

CORPORATE GOVERNANCE REPORT

The Board of Directors of Bukit Sembawang Estates Limited (“**Company**”) is committed to ensure good standards of corporate governance are practised throughout the Company and its subsidiaries (the “**Group**”) as a fundamental part of its responsibilities to protect and enhance shareholder value as well as to enhance corporate performance and accountability.

The Board recognises the need to keep balance with accountability in creating and preserving shareholder value and achieving its corporate vision for the Company and the Group. This Report describes the corporate governance practices and activities of the Group for the financial year ended 31 March 2023 with specific references made in relation to each of the principles of the Code of Corporate Governance 2018 (“**Code**”). During the financial year, the Group has adhered to the principles and guidelines as set out in the Code. Explanations are provided where there are deviations from the Code.

BOARD MATTERS

THE BOARD'S CONDUCT OF AFFAIRS

Principle 1 – *The Company is headed by an effective Board which is collectively responsible and works with Management for long-term success of the Company.*

The Board holds meetings on a regular basis throughout the year to approve the Group's key strategic plans as well as major investments, disposals and funding decisions. The Board is also responsible for the overall corporate governance of the Group.

The principal functions of the Board include the following:

1. Set long-term strategic objectives, monitor the progress towards achieving these goals, and ensure that the necessary financial and human resources are in place for the Company to meet its objectives;
2. Oversee the establishment and operation of an enterprise risk management framework and the review of the adequacy and effectiveness of the Company's risk management and internal control systems, including safeguarding shareholders' interests and the Company's assets;
3. Establish with Management the strategies and financial objectives to be implemented and monitor the performance of Management;
4. Identify the key stakeholder groups to understand and consider their key focus areas;
5. Set the Company's culture and ethical standards;
6. Consider sustainability issues, including environmental, social and governance factors, when formulating the Company's strategies.

All Directors objectively discharge their duties and responsibilities at all times as fiduciaries in the interests of the Company. The Board also sets appropriate tone from the top and the desired organisational culture, in areas of code of conduct and ethics, and ensures proper accountability within the Company. All Directors objectively discharge their duties and responsibilities, act in good faith and act in the best interests of the Group at all times.

To assist the Board in the execution of its responsibilities, the Board is supported by four (4) sub-committees namely, the Audit and Risk Management, Nominating, Remuneration and Project Development Committees (collectively, the “**Board Committees**”), the details of which are set out below. These Board Committees have been formed with clear written Terms of Reference which clearly set out its objectives, scope of duties and responsibilities, rules and regulations, and procedures governing the manner in which each operates and how decisions are to be taken, assist the Board in carrying out and discharging its duties and responsibilities efficiently and effectively. The Audit and Risk Management, Nominating and Remuneration Board Committees are each chaired by an Independent Director. The Project Development Committee is chaired by the Chief Executive Officer with considerable expertise and knowledge of the real estate and construction industry.

The Board Committees play an important role in ensuring good corporate governance in the Company and within the Group. Nonetheless, the ultimate responsibility for the final decision on all matters lies with the entire Board.

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Matters Requiring Board Approval

The Board has identified a number of areas for which the Board has direct responsibility for decision making. Interested Person Transactions (“IPT”) and the Group’s internal control procedures are also reviewed by the Board.

The Board also meets to consider the following corporate matters that require Board’s review and approval:

- Results Announcements;
- Annual Reports and Year-end Financial Statements;
- Convening of Shareholders’ Meetings;
- Corporate Strategies;
- Material Acquisitions and Disposal of Assets;
- Annual Business Plan and Annual Budget;
- Reports of the Board Committees;
- Conflict of Interest and IPT Register;
- Disclosure of Directors’ interests pursuant to Sections 156/165 of the Companies Act 1967;
- Board Assurance Framework;
- Corporate or Financial Restructuring; and
- Major Investments, Divestments, and Funding Decisions.

A formal Delegation of Authority document, setting approval delegations from the Board to Management, is in place and was approved by the Board.

The Board is accountable to shareholders while Management is accountable to the Board. The Group has in place financial authorisation limits for operating and capital budgets, procurement of goods and services, and cheque signatory arrangements. Approval sub-limits are also provided at Management level to facilitate operational efficiency.

Internal guidelines have been established which require all Board members who have a conflict of interest in a particular agenda item to abstain from participating in the relevant Board discussion.

The Board conducts regular scheduled meetings and meets at least four times a year, with additional meetings convened as and when necessary. The Board and Board Committees may also make decisions through circulating resolutions. The attendance of the Directors at meetings of the Board and Board Committees, as well as the frequency of such meetings, is disclosed in this Report.

Directors’ Training and Induction

All Directors are updated regularly concerning any changes in the Company’s policies, risks management, key changes in the relevant laws, regulations, regulatory requirements, and accounting standards. The Company also provides ongoing education on Board processes, governance, and best practices.

At the request of Directors, the Company will arrange and fund Directors’ participation at industry conferences, seminars or any training programme in connection with their duties as Directors of the Company and on changes in the relevant new laws and regulations and changing commercial risks to enable them to make well-informed decisions. The Company Secretary will also bring to the Directors’ attention, information on conferences and seminars that may be of relevance or use to them. Induction and orientation are provided to new Directors. Detailed information on the Company is made available to new Directors.

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Newly appointed Directors with no prior experience as a Director of a listed issuer on the Singapore Stock Exchange will undergo training in the roles and responsibilities of a Director of a listed issuer as prescribed by the Exchange. Upon appointment, the Company will provide each newly appointed Director with a formal letter and will undergo an orientation programme where they will receive a briefing by senior management on the business activities of the Group and its strategic directions, relevant information on the Company's policies and procedures as well as their duties and responsibilities as Directors to ensure that newly appointed Directors are familiar with the Group's business and governance practices. The Company will also provide training in areas such as accounting, legal and industry-specific knowledge as appropriate for Directors who have no prior experience as a Director of a listed company.

In order to ensure that the Board is able to fulfil its responsibilities, Management provides the Board members with the quarterly operational, financial and budget reports and other management statements. Analysts' reports on the Company are forwarded to the Directors on an ongoing basis as and when available. The Directors are provided with the phone numbers and particulars of the Company's senior management and Company Secretary to facilitate access.

All Directors have unrestricted access to the Company's records and information and receive detailed financial and operational reports from Management to enable them to carry out their duties. Directors may also liaise with Management to seek additional information if required. Directors may, at any time, in the furtherance of their duties, request independent professional advice at the Company's expense.

The Company Secretary attends all Board meetings and assists the Chairman in ensuring that the Board procedures, applicable rules and regulations are followed. The Company Secretary is also responsible for communicating changes in listing rules or other regulations affecting corporate governance and compliance where applicable, to the Board and the Company.

The Company's Constitution provides for the Directors to participate in the meetings of the Board and Board Committees by means of telephonic conference or in such manner as the Board may determine to facilitate Board participation.

BOARD COMPOSITION AND GUIDANCE

Principle 2 – *The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the Company.*

The Board currently comprises four Non-Executive Directors, of whom two are Independent, and two are Non-Independent as well as an Alternate Non-Independent Director. The Chairman of the Board, Mr Koh Poh Tiong, is an Independent Non-Executive Director.

The independence of each Director is reviewed annually by the Nominating Committee in accordance with the Code's definition of independence to ensure that the Board is capable of exercising objective judgment on the corporate affairs of the Group. The Nominating Committee has reviewed the "Confirmation of Independence" forms completed by each Independent Director and is of the view that the two Independent Directors are independent in accordance with the definition of independence in the Code and the Listing Rule 210 (5)(d)(i) and (ii). The Independent Directors have confirmed that they do not have any relationship with the Company, its related companies, its officers or its 5% shareholders that could interfere, or be reasonably perceived to interfere, with the exercise of the Director's independent business judgment. The appointment of each Director is based on his stature, calibre, knowledge, skills, experience and potential contribution to the Company and its businesses. Our current Directors are respected individuals with diverse expertise and a good track record in their respective fields.

The Board members participate actively during Board meetings, constructively challenge and help develop proposals on strategy, review the performance of Management in achieving the agreed goals and objectives, and monitor the performance of the Company. They will also meet without the presence of the Management so as to facilitate a more effective check on Management.

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The Nominating Committee is of the view that the current Board is capable of providing the necessary expertise to meet the Board's objectives and that no individual or small group of individuals dominates the Board's decision-making process.

Board Diversity

The Company believes in diversity and values the benefits that diversity can bring to its Board. Diversity promotes the inclusion of different perspectives and ideas, mitigates groupthink and ensures that the Company has the opportunity to benefit from all available talents. The Company seeks to maintain a Board which comprises talented and dedicated Directors with a diverse mix of expertise, experience, skills and background. The skills and background collectively represented on the Board should reflect the diverse nature of the business environment in which the Company operates. For the purpose of Board composition, diversity includes but is not limited to, business experience, geography, age, gender and ethnicity.

In October 2012, Ms Fam Lee San was appointed as an Alternate Director, and was thereafter appointed as a Non-Executive Director of the Company in July 2014. Mr Koh Poh Tiong was appointed as an Independent Non-Executive Director of the Company in February 2017 and thereafter, as Chairman of the Board in August 2017. Mr Koh brings with him many years of experience as a Director of other public listed companies as well as private companies and organisations in a wide variety of industries and sectors. In August 2019, the Board appointed an additional Independent Non-Executive Director, Mr Ong Sim Ho. Mr Ong is an experienced tax and corporate lawyer at Drew & Napier LLC. In March 2023, Mr Chu Leong Tho was appointed an Alternate Director to Ms Fam Lee San. Mr Chu has more than 35 years of experience in real estate (with developers as well as funds) covering various markets in Asia including China, Hong Kong, Japan, South Korea, Malaysia, Singapore, and Australia. These appointments have enhanced the Board's diversity in terms of gender, skill set, experience, expertise, age and perspectives to support the long-term success of the Company.

The Board will continue to pay close attention to the recommendations, guidelines and provisions of the Code on diversity, and remains committed to promote diversity in the boardroom and to further improve the quality of its disclosure through policy development, representation and transparency.

While the Company's Constitution allows for the appointment of a maximum of 15 Directors, the Board is of the view that the current Board size with their experience and expertise is appropriate, taking into account the nature and scope of the Group's operations. The Nominating Committee assesses the effectiveness of the Board as a whole and the contribution of each Director annually.

The names of the Directors in office are set out in the Directors' Statement. Particulars of their direct and indirect interests in the Company's shares are set out in the Directors' Statement.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Principle 3 – *There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision-making.*

The positions of Chairman and Chief Executive Officer are held by separate persons. This is to ensure that there is an appropriate balance of power and authority with clear divisions of responsibility and accountability. Such separation of roles between the Chairman and Chief Executive Officer promotes robust deliberation. The Chairman ensures that the Directors receive accurate, clear, and timely information, encourages constructive relations between Board and Management, as well as among Board members, ensures effective communication with shareholders and promotes high standards of corporate governance.

The Chairman, Mr Koh Poh Tiong, is an Independent Director. Mr Chng Kiong Huat was appointed the Chief Executive Officer ("CEO") and Executive Director in October 2022. Mr Chng was formerly a Non-Executive Director of the Company prior to his appointment as CEO but has since stepped down as an Executive Director in February 2023.

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The CEO bears executive responsibility for the Company's main property business, while the Chairman bears responsibility for the workings of the Board. The Chairman and the CEO are not related.

The Chairman encourages constructive discussions among members of the Board, and between the Board and Management, and facilitates contributions of the Non-Executive Directors. The Chairman ensures that Board meetings are held when necessary and sets the Board meeting agenda in consultation with the Company Secretary. The Chairman reviews Board papers before they are presented to the Board and ensures that Board members are provided with complete, adequate and timely information. As a general rule, Board papers are sent to Directors at least a week in advance in order for Directors to be adequately prepared for the meeting.

The Company is not required to appoint a Lead Independent Director as the Chairman is an Independent Director.

There were no dissenting views on the Chairman's statement to the shareholders for the financial year under review.

BOARD MEMBERSHIP

Principle 4 – *The Board has a formal and transparent process for the appointment and re-appointment of directors, taking into account the need for progressive renewal of the Board.*

BOARD PERFORMANCE

Principle 5 – *The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its board committees and individual directors.*

Nominating Committee ("NC")

The NC comprises three Non-Executive Directors, the majority of whom, including the NC Chairman, are independent:

Mr Koh Poh Tiong (Chairman)
Mr Lee Chien Shih
Mr Ong Sim Ho

The NC's written Terms of Reference are approved and subject to periodic review by the Board. The Terms of Reference of the NC include:

1. Recommend to the Board on all Board and Board Committees appointments and re-nominations, including recommending the Chairman for the Board and for each Board Committee;
2. Engage in succession planning for the positions of Chairman, Directors and senior executives;
3. Determine annually, and as and when circumstances require, if a Director is independent and whether he is able to carry out his duties as a Director and make its recommendations to the Board;
4. Assess annually the effectiveness of the Board as a whole, its Board Committees, and the contribution by each individual Director to the effectiveness of the Board; and
5. Recommend to the Board on relevant matters relating to the review of training and professional development programs for the Board.

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In the nomination and selection process, the NC reviews the composition of the Board by taking into consideration the mix of expertise, skills and attributes of existing Board members to identify desirable competencies for a particular appointment. In so doing, it will source for candidates who possess the experience, core competency, industry knowledge and general ability that will contribute to the Board's proceedings and the strategic business areas of the Group. Newly appointed Directors are, however, required to submit themselves for re-election at the next Annual General Meeting of the Company ("**AGM**").

The selection of candidates for new appointments to the Board as part of the Board's renewal process will also depend on factors such as the current and mid-term needs, goals of the Company and the nature and size of the Group's operations. The Board also considers the specific needs of the Board as well as the skill sets and competencies of potential candidates.

We believe that Board renewal must be an ongoing process, to both ensure good governance and maintain relevance to the changing needs of the Company and business. Our Constitution requires at least one-third of our Directors to retire and subject themselves to re-election by shareholders at every AGM and no Director stays in office for more than three years without being re-elected by shareholders.

A retiring Director shall be eligible for re-election. In recommending that a Director be nominated for re-election, the NC assesses each candidate's suitability for re-appointment prior to making its recommendation, carefully taking into consideration factors such as the Director's record of attendance and participation, his/her candour, performance and overall contribution to the Board and the Group, as well as his/her ability to adequately carry out the duties expected while performing his/her roles in other companies or in other appointments. Each member of the NC will abstain from voting on any resolution and making any resolutions and/or participating in any deliberations of the NC in respect of the assessment of his performance or nomination for re-election as a Director.

The NC evaluates the Board's performance as a whole, its Board Committees, and the contributions of individual Directors to the effectiveness of the Board. The assessment criteria adopted include both a quantitative and qualitative evaluation. The qualitative criteria for assessing the Board's collective performance include Board size and composition, access to information, processes and accountability, and Board Committees' performance in relation to discharging their responsibilities set out in their respective Terms of Reference, while the quantitative assessment criteria include net profit, return on equity, earnings per share, dividend per share and pay-out ratio, allowing for comparison against industry peers. The assessment criteria for individual Directors include factors such as Director's attendance, preparedness for meetings, participation level and contribution at meetings, analytical skills, knowledge/insight and strategic planning as well as overall contribution to the Board and the Board Committees, as appropriate.

The two Independent Directors currently represent more than one-third of the Board. The independence of each Director is reviewed annually by the NC. The NC, in reviewing the independence of each Director, takes into account the provisions in the listing manual of the SGX-ST and the Code relating to what constitutes an Independent Director. A Director is required to inform the NC of any relationships or circumstances which arise that are likely to affect, or could appear to affect, his independence. The Board, after taking into consideration the NC's review of the independence of each Director for this financial year, is of the view that Mr Koh Poh Tiong and Mr Ong Sim Ho are Independent Directors, and that no individual or group of individuals dominate the Board's decision-making process. Each Director abstained from all deliberations by the NC and the Board on their own respective independence.

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When a Director serves on multiple Boards, that Director is required to ensure that sufficient time and effort is allocated to the affairs of the Company with assistance from Management, which provides complete and timely information on a regular basis for effective discharge of the Director's duties as well as a comprehensive schedule of events drawn up in consultation with the relevant Director. Although some of the Board members have multiple board representations and other principal commitments, the NC is satisfied that the Directors have devoted sufficient time and attention to the Group. The Board does not see any reason to set the maximum number of listed board representations that any Director may hold as all the Directors are able to devote themselves to the Company's affairs in light of their other commitments. Accordingly, the Board has not set a maximum number of other listed Company Directorships which a Director may concurrently hold.

At present, new Directors are appointed by way of a Board resolution, upon NC's interview and approval of their appointments.

At the forthcoming AGM, Mr Lee Chien Shih and Ms Fam Lee San will be retiring by rotation pursuant to Regulation 94 of the Company's Constitution.

The Nominating Committee has reviewed and is satisfied with their contribution and performance as Directors of the Company and have endorsed their nomination for re-election.

Mr Lee Chien Shih and Ms Fam Lee San, being eligible and having given their consents, will be seeking re-election at the forthcoming AGM.

Pursuant to Rule 720(6) of the Listing Manual of the SGX-ST, the information set out in Appendix 7.4.1 relating to the above Directors standing for re-election at the forthcoming AGM is disclosed on pages 39 to 44 of this Annual Report.

Directors' Attendance at Board and Committee Meetings from 1 April 2022 to 31 March 2023					
	Board	Audit and Risk Management Committee	Remuneration Committee	Nominating Committee	Project Development Committee
Number of Meetings Held	4	3	1	1	4
Mr Koh Poh Tiong	4	3	1	1	4
Mr Lee Chien Shih	4	3 [#]	1	1	4 [#]
Ms Fam Lee San	4	3	-	-	4 [#]
Mr Chng Kiong Huat*	3	3 [#]	-	-	3
Mr Ong Sim Ho	4	3	1	1	4

* Mr Chng was a Non-Executive Director before being appointed as CEO and Executive Director on 1 October 2022. He stepped down as an Executive Director on 3 February 2023.

Attendance by invitation.

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Several of our Board Members have multiple listed board representations and other principal commitments, as follows:-

Director	Listed board representation and principal commitments (other than in the Company)
Koh Poh Tiong	Fraser and Neave, Limited Saigon Beer Alcohol Beverage Corporation Thai Beverage Public Company Limited BeerCo Limited Times Publishing Limited Asia Breweries Limited Cambodia Breweries Pte Ltd
Ong Sim Ho	Bluefield Renewable Energy Pte Ltd Bluefield Ventures Pte Ltd AIA Singapore Private Limited 2 Friends Investment Pte Ltd Galini Neuropro Pte Ltd Drew & Napier LLC Bright Vision Hospital Haw Par Corporation Limited Biovail Pte. Ltd.
Lee Chien Shih	Lee Rubber Company (Pte) Limited Lee Foundation, Singapore Lee Foundation, States of Malaya Lee Latex (Pte) Limited Selat (Pte) Limited - Alternate Director Singapore Investments (Pte) Limited - Alternate Director
Fam Lee San	Casuarina Properties (Pte) Ltd Cyber City Trading Pte Ltd Cyberhub Capital Pte Ltd Cyberpoint Capital Pte Ltd Cyberport Capital Pte Ltd Capital Intelligence Pte Ltd Kallang Development (Pte) Limited Kota Development Pte Ltd SE Alliance Management Pte Ltd Tropical Produce Co. Pte Ltd Bio East Pte. Ltd Enviro East Pte. Ltd Pulau Properties (Pte) Ltd Firwood Investments Pte. Ltd. Joneswick Pte Ltd
Chu Leong Tho	Casuarina Properties (Pte) Ltd Firwood Investments Pte. Ltd. Joneswick Pte Ltd Kallang Development (Pte) Limited Pulau Properties (Pte) Ltd SE Alliance Management Pte Ltd True Equity Sdn. Bhd. Adat Pertama Sdn. Bhd. Amber Heights Sdn. Bhd. Gunung Impian Development Sdn Bhd - Alternate Director

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REMUNERATION MATTERS

PROCEDURES FOR DEVELOPING REMUNERATION POLICIES

Principle 6 – The Board has a formal and transparent procedure for developing policies on directors' and executives' remuneration, and for fixing the remuneration packages of individual directors and key management personnel. No director is involved in deciding his or her own remuneration.

LEVEL AND MIX OF REMUNERATION

Principle 7 – The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the Company, taking into account the strategic objectives of the Company.

DISCLOSURE ON REMUNERATION

Principle 8 – The Company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation.

Remuneration Committee ("RC")

The RC comprises three Non-Executive Directors, the majority of whom are independent:

Mr Koh Poh Tiong (Chairman)
Mr Lee Chien Shih
Mr Ong Sim Ho

To minimise the risk of potential conflicts of interest, all the members of the RC, including the Chairman of the RC, are independent from Management.

The RC is governed by its written Terms of Reference which set out its authority and duties. The key function of the RC is to review and recommend to the Board, in consultation with Management, a framework for all aspects of remuneration such that there is a formal and transparent procedure for fixing the remuneration package of individual Directors. The RC also determines the specific remuneration packages and terms of employment for the CEO as well as senior executives. All aspects of remuneration, including but not limited to Directors' fees, salaries, allowances, bonuses, options, share-based incentives and awards, and benefits-in-kind are covered by the RC. Each member of the RC abstains from voting on any resolutions and making any recommendations and/or participating in any deliberations in respect of his/her remuneration package.

The RC has authority to engage expert professional advice on human resource matters whenever there is a need to consult externally. The RC will, in its deliberations for such, take into consideration industry practices and norms in compensation in addition to the Company's relative performance and the performance of the individual Directors. No expert advice was sought during the financial year.

The RC will review the Company's obligations, in the event that the services of the CEO and key management personnel are terminated, to ensure that contracts of service contain fair and reasonable termination clauses that are not overly generous. The RC aims to be fair and avoid rewarding poor performance.

The RC in reviewing the remuneration packages for the CEO and key management personnel takes into consideration the pay and employment conditions within the industry and comparable companies, as well as the Company's relative performance and the performance of the CEO and key management personnel when setting remuneration packages so as to attract, retain and motivate them to run the Group successfully.

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The performance of the CEO and key management personnel is annually assessed against set performance criteria (including leadership competencies, core values, personal development and commitment). This assessment is taken into account in determining their remuneration. The Company's performance is measured based on a balanced set of financial and non-financial criteria including operational performance, financial performance and customer satisfaction. For the financial year ended 31 March 2023, the RC was of the view that performance conditions were met.

The RC has ensured that the level and structure of remuneration are aligned with the risk policies and long-term interests of the Company.

The Directors receive Directors' fees. In determining the quantum of Directors' fees, factors such as effort and time spent for serving on the Board and Board Committees, and responsibilities of the Directors are taken into account. The RC will ensure that Non-Executive Directors will not be overly compensated to the extent that their independence may be compromised.

The RC's written Terms of Reference are approved and subject to periodic review by the Board.

The Company adopts an overall remuneration policy for staff comprising a fixed component in the form of a base salary. The variable component is in the form of a bonus that is linked to the Company's and the individual's performance and is tied to the extent to which certain key financial and operational performance indicators, such as return on equity and the creation of shareholder wealth, are achieved. Compensation packages and revisions of senior management's remuneration are subject to the review and approval of the RC. Presently, the Company does not have any share option or share award scheme.

Annual appraisals and review of executives' compensation are carried out by the RC to ensure that the remuneration packages of the CEO and senior management are commensurate with their performance and that of the Company, having regard to the financial and commercial health and business needs of the Group, and in line with industry norms.

The remuneration of Non-Executive Directors shall be determined by his/her contribution to the Company, considering factors such as effort and time spent as well as his/her responsibilities on the Board. Generally, Directors who undertake additional duties as Chairman and/or members of the Board Committees will receive higher fees because of their additional responsibilities. The Board will recommend the remuneration of the Non-Executive Directors for shareholders' approval at the AGM.

Annual Remuneration Report

The Company has decided against the inclusion of an annual remuneration report in this Report as the matters required to be disclosed therein have been disclosed in this Report, the Directors' Statement and the notes to the financial statements. The Board responds to queries from shareholders at AGMs on matters pertaining to remuneration policies and Directors' remuneration.

The Directors, the CEO and other key management personnel are remunerated on an earned basis.

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Remuneration of Directors

The following table sets out the quantum of Directors' Remuneration for the financial year ended 31 March 2023, together with a breakdown (in percentage terms) of each Director's remuneration earned through base/fixed salary, variable or performance related income/bonuses, share options granted, and Directors' fees/attendance fees proposed to be paid to each Director subject to the approval of shareholders at the AGM:

Director	Percentage			Total (round off to nearest thousand dollars) S\$'000 ⁽³⁾
	Remuneration earned through			
	Base/Fixed Salary ⁽³⁾	Variable or performance related income/ bonuses/share options granted ⁽³⁾	Directors' Fees/ Attendance Fees	
Koh Poh Tiong	-	-	100%	121
Ong Sim Ho	-	-	100%	104
Lee Chien Shih	-	-	100%	58
Fam Lee San ⁽¹⁾	-	-	100%	63
Chng Kiong Huat ⁽¹⁾⁽²⁾	72%	8%	20%	223

¹ Payable to Kallang Development (Pte) Limited.

² Mr Chng was a Non-Executive Director before being appointed as CEO and Executive Director on 1 October 2022. Hence, Director's remuneration is payable for the period 1 April 2022 to 30 September 2022.

³ Includes employer's CPF contribution.

The above proposed total fees of \$391,500 (2022: \$428,000) for Independent and Non-Executive Directors is subject to shareholders' approval at the AGM to be held on 28 July 2023.

No termination, retirement and post-employment benefits were granted to any Director, or any key management personnel for the financial year ended 31 March 2023.

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Remuneration of Key Executives

A breakdown of the remuneration of each key executive, including the CEO who is not a Director, for the financial year ended 31 March 2023 is shown in the table below. The aggregate remuneration paid to the key executives including the bonus payable to them for the financial year is \$1,394,000 (2022: \$1,185,000).

Total Remuneration Bands	Total (%)	Salary ⁽¹⁾ (%)	Bonus ⁽¹⁾ (%)	Other Benefits (%)
<u>\$250,000 to \$500,000</u>				
Mr Charles Chow Kim Ghee ⁽²⁾ Chief Operating Officer (“COO”)	100	59	-	41
Ms Ho Jenny General Manager (Marketing & Sales)	100	61	31	8
Mr McDonald Low Hoong Chiong Head of Project	100	69	28	3
<u>Below \$250,000</u>				
Mr Chng Kiong Huat ⁽³⁾ Chief Executive Officer	100	85	-	15
Ms Jacqueline Chang Poh Nah Financial Controller	100	68	29	3
Mr Michael Chan Lim Huat Head of Property Management	100	74	20	6

¹ Includes employer’s CPF contribution.

² Mr Chow resigned as COO on 10 February 2023.

³ Mr Chng was appointed CEO and Executive Director on 1 October 2022, and ceased as Executive Director on 3 February 2023. Hence, remuneration as key executive is payable for the period 4 February 2023 to 31 March 2023.

Remuneration of Immediate Family Members of Directors/Substantial Shareholders

There is no employee who is an immediate family member of any Director, CEO or Substantial shareholder of the Company, whose remuneration exceeds \$100,000 during the financial year ended 31 March 2023.

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ACCOUNTABILITY AND AUDIT

RISK MANAGEMENT AND INTERNAL CONTROLS

Principle 9 – *The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls to safeguard the interests of the Company and its shareholders.*

The Board has the ultimate responsibility for maintaining a sound system of internal controls to safeguard shareholders' investment and the Group's assets. The system of internal controls is intended to provide reasonable but not absolute assurance against material misstatement or loss, and include the safeguarding of assets, the maintenance of proper accounting records, the reliability of financial information, compliance with appropriate legislation, regulation and best practices, and the identification and containment of business risk.

The Company has in place an adequate and effective system of risk management and internal controls addressing material financial, operational, compliance and information technology risks to safeguard the interests of the Company and its shareholders.

The Audit and Risk Management Committee ("**ARMC**") assists the Board in overseeing the risk governance in the Company to ensure that Management maintains a sound system of risk management and internal controls to safeguard shareholders' interest and the Company's assets. The ARMC's functions in this area include the following:

1. Review and report to the Board the risk profile or risk tolerance the Company undertakes to achieve its business goals and strategies;
2. Review the risk management framework, policies, monitoring, measurements and reporting within the spectrum of Enterprise Risk Management of the Group;
3. Review and report to the Board at least annually, the adequacy and effectiveness of the Company's risk management and internal control systems in addressing significant risks including financial, operational, compliance and information technology risks; and
4. Recommend to the Board the opinion and disclosure in the Annual Report on the adequacy and effectiveness of the Company's risk management and internal control systems in accordance with the Listing Manual of the Singapore Exchange Securities Trading Limited ("**Listing Manual**") and Code of Corporate Governance.

The Company has an established risk identification and management framework developed with the assistance of an external consultant. The ownership of the risks lies with the respective heads of departments and CEO with stewardship residing with the Board. The ARMC assists the Board to oversee Management in the formulation, updating and maintenance of an adequate and effective risk management framework, while the ARMC reviews the adequacy and effectiveness of the risk management and internal control systems.

The Company maintains a risk register which identifies the material risks facing the Group and the internal controls in place to manage or mitigate those risks. Heads of departments and CEO review and update the risk register regularly. The risk register is reviewed annually by the ARMC and the Board.

Internal and external auditors conduct audits that involve testing the effectiveness of the material internal controls in the Group. Any material non-compliance or lapses in internal controls together with corrective measures recommended by internal and external auditors are reported to the ARMC. The effectiveness of the measures taken by Management in response to the recommendations made by the internal and external auditors is also reviewed by the ARMC. The system of risk management and internal controls is continually being refined by Management, the ARMC and the Board.

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As the Company does not currently have a Chief Financial Officer, the Board has received assurance from the CEO, Financial Controller (“FC”) and other key management personnel which include General Manager (Marketing & Sales), Head of Project and Head of Property Management that:

1. the financial records of the Group have been properly maintained and the financial statements for the financial year ended 31 March 2023 give a true and fair view of the Group’s operations and finances;
2. risk management systems and internal control systems were properly maintained;
3. material information relating to the Company was disclosed on a timely basis for the purposes of preparing financial statements; and
4. the Company’s risk management systems and internal control systems (including financial, operational, compliance and information technology controls) were adequate and effective as at the end of the financial year.

The Board notes that the system of internal controls provides reasonable, but not absolute, assurance that the Group will not be affected by any event that could be reasonably foreseen as it strives to achieve its business objectives.

Based on the internal and external auditors’ findings, the Board with the concurrence of the ARMC is satisfied that the Group’s risk management and internal control systems, including financial, operational, compliance and information technology controls, are adequate and effective and provide reasonable (though not absolute) assurance against material financial misstatements and loss, and safeguard the Group’s assets. The internal controls ensure the Group’s maintenance of proper accounting records, compliance with applicable regulations and best practices, and timely identification and containment of financial, operational and compliance risks. The ARMC is also satisfied that there were no material weaknesses identified with regard to the risk management and internal control systems.

AUDIT AND RISK MANAGEMENT COMMITTEE (“ARMC”)

Principle 10 – *The Board has an Audit Committee which discharges its duties objectively.*

The ARMC comprises three members, the majority of whom are Independent Directors. The Chairman and the other members of the ARMC have vast experience in managerial positions in the property and finance industry and are therefore capable of discharging the ARMC’s functions. They are as follows:

Mr Ong Sim Ho (Chairman)
Mr Koh Poh Tiong
Ms Fam Lee San

The Board is satisfied that the ARMC members, including the Committee’s Chairman, have relevant accounting and related financial management expertise or experience and are appropriately qualified to discharge their responsibilities.

No former partner or director of the Company’s existing audit firm or auditing corporation is a member of ARMC.

The ARMC’s written Terms of Reference are approved and subject to periodic review by the Board.

CORPORATE GOVERNANCE REPORT

The ARMC performs the following functions in accordance with Section 201B(5) of the Companies Act 1967, the SGX-ST's Listing Manual and the Code:

1. Reviews with the External Auditor, their audit plan, evaluation of the accounting controls, audit reports and any matters which the External Auditor wishes to discuss;
2. Reviews with the Internal Auditor, the scope and the results of internal audit function and their evaluation of the overall internal control systems;
3. Reviews at least annually the adequacy and effectiveness of the Company's internal controls and risk management systems;
4. Reviews assurance from the CEO and FC on financial records and financial statements;
5. Reviews the cooperation given by our Management to the External Auditor and Internal Auditor;
6. Reviews the half-year and full-year financial results, and annual financial statements, including announcements to shareholders and the SGX-ST prior to submission to the Board;
7. Makes recommendations to the Board on the appointment of External Auditor, their remuneration and reviews the cost effectiveness, independence and objectivity of the External Auditor;
8. Reviews the Group's compliance with such functions and duties as may be required under the relevant statutes or the Listing Manual, and by such amendments made thereto from time to time;
9. Reviews interested person transactions that may arise within the Company and the Group to ensure compliance with Chapter 9 of the SGX-ST's Listing Manual and to ensure that the terms of such transactions are:
 - on normal commercial terms; and
 - not prejudicial to the interests of the Company and its minority shareholders;
10. Reports actions and minutes of the ARMC meetings to the Board with such recommendations as the ARMC considers appropriate; and
11. Reviews reports received, if any, pursuant to the provisions of the Company's Whistle-blowing Policy and undertakes the proceedings as prescribed.

The ARMC has explicit authority to investigate any matter within its Terms of Reference, full access to and cooperation by Management, full discretion to invite any Director or executive officer to attend its meetings, and reasonable resources to enable it to discharge its functions properly.

In addition to the above, the ARMC is empowered to commission and review the findings of internal investigations into matters where there is any suspected fraud or irregularity, or failure of internal controls or infringement of any Singapore law, rule or regulation which are or is likely to have a material impact on our Group's operating results and/or financial position.

The ARMC also met with the External as well as the Internal Auditors during the year, without the presence of Management, and have received assurances from both the External and Internal Auditors that they have been accorded full cooperation from all employees of the Group and its subsidiaries and have been given full access to all documents as and when required.

CORPORATE GOVERNANCE REPORT

In discharging its functions, the ARMC is provided with sufficient resources, has access to and cooperation of Management and Internal Auditor and has discretion to invite any Director or executive officer to attend its meetings. All major findings and recommendations are brought to the attention of the Board.

Pursuant to Rule 1207 (6)(b) and (6)(c) of the Listing Manual, the ARMC undertook the review of the independence and objectivity of the auditors as well as reviewing the non-audit services provided by the External Auditor, and the aggregate amount of audit fees paid to them. The ARMC is satisfied that neither their independence nor their objectivity is put at risk, and that they are still able to meet the audit requirements and statutory obligations of the Company. Accordingly, the ARMC has recommended the re-appointment of Deloitte & Touche LLP as External Auditor at the forthcoming AGM of the Company. In recommending the re-appointment of the External Auditor, the ARMC considered and reviewed a variety of factors including adequacy of resources, experience of supervisory and professional staff to be assigned to the audit, and size and complexity of the Group, its businesses and operations.

In appointing our auditors for the Company and subsidiaries, we have complied with the requirements of Rules 712 and 715 of the SGX Listing Manual.

Pursuant to Rule 1207 (6)(a), the fees payable to auditor are set out in Note 19 on page 105 of this Annual Report.

The ARMC members keep abreast of changes to accounting standards and issues which have a direct impact on financial statements by attending training sessions and talks by the External Auditor and other professionals.

The ARMC's responsibility in overseeing that the Company's risk management system and internal controls are adequate is complemented by the Company's appointment of BDO Advisory Pte Ltd as the Internal Auditor of the Company. The Internal Auditor has adopted the Standards for the Professional Practice of Internal Auditing set by The Institute of Internal Auditors. The Internal Auditor reports directly to the Chairman of the ARMC on audit matters. The Internal Auditor will plan its audit work in consultation with, but independent of, Management, and its annual Internal Audit ("IA") plan will be submitted to the ARMC for approval at the beginning of each year. The Internal Auditor will report to the ARMC on their findings. The ARMC will meet the Internal Auditor on an annual basis, without the presence of Management. The Internal Auditor has full access to all the Company's documents, records, properties, and personnel including access to the ARMC.

Having an IA function assures the Board of the adequacy and maintenance of proper accounting records, and the reliability of the information used within or published by the Company.

The ARMC reviews at least annually, the independence, adequacy and effectiveness of the outsourced IA function. The ARMC is satisfied that the IA function of the Company is independent, effective and adequately resourced.

The Internal Auditor reviews the Group's main business processes, the activities in each of the Group's key business segments and the Group's companies responsible for these business activities and processes. The Internal Auditor carries out its function according to the standards set by International Standards for the Professional Practice of Internal Auditing, established by the Institute of Internal Auditors.

Based on the framework established and the reviews conducted by Management and both the Internal and External Auditors, the Board, with the concurrence of the ARMC, is of the opinion that there are adequate internal controls and risk management systems to address the financial, operational and compliance risks of the Group in its current business environment. In addition, the Board, with the concurrence of the ARMC, is of the view that the Group's internal controls addressing financial, operational, compliance and information technology risk as well as the Group's risk management systems are effective and adequate as of 31 March 2023. The Board and ARMC did not identify any major concern on the Group's internal controls or risk management systems for the financial year under review.

CORPORATE GOVERNANCE REPORT

The system of internal controls provides reasonable assurance against material financial misstatements or loss and includes the safeguarding of assets, the maintenance of proper accounting records, the reliability of financial information, compliance with appropriate legislation, regulation and best practices and the identification and management of business risks. However, the Board acknowledges that no system of internal controls can provide absolute assurance against the occurrence of material errors, poor judgement in decision-making, human error, fraud or other irregularities.

Whistle-Blowing Policy

A Whistle-Blowing Policy is also in place to provide an avenue through which employees may report or communicate, in good faith and in confidence, any concerns relating to financial and other matters, so that independent investigation of such matters can be conducted, and appropriate follow-up action taken. The ARMC Chairman is in charge of managing this specific area. The Whistle-Blowing Policy has been reviewed by the ARMC to ensure that it has been properly implemented. Information on our Whistle-blowing policy can be found on our corporate website. A dedicated communication channel has been established, and whistle-blowers may submit the written report to the ARMC by sending an email to whistleblowing@bukitsembawang.sg.

The Whistle-Blowing procedure is intended to be used for serious and sensitive issues. Serious concerns relating to financial reporting, unethical or illegal conduct should be reported to the Chairman of the ARMC via a designated email. The action to be taken will depend on the nature of the concern. Initial inquiries will be made by the Chairman of the ARMC to determine whether an investigation is appropriate, and the form that it should take. Some concerns may be resolved by agreed action without the need for investigation. If investigation is necessary, the ARMC will direct an independent investigation to be conducted on complaint received. The Board of Directors will receive a report stating the complaint received and the findings of the investigation, as well as a follow-up report on actions taken by the ARMC. The Company will update the complainant on the actions taken in respect of the complaint within two weeks. Subject to any legal constraints, the complainant will be notified about the outcome of any investigations.

The Company shall maintain the confidentiality of the whistle-blower(s) to the fullest extent reasonably practicable within the legitimate needs of the law and any ensuing evaluation or investigation. Complainant(s) who make a report in good faith will be protected from reprisals, victimisation, or harassment.

SHAREHOLDER RIGHTS AND ENGAGEMENT

SHAREHOLDER RIGHTS AND CONDUCT OF GENERAL MEETINGS

Principle 11 – *The Company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the Company. The Company gives shareholders a balanced and understandable assessment of its performance, position and prospects.*

Principle 12 – *Engagement with stakeholders*

The Board is mindful of its obligations to provide timely and fair disclosure of material information in compliance with statutory reporting requirements. Price sensitive information is first publicly released, either before the Company meets with any group of investors or analysts, or simultaneously with such meetings. Financial results and annual reports will be announced or issued within the mandatory period.

The Company believes in regular and timely communication with shareholders as part of the Group's effort to help our shareholders understand our business better.

CORPORATE GOVERNANCE REPORT

In line with the continuous obligations of the Company pursuant to the Listing Manual and the Companies Act 1967, it is the Board's policy that all shareholders should be informed of all major developments that will have an impact on the Company or the Group. It is also the Board's policy that all corporate news, strategies, and announcements are promptly disseminated through SGXNET, press releases as well as various media. The Company does not practise selective disclosure. The Company maintains a dedicated investor relations segment on its website to keep shareholders informed of all significant corporate developments.

The Company supports the Code's principle to encourage shareholder participation. Shareholders are encouraged to attend the AGM to ensure a high level of accountability and to stay informed of the Company's strategy and goals. Notice of the AGM is despatched to shareholders, together with explanatory notes or a circular on items of special business (if necessary), at least 14 days before the meeting. Corporations which provide nominee or custodial services are allowed to appoint more than two proxies so that shareholders who hold shares through such corporations can attend and participate in general meetings as proxies. The shareholders are instructed on the meeting procedures, including voting procedures, which govern general meetings of shareholders at the start of the meetings. The Board welcomes questions from shareholders, who will have an opportunity to raise issues either formally or informally before or at the AGM.

All resolutions at general meetings are put to vote by poll which is verified by a scrutineer and an announcement of the detailed results showing the number of votes cast for and against each resolution and the respective percentages is made on the day of the general meeting.

As a result of the amendments to Rule 705(2) of the Listing Manual of Singapore Exchange Securities Trading Limited, which took effect from 7 February 2020, the Company has changed from quarterly to half-yearly reporting from 2020. Nonetheless, the Board continues to meet on a quarterly basis to be apprised of the operational and financial performance of the Company and also to discuss and approve any matters as required. The Company will continue to provide updates in compliance with its continuing disclosure obligations, as and when appropriate.

The proceedings of the annual general meeting and extraordinary general meeting (if any) are properly recorded, including all comments or queries raised by shareholders relating to the agenda of the meeting and responses from the Board and Management. All minutes of general meetings are published on the website of the Singapore Exchange Limited within one month from the date of the meeting.

Our Annual General Meeting, to be held on 28 July 2023, will be a physical meeting. Shareholders may submit questions in advance of the AGM, during the AGM, or appoint the Chairman of the Meeting as proxy to attend, speak and vote on their behalf at the AGM.

Shareholders are informed to attend the shareholders' meeting, through published notices and reports or circulars sent to all shareholders, to ensure a high level of accountability by the Company and for shareholders to stay apprised of the Company's strategy and goals. The general meeting procedures provide the shareholders with opportunities to raise questions relating to each resolution tabled for approval. Shareholders are given the opportunity to participate, engage and openly communicate their views on matters relating to the Company to the Directors. Shareholders are also informed of the rules, including voting procedures, governing shareholders' meeting.

CORPORATE GOVERNANCE REPORT

All individual shareholders who are unable to attend and vote in person are entitled to appoint a proxy to attend and vote on their behalf. All shareholders are therefore given the opportunity to vote, either in person or by proxy at all shareholders' meetings. In addition, all relevant intermediaries as defined under Section 181 of the Companies Act 1967 are also given the opportunity to appoint one or more proxies to attend and vote at all general meetings. A relevant intermediary is defined as follows:

1. a banking corporation defined under the Banking Act 1970, or its wholly-owned subsidiary which provides nominee services and holds shares in that capacity;
2. a capital market services license holder which provides custodial services for securities under the Securities and Futures Act 2001 and holds shares in that capacity; or
3. the Central Provident Fund Board established by the Central Provident Fund Act 1953, in respect of shares purchased on behalf of investor.

Pursuant to SGX Listing Rule 730A, all resolutions are put to the vote by poll at shareholders' meetings to ensure greater transparency in the voting process. An independent party is appointed as scrutineer to count and validate the votes at the AGMs. Detailed results of the number of votes cast for and against each resolution and the respective percentages are announced for each resolution.

In compliance with the requirements of the Companies Act 1967, all resolutions are voted upon separately at each general meeting and are single item resolutions.

The Directors, the External Auditor, Management, and legal advisors (where necessary) are present at all shareholders' meetings to address shareholders' queries.

Minutes of the shareholders' meeting include details of relevant and substantive questions raised and the responses from the Company as a permanent record. In addition, hard copies of the minutes are made available to all shareholders of the Company upon request and are also published on SGXNET within one month after each general meeting.

The Company's website is updated in a timely manner with the Group's corporate and business information. All information on the Company's new initiatives is first disseminated through the Company's website and SGXNET.

The Company also maintains a feedback column on its website through which investors and shareholders can submit their queries.

Price sensitive information is first publicly released, either before the Company meets with any group of investors or analysts or simultaneously (after close of trading) with such meetings. Half-year and full-year financial results, and annual reports are announced or issued within the mandatory period.

Dividend Policy

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

The Company has declared a final dividend for the financial year ended 31 March 2023. Any payouts are communicated to shareholders via an announcement on SGXNET when the Company discloses its financial results.

CORPORATE GOVERNANCE REPORT

MANAGING STAKEHOLDERS RELATIONSHIPS

ENGAGEMENT WITH STAKEHOLDERS

Principle 13 - *The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the Company are served.*

The Company understands that stakeholders play a critical role in determining the long term viability of a business. Thus, the Company values open dialogue and frequently engages with stakeholders through various methods to understand and address their needs and expectations.

The Company strives to maintain an open and fair communication channel with our key stakeholders to understand their views, concerns, and objectives, as well as communicate expectations and support improvement in our continuous engagement to achieve sustainable objectives. The Company identifies stakeholder groups which have a significant influence and interest in our operations and business and engages these stakeholders to understand their environmental, social, and governance (“**ESG**”) expectations.

The key stakeholders identified are the Board of Directors (the “**Board**”), employees, customers, local communities, investors and shareholders.

The Company maintains a corporate website (bsel.sg) which is updated with its latest business developments, as and when they occur, to keep members of the public abreast with the progress of the Group.

Sustainability reporting

The Board recognises that one of the keys to building a sustainable business involves finding a balance between addressing its business needs and the needs of the society and the environment in which the Group operates. The Board strongly believes that to grow sustainably as a forward-looking corporate entity, the Group has to regularly reach out and work together with all its stakeholders, from its employees to the community, and be responsible stewards of its natural environment.

The Board is aware that, pursuant to Rule 711B with effect from 1 January 2022, the Company must provide climate-related disclosures consistent with the recommendations of the Task Force on Climate-related Financial Disclosures on a ‘comply or explain’ basis in their sustainability report. Pursuant to Rule 711A, for the financial year ended 31 March 2023, the Board has ensured internal review of the Company’s sustainability report, which is released in this Annual Report.

The Sustainability Report section of the Annual Report provides more details about the strategy and key areas of focus in relation to the management of stakeholder relationships during the reporting period.

Please refer to the section on Stakeholder Engagement in the Company’s Sustainability Report 2023 on pages 45 to 64 for more information on how the Company manages its stakeholder relationships.

In this way, the Company hopes to maintain an open and clear communication channel with all its stakeholders.

CORPORATE GOVERNANCE REPORT

PROJECT DEVELOPMENT MATTERS

Project Development Committee (“PDC”)

Although it is not a Corporate Governance requirement, in addition to the ARMC, NC and RC, the Company has also set up a PDC to assist the Board with project development matters. Members of the PDC are:

Mr Chng Kiong Huat (Chairman)
Mr Koh Poh Tiong
Mr Ong Sim Ho

The primary function of the PDC is to oversee matters such as approving vendor lists, tender procedures, minor work contracts, supply and maintenance contracts and nominated sub-contracts.

The responsibilities of the Committee include:

1. Review Management’s plans for new project development, design review and other project related businesses in accordance with the Company’s strategic objectives.
2. Review all new project proposal and recommendations based on the project criteria set by the Board.
3. Review performance objectives and valuation assumptions used by Management to evaluate such new projects.
4. Consider the appointment of the external consultants, main contractors and sub-contractors.
5. Review and recommend for approval to the Board from time to time the project development strategies.
6. Report to the Board at regular intervals on project development progress in comparison to relevant milestones/timelines/benchmarks as the Board may select and approve.

The PDC meets at least four times in a year, with additional meetings convened as and when necessary.

DEALING IN SECURITIES

The Company has issued a policy on dealings in the securities of the Company to its Directors and Management, setting out the implications of insider trading and guidance on such dealings. Directors and key executives of the Group who have access to price-sensitive and confidential information are not permitted to deal in the Company’s securities during the period commencing one month before the announcement of the Group’s half-year financial results and one month before the Group’s full-year financial results and ending on the respective announcement date. In addition, Directors and key executives are expected to observe insider trading laws at all times even when dealing in securities within the permitted trading period. They are informed not to deal in the Company’s securities on short-term considerations.

Directors are required to report to the Company Secretary whenever they deal in the Company’s shares and the necessary announcements are made in accordance with the notification requirements under the Securities and Futures Act 2001 of Singapore.

CORPORATE GOVERNANCE REPORT

INTERESTED PERSON TRANSACTIONS

The Company has an internal policy in respect of any transactions with interested persons and has in place a process to review and approve any interested person transaction (“IPT”).

The Company does not have a general mandate from shareholders pursuant to Rule 920 of the SGX-ST Listing Manual.

During the year, the following interested person transactions took place:-

No.	Name of interested person	Nature of relationship	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) \$'000	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000) \$'000
1.	Mr Jordan Chng Wen Juin (held in trust by Mr Chng Kiong Huat)	Son of Mr Chng Kiong Huat ⁽¹⁾	1,780	Nil
2.	Mr Chng Kiong Choon	Brother of Mr Chng Kiong Huat ⁽¹⁾	1,788	Nil
3.	Ms Sheryl Chng Wen Hui	Daughter of Mr Chng Kiong Huat ⁽¹⁾	1,796	Nil

¹ Mr Chng Kiong Huat was appointed CEO of the Company on 1 October 2022 and had stepped down as an Executive Director of the Company on 3 February 2023. Pursuant to Rule 904 of the Listing Rules of SGX, sales of apartment units by a subsidiary constitute interested person transactions.

MATERIAL CONTRACTS

There were no material contracts entered into by the Company or any of its subsidiaries involving the interest of the CEO, any Director or controlling shareholder, either still subsisting at the end of the financial year ended 31 March 2023 or if not then subsisting, entered into since the end of the previous financial year ended 31 March 2022.

CORPORATE GOVERNANCE REPORT

DISCLOSURE OF INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Mr Lee Chien Shih and Ms Fam Lee San are the Directors seeking re-election at the forthcoming Annual General Meeting of the Company to be convened on 28 July 2023 (“AGM”) (collectively, the “Retiring Directors” and each, a “Retiring Director”).

Pursuant to Rule 720(6) of the Listing Manual of the SGX-ST, the following is the information relating to the Directors standing for re-election as set out in Appendix 7.4.1 to the Listing Manual of the SGX-ST:

Name of Director	Lee Chien Shih	Fam Lee San
Date of Appointment	1 October 1999	25 July 2014
Date of last re-appointment	28 July 2021	28 July 2021
Age	63	56
Country of principal residence	Singapore	Singapore
The Board’s comments on this re-election (including rationale, selection criteria, and the search and nomination process)	The Board of Directors of the Company has considered, among others, the recommendation of the NC and has reviewed and considered the qualification, work experiences, contribution and performance, attendance, preparedness, participation, candour and suitability of Mr Lee Chien Shih for re-appointment as a Non-Executive Director of the Company. The Board has reviewed and concluded that Mr Lee Chien Shih possesses the experience, expertise, knowledge and skills to contribute towards the core competencies of the Board.	The Board of Directors of the Company has considered, among others, the recommendation of the NC and has reviewed and considered the qualification, work experiences, contribution and performance, attendance, preparedness, participation, candour and suitability of Ms Fam Lee San for re-appointment as a Non-Executive Director of the Company. The Board has reviewed and concluded that Ms Fam Lee San possesses the experience, expertise, knowledge and skills to contribute towards the core competencies of the Board.
Whether appointment is executive, and if so, the area of responsibility	Non-Executive	Non-Executive
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Non-Executive Director and member of the Remuneration Committee and Nominating Committee	Non-Executive Director and member of the Audit and Risk Management Committee
Professional qualifications	Bachelor of Medicine and Bachelor of Surgery from the National University of Singapore	Bachelor of Accountancy Degree from the National University of Singapore Member of the Institute of Singapore Chartered Accountants Chartered Accountant of Singapore

CORPORATE GOVERNANCE REPORT

Name of Director	Lee Chien Shih	Fam Lee San
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	None	None
Conflict of interest (including any competing business)	None	None
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes
Working experience and occupation(s) during the past 10 years	Mr Lee is a Director of Lee Rubber Company (Pte) Limited, Lee Latex (Pte) Limited, Lee Foundation Singapore and Lee Foundation Malaysia.	Ms Fam is currently the Chief Financial Officer of Kallang Development (Pte) Limited, a subsidiary of Lee Rubber Company (Pte) Limited, as well as a Director of various companies in the Lee Rubber Group.
Shareholding interest in the listed issuer and its subsidiaries	Yes	No
Shareholding details	542,900 Ordinary Shares	Nil
Other Principal Commitments Including Directorships		
Past (for the last 5 years)	Nil	Nil
Present	<ol style="list-style-type: none"> 1. Lee Rubber Company (Pte) Limited 2. Lee Foundation, Singapore 3. Lee Foundation, States of Malaya 4. Lee Latex (Pte) Limited 5. Selat (Pte) Limited - Alternate Director 6. Singapore Investments (Pte) Limited - Alternate Director 	<ol style="list-style-type: none"> 1. Casuarina Properties (Pte) Ltd 2. Cyber City Trading Pte Ltd 3. Cyberhub Capital Pte Ltd 4. Cyberpoint Capital Pte Ltd 5. Cyberport Capital Pte Ltd 6. Capital Intelligence Pte Ltd 7. Kallang Development (Pte) Limited 8. Kota Development Pte Ltd 9. SE Alliance Management Pte Ltd 10. Tropical Produce Co. Pte Ltd 11. Bio East Pte. Ltd 12. Enviro East Pte. Ltd 13. Pulau Properties (Pte) Ltd 14. Firwood Investments Pte. Ltd. 15. Joneswick Pte Ltd

CORPORATE GOVERNANCE REPORT

Name of Director	Lee Chien Shih	Fam Lee San
(a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him/her or against a partnership of which he/she was a partner at the time when he/she was a partner or at any time within two years from the date he/she ceased to be a partner?	No	No
(b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he/she was a director or an equivalent person or a key executive, at the time when he/she was a director or an equivalent person or a key executive of that entity or at any time within two years from the date he/she ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	No
(c) Whether there is any unsatisfied judgment against him/her?	No	No

CORPORATE GOVERNANCE REPORT

Name of Director	Lee Chien Shih	Fam Lee San
(d) Whether he/she has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he/she is aware) for such purpose?	No	No
(e) Whether he/she has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he/she is aware) for such breach?	No	No
(f) Whether at any time during the last 10 years, judgment has been entered against him/her in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his/her part, or he/she has been the subject of any civil proceedings (including any pending civil proceedings of which he/she is aware) involving an allegation of fraud, misrepresentation or dishonesty on his/her part?	No	No

CORPORATE GOVERNANCE REPORT

Name of Director	Lee Chien Shih	Fam Lee San
(g) Whether he/she has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No
(h) Whether he/she has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No
(i) Whether he/she has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him/her from engaging in any type of business practice or activity?	No	No
(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:—		
(i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or	No	No
(ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or	No	No

CORPORATE GOVERNANCE REPORT

Name of Director	Lee Chien Shih	Fam Lee San
(iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or	No	No
(iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere.	No	No
(k) Whether he/she has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	No