive government initiatives to tide developers and homebuyers through the COVID-19 period, we believe the Group will remain stable and resilient in the year ahead.

### **2. Have there been delays to construction, and if so, what are the anticipated delays?**

#### Response

Due to the circuit breaker measures and continued compliance with authorities guidance about safe distancing measures, construction work has been impacted.

However, the Company has accounted for possible delays and as such, our targeted dates of completion remain on track.

## **C. Sales and Marketing**

### **1. How does the Company plan on pushing for sales at 8 St Thomas with the current measures in place and poor buyer sentiment?**

#### Response

The ongoing COVID-19 pandemic has created a mixed market situation whereby some properties have become more attractive to purchasers and have shown good sales results. 8 St Thomas possess many of these attributes that are appealing to such purchasers.

Management is cautiously optimistic that 8 St Thomas, as a ready-for-immediate-occupation and freehold-tenure in District 9, will be an attractive proposition for both homeowners and investors.

To attract these prospective buyers, management embarked on an extensive enhanced marketing effort during the circuit breaker period. We conducted virtual tours of our show-suites and webinars to promote the development and extended our reach to overseas prospects and buyers.

With the opening of phase 2 of the circuit breaker, we were able to physically showcase our newly completed show-suites to prospects.

Going forward, we will continue to conduct virtual tours to attract our overseas prospects, to offer options for finishes and layout for selected units and make changes and adjustments where practicable. Further, as a completed development, we are in a unique position to provide deferred payment schemes to give our prospective buyers flexibility that will cater to their individual financial needs.

**2. Are any projects at risk of being subjected to Qualifying Certificate (QC) or ABSD charges?**

Response

Within the Group, only 8 St Thomas is subject to the first Qualifying Certificate extension charges.

Within the Group, only LIV@MB and The Atelier received ABSD remission. They are presently not at risk of being subject to ABSD charges.

**3. Will previews and launches be carried out virtually or with physical show galleries?**

Response

We will take guidance from the relevant authorities on any measures, with regard to the sales gallery, closer to the date of launch.

Nevertheless, we have put in place plans for both physical and virtual galleries to ensure that we remain flexible as we plan for our upcoming launches.

During the circuit breaker period, we conducted virtual tours of our show-suites and webinars to promote our developments and to extend our reach to overseas prospects and buyers.

With the opening of phase 2 of the circuit breaker, we were able to physically showcase our newly completed show-suites to prospects.

Going forward, we will continue to conduct virtual tours to attract overseas prospects as well as provide for physical show galleries and show-suites for our previews and launches.

Prior to the preview and launch dates, we will take guidance from the relevant authorities to ensure all necessary measures are in place for a safe opening of the sales galleries.

**4. What is the occupancy rate at Fraser Residence Orchard Singapore (“FROS”)?**

Response

The occupancy rate as at 18 June 2020 is 44.6%.

**5. What are the projects in the pipeline for the year ahead, and when will they be launched?**

Response

The Group has 3 projects in the pipeline for the year ahead. They are The Atelier, LIV@MB and 132 99-year leasehold landed houses at Seletar.

These projects are currently in the planning and pre-launch stage. The launch dates for these respective projects have not been firmed yet.

Management is carefully reviewing these 3 projects to determine the appropriate time of the launch based on when all the entitlements and approvals for sale can be obtained and when the market conditions and sentiments permit.



6. **Can management help shareholders understand the development roadmap for the remaining phases of the Seletar Hills landbank? On page 106, it can be seen that the Group has a landbank of 117,179 sqm in the Luxus Hills area.**

[Response](#)

The Group has so far developed a total of 10 phases as of February 2020 at Luxus Hills.

A new phase is currently in the preliminary planning stage. The houses in this phase will be put up for sale once the entitlements and approvals for sale are obtained and when the market conditions permit. Subsequently, the next phase will be developed, and the process will continue until the land is fully utilized for development and all the houses sold.

7. **What are the main considerations affecting the pace of the Group's developments and launches?**

[Response](#)

The pace of the developments and launches in Luxus Hills is driven primarily by the demand and take up rate. The Group is mindful to maintain a good supply and demand balance in order to ensure a reasonable take-up rate and to prevent an overhang of unsold houses that would otherwise affect the cash flow of the Group.

8. **Can the Company also provide more clarity on the status of the land bank marked for future phases (48,857 sqm and 19,094 sqm in the Nim Road area)?** These are recognised as vacant non-residential rural land for future residential development (page 107).

[Response](#)

The land bank at Nim Road, which is marked for future phases, are currently non-residential 999-year rural land. Upon redevelopment, the rural land will have to be surrendered and will be re-alienated into 99-year residential land.

9. **What is management's strategy to monetise the remaining units so as to de-risk the Group and to realise the development margin?**

[Response](#)

The ongoing COVID-19 pandemic has created a mixed market situation whereby some properties have become more attractive to purchasers and have shown good sales results. 8 St Thomas possess many of these attributes that are appealing to such purchasers.

Management is cautiously optimistic that 8 St Thomas, as a ready-for-immediate-occupation and freehold development in District 9, will be an attractive proposition for both homeowners and investors.

To attract these prospective buyers, management embarked on an extensive enhanced marketing effort during the circuit breaker period. We conducted virtual tours of our show-suites and webinars to promote the development and extended our reach to overseas prospects and buyers.

With the opening of phase 2 of the circuit breaker, we were able to physically showcase our newly completed show-suites to prospects.

Going forward, we will continue to conduct virtual tours to attract our overseas prospects, to offer options for finishes and layout for selected units, and to make changes and adjustments where practicable. Further, as a completed development, we are in a unique position to provide deferred payment schemes to give our prospective buyers flexibility that will cater to their individual financial needs.

**10. How does management ensure that the new projects (The Atelier and LIV@MB) can be launched successfully and to achieve good sales given the current pandemic?**

Response

Immediately following the spread of COVID-19 and recognizing the impact that it has on the sentiments and safety of people, management undertook a review of the projects to ensure the product is within the expectation and needs of prospects and buyers. Recent anecdotal evidence has shown that projects that are well located and designed are still selling.

Management will study the positive aspects of the well-received projects and re-evaluate and improve our product offering as necessary. We will also implement enhanced marketing strategies like virtual tours and webinars to promote the new projects to reach a wider local and international audience.

**11. Can the Company help shareholders understand how Frasers Hospitality Group was selected to manage the serviced residences?**

Response

Frasers Hospitality Group was selected to manage Fraser Residence Orchard, Singapore (FROS) in 2018. The decision was arrived at after the review of the competing bids received from a short-listed panel of highly recognised serviced residences operators with both local and international exposure. Key selection criteria included expertise, core competency, and financial capacity of the operators.

**12. Given the pandemic, has the Group made adjustments to its long-term strategy to own serviced residences for recurring income?**

Response

In spite of the pandemic, the Group still maintains its long-term strategy to own investment grade properties to generate recurring income.

We will continue to adopt a measured approach as we remain on the lookout for suitable new sites, while exploring opportunities for acquiring different investment grade properties.

**13. Comparing the successes of the Group's landed developments to the mixed outcomes of the Group's high-rise projects, would the Board be evaluating how it would better leverage its strength in landed development and possibly reduce its exposure to high rise projects?**

Response

The Group is a pioneer Singapore developer with decades of track record that has built and will continue to build quality homes regardless of housing types.

The Board firmly believes that it is important to maintain a diversified portfolio of real estate ranging from recurring income assets to development projects.

With a diversified portfolio and a constant pulse on the market, we would be able to respond quickly to changes in the market and develop properties that will cater to all types of discerning home buyers across all market segments.

## D. Board and Management

1. **Can the Board, especially the nominating committee, help shareholders understand if the retirement of Mr Ng Chee Seng was part of the Group's succession planning and if so, did the Board consider it appropriate to announce the retirement of the CEO once the decision was made by Mr Ng? Under Listing Rule 704(7), an issuer must immediately announce the appointment or cessation of service of Key Persons including director, chief executive officer, chief financial officer, chief operating officer, general manager.**

### Response

After thirteen years of service, Mr Ng Chee Seng retired in August 2019. Thereafter, he was appointed as an Advisor for one year to provide advice and guidance to the management team.

2. **What is the progress made in the search for a new CEO?**

### Response

The Board is in the process of searching for a new CEO. As this is the most key senior executive position, the Board is carefully evaluating potential candidates to ensure their suitability and fit into the Group. Once the appointment is finalised, the Board will make the necessary announcement.

3. **Would the Board be reviewing if the Company has made the necessary announcements on changes to appointments of key executives to update the market as part of its continuous disclosure requirements?**

### Response

The retirement of Mr Ng Chee Seng as CEO and Executive Director and the appointment of Mr Ooi Chee Eng as Acting CEO had been announced via SGXNet in accordance with continuous disclosure requirements of the SGX-ST Listing Manual under Rule 704(7).

The breakdown of the remuneration of the executives set out in the Annual Report was made in relation to the Code of Corporate Governance 2018 ("Code"). The continuous disclosure requirements would refer to the requirements under the Listing Manual, and in this case, to Rule 704(7) in particular. As the terms used in the relevant provision of the Code and in Rule 704(7) are different, there does not appear to have arisen a requirement for a review.

4. **With changes to the Board and to the senior management team, does the Group have the necessary human capital and the stability to execute on the Group's strategy to ensure the long-term success of the Group?**

### Response

The Board consists of directors who have many years of experience in real estate development, financial, legal and management work. It is fully capable of overseeing, directing and guiding the management team.

The management team consists of executives who have many years of experience in their respective areas of responsibility.

Collectively, the Board and the senior management team have the necessary human capital and the stability to execute the Group's strategy to ensure the long-term success of the Group.



## **E. Impairment**

### **1. What accounts for the impairment in FY2020?**

#### Response

The impairment loss of S\$44.1 m recognised in FY2020 was mainly due to the decrease in the recoverable amount of FROS of S\$205.1 m as at 31 March 2020 as compared to S\$252.6 m as at 31 March 2019. The recoverable amount was determined based on independent valuations undertaken.

Judgement is involved in the impairment assessment, including determining the key assumptions applied in arriving at the recoverable amount which can be found in our annual report on page 83 (Note to Accounts 5).

### **2. Is there a chance that the impairment losses will be reversed next year?**

#### Response

We are not certain whether the impairment losses will be reversed next year in view of the impact of the ongoing COVID-19 pandemic on the global economy. The Group will continue to monitor and review for impairment losses in accordance with its accounting policy at the next financial year end.

### **3. Will there be further impairment losses recorded in the year ahead?**

#### Response

In line with the Group's accounting policy, we will carry out independent valuations of the properties at the next financial year end. We will review for impairment losses and make necessary adjustments accordingly.

## **F. Dividends**

### **1. Can we expect similar dividends for this financial year, in light of the COVID-19 situation?**

#### Response

In light of the COVID-19 Pandemic, the dividends payout decisions will be balanced with the need to conserve cash to preserve financial strength for growth and reinvestments taking into consideration a period of economic uncertainties due to COVID-19.

## **G. Corporate Reporting**

- 1. How is the Company managing the announcement by SGX RegCo that quarterly reporting is no longer necessary unless identified?**

### Response

Following the efforts of SGX RegCo to enhance the regulatory regime by adopting a more targeted and risk-based approach to reporting, the Company announced that it will proceed with semi-annual reporting with effect from the financial year ended 31 March 2020.

The decision was made following discussion by the Board, taking into consideration the compliance costs and efforts required in relation to quarterly reporting.

Nevertheless, the Company will continue to keep shareholders updated on material developments relating to the Company or the Group, such as new launches, as and when appropriate, in accordance with requirements of the SGX Mainboard.

By order of the Board

Ooi Chee Eng  
Company Secretary

23 July 2020  
Singapore