

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

**MINUTES OF THE 53<sup>RD</sup> ANNUAL GENERAL MEETING**

MINUTES OF THE 53<sup>RD</sup> ANNUAL GENERAL MEETING ("AGM") OF THE COMPANY HELD AT M HOTEL SINGAPORE, BANQUET SUITE, LEVEL 10, 81 ANSON ROAD, SINGAPORE 079908 ON FRIDAY, 26 JULY 2019 AT 10.30 A.M.

PRESENT : AS PER ATTENDANCE SHEET

**1. QUORUM**

Mr Koh Poh Tiong chaired the meeting. As a quorum was present, the meeting was called to order.

**2. NOTICE OF MEETING**

With the consent of the members, the Notice of the meeting was taken as read.

**3. OPENING ADDRESS**

The meeting was informed that voting of all resolutions at the meeting would be by way of a poll and accordingly, Chairman exercised his right as Chairman under Article 62 of the Company's Constitution to demand a poll on each of the resolutions.

It was noted that Trusted Services Pte Ltd provided the electronic poll voting services and Janusys Consultants Pte. Ltd was the scrutineer for the purposes of the poll.

**4. PRESENTATION OF FY2019 PERFORMANCE**

Chairman invited CEO Mr Ng Chee Seng ("CEO") to present the Group's performance in the financial year 2019, business updates and strategy of the Group. These presentation slides are available from the announcement made by the Company after the AGM. A copy of the presentation slides is annexed to these minutes for identification purposes.

**AS ORDINARY BUSINESS**

**5. Ordinary Resolution 1 - Directors' Statement, Audited Financial Statements and Auditors' Report**

It was proposed that the Directors' Statement and Audited Financial Statements for the financial year ended 31 March 2019 and the Auditors' Report thereon be and are hereby received and adopted.

5.1 Chairman invited questions from the Members on the FY2019 Financial Statements and Reports.

- 5.2 Shareholder Mr Tan Choon Kiat ("Tan CK") noted the conversion of Paterson Collection condominium to Fraser Residence Orchard Singapore ("FROS") serviced apartments which is currently being managed by Frasers Hospitality Pte. Ltd. ("Frasers"). He would like to know the estimate of the return on asset value and how does it compare with the initial projection.

CFO Mr Ooi Chee Eng ("CFO") replied that the return on asset for FROS for the first year of operation is estimated to be below 2%. FROS soft-opened on 1 April 2019 and as this was the 1st year of operation of the serviced apartments, there could be room for improvement. The current estimated return was below the initial projection done 4 years ago.

CEO added that it would take a few years to ramp up the occupancy and to stabilise the income of the serviced apartments. He further advised that the Group intends to hold FROS on a long term basis for capital appreciation instead of focusing on short-term return.

- 5.3 Mr Tan CK asked about the duration of the management contract with Frasers and whether the FROS serviced apartments can be converted back to condominium. Chairman replied that the management contract will be cancellable. CEO added that the Group should be able to convert the serviced apartments to residential design in the future.
- 5.4 Shareholder Mr Yen Heng Fook ("Mr Yen") referred to the impairment loss of S\$9.7 million on FROS and commented that the Discounted Cash Flow ("DCF") valuation method used by the Group to compare to the carrying cost of FROS, may not be appropriate to reflect the true value of the asset.

CFO explained that based on the valuation report, there was no direct comparable properties and therefore the DCF method was used to arrive at the valuation. CEO added that the valuer had used a method of valuation that is acceptable to the auditors.

- 5.5 Mr Yen commented that some of the inputs such as terminal value may not be practical and asked that the models be used with care. The audit partner of KPMG LLP, Ms Lo Mun Wai replied that FROS was an item classified under Plant, Property and Equipment and that the recoverable amount was determined based on an external valuation obtained. The valuer had adopted the DCF method as there was no sale of properties directly comparable to FROS.
- 5.6 Shareholder Mr Lim enquired whether the 10% bonus balcony Gross Floor Area ("GFA") had been obtained for Makeway View (now known as The Atelier). CEO confirmed that the bonus balcony GFA had been obtained for The Atelier.
- 5.7 Shareholder Mr Vincent Tan ("Mr Tan") enquired on the strategy of the Group to build up its stream of recurring income through commercial investment properties in Singapore and overseas market.

Chairman responded that the core strength of the Group lies in landed housing and condominium, and diversification to investment in asset with recurring income would bring in income stability to the Group. The Group would also be very careful with its gearing level. CEO added that overseas investment and acquisition required careful deliberation and planning by the Group, and therefore would take some time.

- 5.8 Shareholder Mr Goh Han Peng (“Mr Goh”) asked about the sales value achieved for 8 St Thomas thus far and the percentage of sales under the Deferred Payment Scheme (“DPS”).

Ms Jenny Ho who is the General Manager (Marketing) replied that 8 St Thomas is sold at average of \$3,185 per square foot. One and two-bedder units make up approximately 70% of the 100 units sold with more than 50% sold under DPS.

Chairman added that the sales margin for 8 St Thomas has been good and there have been healthy sales enquiries.

- 5.9 Mr Tan queried on the exit clauses in the management agreement with Frasers. CEO replied that various exit options had been built into the management agreement with Frasers, including the flexibility to terminate the contract when the time was right.
- 5.10 Mr Tan queried on the nature of the unrecognised deferred tax assets of S\$22.98 million. Mr Yen also requested for a better utilisation of the tax losses. CFO explained that this mainly arose on the provisions for the impairment loss of S\$9.7 million in respect of the FROS serviced apartments and the allowance of S\$10.0 million foreseeable loss on The Atelier, and that the Group would strive to maximise the utilisation of tax losses.
- 5.11 Mr Tan queried on whether the impairment losses of FROS would be written back. CFO replied that the write back of impairment loss is possible pending the outcome of future valuation of the FROS.
- 5.12 Mr Lim asked whether the Company would offer interim dividend in the future, especially when the impairment was reversed. CEO replied that the dividend to be proposed is dependent on the working capital requirement of the Group. The current debt of the Company was more than S\$300 million due to the acquisition of The Atelier and Katong Park Towers.
- 5.13 Shareholder Ms Teo Hwee Geok referred to note 11 on page 90 of the Annual Report and asked for the reasons that the loans were non-trade, interest-free and impairment losses. CFO explained that these loans were non-trade in nature as the principal activities of the Group are that relating to investment holding and property development. The loans were interest-free as these were domestic loans extended to wholly-owned subsidiaries. Impairment losses were made on loans as these intercompany borrowers were in net liability position.
- 5.14 As there were no further questions on the Directors’ Statement and Audited Financial Statements and the Auditors’ Report thereon, Chairman thanked members for their comments and questions, and proceeded to request them to cast their votes on Ordinary Resolution 1.

Ordinary Resolution 1 was proposed by Mr Lee Kim Ming and seconded by Ms Kum Lai Hoong. The polling results for Ordinary Resolution 1 was as follows:

	For		Against	
	Number of shares	(%)	Number of shares	(%)
Ordinary Business				
<b>Ordinary Resolution 1</b> Adoption of Directors' Statement, Audited Financial Statements and Auditors' Report for financial year ended 31 March 2019	137,439,089	99.96	59,900	0.04

Based on the results of the poll, Chairman declared Ordinary Resolution 1 carried.

It was resolved that the Directors' Statement and Audited Financial Statements for the financial year ended 31 March 2019 and the Auditors' Report thereon be and are hereby received and adopted.

#### 6. Ordinary Resolution 2 - Declaration of a Final Dividend and Special Dividend

Ordinary Resolution 2 was proposed by Mr Chua Ghim Hock and seconded by Mr Bay Guan Seng. The Chairman invited the Members to cast their votes. The polling results for Ordinary Resolution 2 was as follows:

	For		Against	
	Number of shares	(%)	Number of shares	(%)
Ordinary Business				
<b>Ordinary Resolution 2</b> Approval and Declaration of Final Dividend of 4 cents per share and Special Dividend of 18 cents per share	137,520,989	100.00	400	0.00

Based on the results of the poll, Chairman declared Ordinary Resolution 2 carried.

It was resolved that a final dividend of 4 cents per share and a special dividend of 18 cents per share be declared for the financial year ended 31 March 2019.

It was noted that these dividends would be paid on 16 August 2019 to members registered in the books of the Company on 1 August 2019.

## 7. Ordinary Resolution 3 - Re-Election of Director - Mr Lee Chien Shih

Ordinary Resolution 3 was proposed by Mr Chua Tong Liang Terence and seconded by Mr Boey Kum Tong Francis. The Chairman invited the Members to cast their votes. The polling results for Ordinary Resolution 3 was as follows:

	For		Against	
	Number of shares	(%)	Number of shares	(%)
Ordinary Business				
<b>Ordinary Resolution 3</b> Re-election of Mr Lee Chien Shih as Director	127,681,656	92.96	9,674,669	7.04

Based on the results of the poll, Chairman declared Ordinary Resolution 3 carried.

It was resolved that Mr Lee Chien Shih, retiring by rotation in accordance with Article 94 of the Company's Constitution, but being eligible and offering himself for re-election, be re-elected as a director of the Company.

## 8. Ordinary Resolution 4 - Re-Election of Director – Ms Fam Lee San

Ordinary Resolution 4 was proposed by Ms Kum Lai Hoong and seconded by Mr Wong Kang Joo. The Chairman invited the Members to cast their votes. The polling results for Ordinary Resolution 4 was as follows:

	For		Against	
	Number of shares	(%)	Number of shares	(%)
Ordinary Business				
<b>Ordinary Resolution 4</b> Re-election of Ms Fam Lee San as Director	136,451,624	99.81	258,645	0.19

Based on the results of the poll, Chairman declared Ordinary Resolution 4 carried.

It was resolved that Ms Fam Lee San, retiring by rotation in accordance with Article 94 of the Company's Constitution, but being eligible and offering herself for re-election, be re-elected as a director of the Company.

## 9. Ordinary Resolution 5 - Re-Election of Director – Mr Chng Kiong Huat

Ordinary Resolution 5 was proposed by Mr Lee Kim Ming and seconded by Mr Lee Siew Tiong. The Chairman invited the Members to cast their votes. The polling results for Ordinary Resolution 5 was as follows:

	For		Against	
	Number of shares	(%)	Number of shares	(%)
Ordinary Business				
<b>Ordinary Resolution 5</b> Re-election of Mr Chng Kiong Huat as Director	136,477,923	99.88	162,330	0.12

Based on the results of the poll, Chairman declared Ordinary Resolution 5 carried.

It was resolved that Mr Chng Kiong Huat, retiring by rotation in accordance with Article 94 of the Company's Constitution, but being eligible and offering himself for re-election, be re-elected as a director of the Company.

## 10. Ordinary Resolution 6 - Directors' Fees

Ordinary Resolution 6 was proposed by Mr Tan Teng Ho and seconded by Ms Kum Lai Hoong. The Chairman invited the Members to cast their votes. The polling results for Ordinary Resolution 6 was as follows:

	For		Against	
	Number of shares	(%)	Number of shares	(%)
Ordinary Business				
<b>Ordinary Resolution 6</b> Approval of Directors' fees of S\$490,000/- for the financial year ended 31 March 2019	136,671,093	99.99	11,900	0.01

Based on the results of the poll, Chairman declared Ordinary Resolution 6 carried.

It was resolved that a sum of S\$490,000/- be approved for payment as Directors' Fees for the financial year ended 31 March 2019.

## 11. Ordinary Resolution 7 - Re-Appointment of Auditors

Ordinary Resolution 7 was proposed by Mr Teo Hai Poh and seconded by Mr Lee Kim Ming. The Chairman invited the Members to cast their votes. The polling results for Ordinary Resolution 7 was as follows:

	For		Against	
	Number of shares	(%)	Number of shares	(%)
Ordinary Business				
<b>Ordinary Resolution 7</b> Re-appointment of KPMG LLP as Auditors	136,438,713	99.92	111,900	0.08

Based on the results of the poll, Chairman declared Ordinary Resolution 7 carried.

It was resolved that KPMG LLP be re-appointed Auditors 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.

## AS SPECIAL BUSINESS

### 12. Ordinary Resolution 8 – General authority to allot and issue new shares in the capital of the Company

Ordinary Resolution 8 was proposed by Mr Lee Kim Ming and seconded by Mr Chua Lye Kiat. The Chairman invited the Members to cast their votes. The polling results for Ordinary Resolution 8 was as follows:

	For		Against	
	Number of shares	(%)	Number of shares	(%)
Special Business				
<b>Ordinary Resolution 8</b> Approval of share issue mandate	129,638,151	94.96	6,879,502	5.04

Based on the results of the poll, Chairman declared Ordinary Resolution 8 carried.

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 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.

### **13. CLOSING**

There being no other business to transact, Chairman thanked the members present for their attendance and declared the meeting closed at 12.12 pm.

Confirmed

Chairman





BUKIT SEMBAWANG  
ESTATES LIMITED

**53<sup>rd</sup> ANNUAL GENERAL MEETING**

**26 JULY 2019**

- 1) Financial Highlights & Awards for development projects
- 2) Updating of development projects' construction progress and sales status
  - ❖ Landed development projects
  - ❖ Residential apartment project
- 3) Looking forward – Business & marketing plans

## FINANCIAL HIGHLIGHTS

	<u>2019</u>	<u>2018</u>	<u>Increase</u>
Revenue	\$357.86m	\$98.14m	265%
Profit before tax	\$128.48m	\$59.96m	114%
Profit after tax	\$101.29m	\$50.72m	100%
Net return on equity (%)	7.76%	4.06%	91%
Earning per share (¢)	39¢	20¢	95%

# ASIA & INTERNATIONAL ARCHITECTURAL AWARDS

## NIM COLLECTION (PHASE 1 & 2)

★ Best Housing Architectural  
Design (Asia) 2018





L  
LUXUS HILLS

(PHASE 6 & 7)

★ International Residential Development 2018







**8 St Thomas**

★ **New York Design Award – Gold  
(International – Residential) 2018**



## ASIA & INTERNATIONAL ARCHITECTURAL AWARDS

Project	Award Name	Title Won
Nim Collection Phase 1 & 2	PropertyGuru Asia Property Awards	Best Housing Architectural Design (Asia)
Nim Collection Phase 1 & 2	PropertyGuru Asia Property Awards	Highly Commended - Best Landed Development (Singapore)
Luxus Hills Phase 6 & 7	Asia Pacific Property Awards	Residential Development (Singapore)
Luxus Hills Phase 6 & 7	FIABCI World Prix d'Excellence Awards	World Silver Winner - Residential (Low Rise)
8 St Thomas	PropertyGuru Asia Property Awards	Best Luxury Condominium Development (Singapore)
8 St Thomas	New York Design Awards	Gold - Architecture / Residential / International
8 St Thomas	China Real Estate Design Award	Silver - High-end Residence
8 St Thomas	Asia Pacific Property Awards	Best Apartment/Condominium Singapore 2019
Skyline Residences	Asia Pacific Property Awards	Residential High-rise Development Singapore 2019
Watercove	EdgeProp Singapore Excellence Awards	Top Boutique Development Excellence



## DEVELOPMENT PROJECTS UNDER CONSTRUCTION

- 1) Watercove at Sembawang Road
- 2) Nim Collection (99-year leasehold)
- 3) Luxus Hills at Ang Mo Kio Avenue 5

WATERCOVE



Artist's Impression



# NIM COLLECTION



Artist's Impression



L  
LUXUS HILLS (PHASE 8 & 9)





L  
LUXUS HILLS (PHASE 16)





## DEVELOPMENT PROJECTS UNDER CONSTRUCTION

<b>No.</b>	<b>Project</b>	<b>No. of Units</b>	<b>% Construction Completion</b>	<b>Expected TOP</b>
<b>1</b>	<b>Luxus Hills Ph 9</b>	<b>32</b>	<b>100%</b>	<b>2Q 2018</b>
<b>2</b>	<b>Luxus Hills Ph 8</b>	<b>46</b>	<b>100%</b>	<b>4Q 2018</b>
<b>3</b>	<b>Luxus Hills Ph 16</b>	<b>39</b>	<b>89%</b>	<b>3Q 2019</b>
<b>4</b>	<b>Watercove</b>	<b>80</b>	<b>92%</b>	<b>2Q 2019</b>
<b>5</b>	<b>Nim Collection Ph 1</b>	<b>47</b>	<b>96%</b>	<b>2Q 2019</b>
<b>6</b>	<b>Nim Collection Ph 2</b>	<b>51</b>	<b>95%</b>	<b>3Q 2019</b>

## SUMMARY OF SALES STATUS

- ❖ For landed development projects
- ❖ For condominium apartments projects

## SALES STATUS FOR LANDED PROJECTS

❖ Nim Collection (Phase 1 & 2)



## NIM COLLECTION (PHASE 1 & 2)



## SALES STATUS FOR LANDED PROJECTS

- ❖ Nim Collection (Phase 1 & 2)
- ❖ Watercove



WATER COVE



## SALES STATUS FOR CONDOMINIUM PROJECT

❖ 8 St Thomas





# 8 St Thomas



Artist's Impression





## 8 St Thomas





## CONDOMINIUM & LANDED PROPERTIES MARKETING SALES STATUS

Property	No. of Units	Sales Status		
		Units Sold from 1-4-18 to 22-7-19	Cumulative Total Units Sold as at 22-7-19	% Sold
Watercove	80	33	77	96%
Nim Collection Phase 1	47	29	44	94%
Nim Collection Phase 2	51	42	42	82%
8 St Thomas	250	100	100	40%
Total	428	204	263	61%

Part 1 : Financial highlights

Part 2 : Updating of development progress  
and sales status in FY 2019

Part 3 : Looking forward – Business &  
marketing plans



## LOOKING FORWARD – BUSINESS & MARKETING PLANS

- 1) Strengthening Group's core competence in developing landed properties progressively
    - a) **Luxus Hills at AMK Ave 5: 999-yr lease conventional housing**
    - b) Nim Collection at Nim Road/AMK Ave 5: 99-yr leasehold mixed landed housing
    - c) Watercove at Sembawang Rd: Freehold cluster housing
- Offering different types of landed properties to meet purchasers' preferences & lifestyle

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LUXUS HILLS (PHASE 8, 9 & 16)





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LUXUS HILLS (PHASE 8 & 9)





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LUXUS HILLS

(PHASE 16)





## NIM COLLECTION (PHASE 1 & 2)



Artist's Impression





Artist's Impression



WATERCOVE



Artist's Impression

## LOOKING FORWARD – BUSINESS & MARKETING PLANS

- 1) Strengthening Group's core competence in developing landed properties progressively
  - a) **Luxus Hills at AMK Ave 5: 999-yr lease conventional housing**
  - b) Nim Collection at Nim Road/AMK Ave 5: 99-yr leasehold mixed landed housing
  - c) Watercove at Sembawang Rd: Freehold cluster housing

Offering different types of landed properties to meet purchasers' preferences & lifestyle
- 2) Building our high quality residential projects for sales
  - a) 8 St Thomas
  - b) The Atelier
  - c) Katong Park Towers



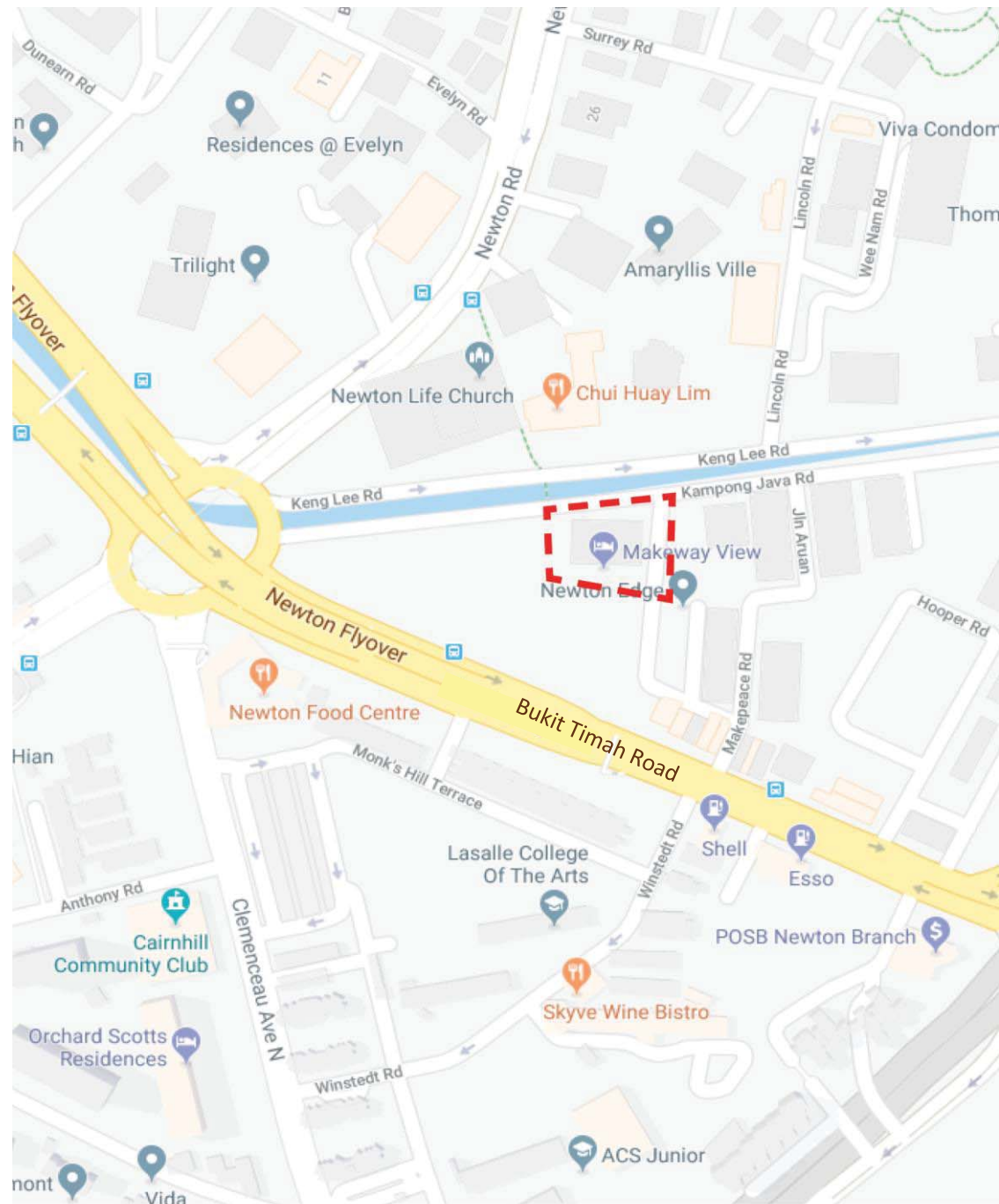


## 8 St Thomas



Photo: DP Architects Pte Ltd

# The Atelier



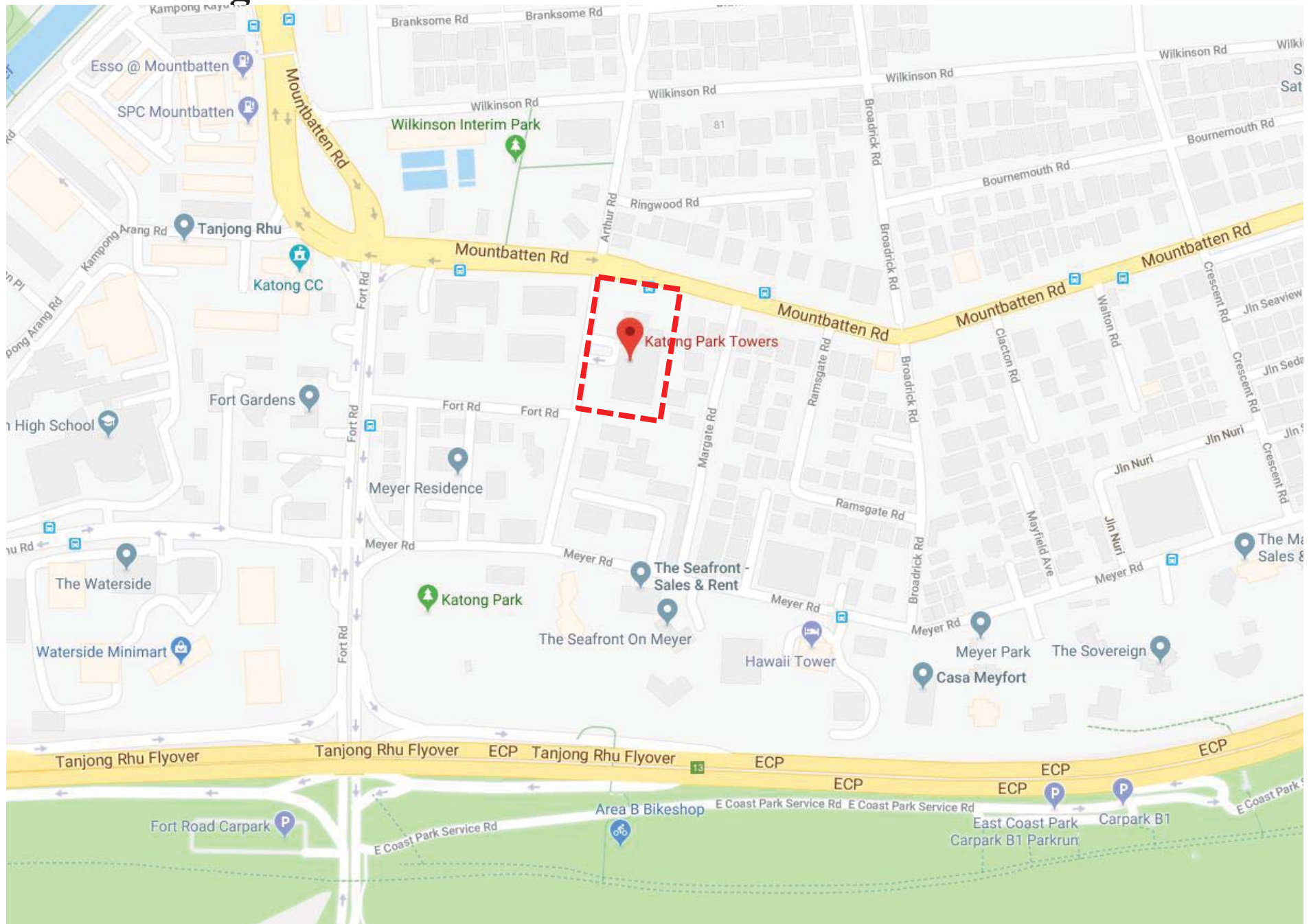


# The Atelier





# Katong Park Towers





# Katong Park Towers





# Katong Park Towers





## LOOKING FORWARD – BUSINESS & MARKETING PLANS

- 1) Strengthening Group's core competence in developing landed properties progressively
  - a) **Luxus Hills at AMK Ave 5: 999-yr lease conventional housing**
  - b) Nim Collection at Nim Road/AMK Ave 5: 99-yr leasehold mixed landed housing
  - c) Watercove at Sembawang Rd: Freehold cluster housing

Offering different types of landed properties to meet purchasers' preferences & lifestyle
- 2) Building our high quality residential projects for sales
  - a) 8 St Thomas
  - b) The Atelier
  - c) Katong Park Towers
- 3) Investment Properties for Recurring Income
  - a) Paterson Collection (Fraser Residence Orchard Singapore)

**Paterson Collection  
(Fraser Residence  
Orchard Singapore)**





## Paterson Collection (Fraser Residence Orchard Singapore)





## **Paterson Collection (Fraser Residence Orchard Singapore)**



## LOOKING FORWARD – BUSINESS & MARKETING PLANS

- 1) Strengthening Group's core competence in developing landed properties progressively
  - a) **Luxus Hills at AMK Ave 5: 999-yr lease conventional housing**
  - b) Nim Collection at Nim Road/AMK Ave 5: 99-yr leasehold mixed landed housing
  - c) Watercove at Sembawang Rd: Freehold cluster housing

Offering different types of landed properties to meet purchasers' preferences & lifestyle
- 2) Building our high quality residential projects for sales
  - a) 8 St Thomas
  - b) The Atelier
  - c) Katong Park Towers
- 3) Investment Properties for Recurring Income
  - a) Paterson Collection (Fraser Residence Orchard Singapore)
  - b) Other property assets



❖ Looking forward:

- our mid term plans to have 3 different strategies in developing landed housing, condominium projects and building up investment properties for recurring income.
- in near term to continue launching both completed and under construction condominium and landed development projects in timely manner.

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