



**Bukit Sembawang Estates Limited  
and its subsidiaries**  
**Registration Number: 196700177M**

Unaudited Condensed Interim Financial Statements  
For the second half and financial year ended  
31 March 2022

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**A. Condensed Interim Consolidated Statement of Comprehensive Income  
For the second half and financial year ended 31 March 2022**

	Note	Group					
		2H FY2021/22 01.10.2021 to 31.03.2022	2H FY2020/21 01.10.2020 to 31.03.2021	Change	FY2021/22 01.04.2021 to 31.03.2022	FY2020/21 01.04.2020 to 31.03.2021	Change
		\$'000	\$'000	%	\$'000	\$'000	%
Revenue	5	89,384	357,707	(75)	288,229	580,961	(50)
Cost of sales		(59,409)	(212,737)	(72)	(187,925)	(337,599)	(44)
<b>Gross profit</b>		<u>29,975</u>	<u>144,970</u>	(79)	<u>100,304</u>	<u>243,362</u>	(59)
Other income		635	774	(18)	1,357	1,655	(18)
Administrative expenses		(4,849)	(4,219)	15	(8,979)	(8,155)	10
Other operating income/(expenses)		<u>8,782</u>	<u>(201)</u>	n.m.	<u>6,019</u>	<u>(5,141)</u>	n.m.
<b>Profit from operations</b>		<u>34,543</u>	<u>141,324</u>	(76)	<u>98,701</u>	<u>231,721</u>	(57)
Interest income		847	943	(10)	1,670	2,086	(20)
Finance costs		(2,150)	(3,209)	(33)	(5,036)	(6,442)	(22)
<b>Net finance costs</b>		<u>(1,303)</u>	<u>(2,266)</u>	(43)	<u>(3,366)</u>	<u>(4,356)</u>	(23)
<b>Profit before tax</b>	7	33,240	139,058	(76)	95,335	227,365	(58)
Tax expense	8	(3,679)	(23,274)	(84)	(12,417)	(37,930)	(67)
<b>Profit after tax and total comprehensive income for the period/year</b>		<u>29,561</u>	<u>115,784</u>	(75)	<u>82,918</u>	<u>189,435</u>	(56)
<b>Earnings per share</b>							
Basic and diluted earnings per share (cents)	15	11.42	44.72		32.03	73.17	

## B. Condensed Interim Statements of Financial Position

	Note	Group		Company	
		31.03.2022	31.03.2021	31.03.2022	31.03.2021
		\$'000	\$'000	\$'000	\$'000
<b>Non-current assets</b>					
Investment property	11	3,160	3,323	-	-
Property, plant and equipment	12	212,355	204,052	-	-
Investments in subsidiaries		-	-	313,000	313,000
Deferred tax assets		12,404	10,903	-	-
		<u>227,919</u>	<u>218,278</u>	<u>313,000</u>	<u>313,000</u>
<b>Current assets</b>					
Development properties	13	910,161	963,624	-	-
Contract costs		1,853	6,705	-	-
Contract assets		-	30,728	-	-
Trade and other receivables		3,320	3,089	794,266	469,416
Cash and cash equivalents		530,110	728,971	492,547	670,382
		<u>1,445,444</u>	<u>1,733,117</u>	<u>1,286,813</u>	<u>1,139,798</u>
<b>Total assets</b>		<b><u>1,673,363</u></b>	<b><u>1,951,395</u></b>	<b><u>1,599,813</u></b>	<b><u>1,452,798</u></b>
<b>Equity attributable to shareholders of the Company</b>					
Share capital	16	631,801	631,801	631,801	631,801
Reserves		850,184	852,706	57,079	107,248
<b>Total equity</b>		<u>1,481,985</u>	<u>1,484,507</u>	<u>688,880</u>	<u>739,049</u>
<b>Non-current liabilities</b>					
Borrowings	14	130,858	337,859	-	-
Other payables		-	3,692	-	-
Lease liabilities		772	396	-	-
Provision		146	145	-	-
Deferred tax liabilities		36	5,007	36	59
		<u>131,812</u>	<u>347,099</u>	<u>36</u>	<u>59</u>
<b>Current liabilities</b>					
Trade and other payables		36,432	82,155	910,623	713,382
Lease liabilities		481	374	-	-
Contract liabilities		3,339	-	-	-
Current tax payable		19,314	37,260	274	308
		<u>59,566</u>	<u>119,789</u>	<u>910,897</u>	<u>713,690</u>
<b>Total liabilities</b>		<u>191,378</u>	<u>466,888</u>	<u>910,933</u>	<u>713,749</u>
<b>Total equity and liabilities</b>		<b><u>1,673,363</u></b>	<b><u>1,951,395</u></b>	<b><u>1,599,813</u></b>	<b><u>1,452,798</u></b>

## C. Condensed Interim Statements of Changes In Equity

Group	Note	Share capital \$'000	Accumulated profits \$'000	Total \$'000
At 1 April 2020		631,801	691,751	1,323,552
<b>Total comprehensive income for the year</b>				
Profit for the year		-	189,435	189,435
<b>Transactions with owners, recorded directly in equity</b>				
<b><i>Contributions by and distributions to equity holders</i></b>				
Dividends paid	9	-	(28,480)	(28,480)
<b>Total contributions by and distributions to equity holders</b>		-	(28,480)	(28,480)
<b>Total transactions with owners</b>		-	(28,480)	(28,480)
At 31 March 2021		631,801	852,706	1,484,507
At 1 April 2021		631,801	852,706	1,484,507
<b>Total comprehensive income for the year</b>				
Profit for the year		-	82,918	82,918
<b>Transactions with owners, recorded directly in equity</b>				
<b><i>Contributions by and distributions to equity holders</i></b>				
Dividends paid	9	-	(85,440)	(85,440)
<b>Total contributions by and distributions to equity holders</b>		-	(85,440)	(85,440)
<b>Total transactions with owners</b>		-	(85,440)	(85,440)
At 31 March 2022		631,801	850,184	1,481,985

## C. Condensed Interim Statements of Changes In Equity (cont'd)

Company	Note	Share capital \$'000	Accumulated profits \$'000	Total \$'000
At 1 April 2020		631,801	75,213	707,014
<b>Total comprehensive income for the year</b>				
Profit for the year		-	60,515	60,515
<b>Transactions with owners, recorded directly in equity</b>				
<b><i>Contributions by and distributions to equity holders</i></b>				
Dividends paid	9	-	(28,480)	(28,480)
<b>Total contributions by and distributions to equity holders</b>		-	(28,480)	(28,480)
<b>Total transactions with owners</b>		-	(28,480)	(28,480)
At 31 March 2021		631,801	107,248	739,049
At 1 April 2021		631,801	107,248	739,049
<b>Total comprehensive income for the year</b>				
Profit for the year		-	35,271	35,271
<b>Transactions with owners, recorded directly in equity</b>				
<b><i>Contributions by and distributions to equity holders</i></b>				
Dividends paid	9	-	(85,440)	(85,440)
<b>Total contributions by and distributions to equity holders</b>		-	(85,440)	(85,440)
<b>Total transactions with owners</b>		-	(85,440)	(85,440)
At 31 March 2022		631,801	57,079	688,880

## D. Condensed Interim Consolidated Statement of Cash Flows

	Note	Group	
		FY2021/22 01.04.2021 to 31.03.2022 \$'000	FY2020/21 01.04.2020 to 31.03.2021 \$'000
<b>Cash flows from operating activities</b>			
Profit before tax		95,335	227,365
<b>Adjustments for:</b>			
Depreciation of investment property	7	163	162
Depreciation of property, plant and equipment	7	6,320	6,322
Interest income	7	(1,670)	(2,086)
Finance costs		5,036	6,442
Impairment loss on property, plant and equipment written back	7	(13,358)	-
Allowance for foreseeable losses on development properties recognised/(written back)	7	724	(2,280)
		<u>92,550</u>	<u>235,925</u>
Changes in:			
Consumable stocks		-	441
Development properties		52,739	284,612
Contract costs		4,852	1,745
Contract assets		30,728	5,399
Trade and other receivables		(633)	18,072
Trade and other payables		(48,543)	(38,731)
Contract liabilities		3,339	535
Cash generated from operations		<u>135,032</u>	<u>507,998</u>
Interest received		1,805	1,955
Taxes paid		<u>(36,835)</u>	<u>(45,361)</u>
<b>Net cash generated from operating activities</b>		<u>100,002</u>	<u>464,592</u>
<b>Cash flows from investing activities</b>			
Additions to property, plant and equipment		<u>(270)</u>	<u>(606)</u>
<b>Net cash used in investing activities</b>		<u>(270)</u>	<u>(606)</u>
<b>Cash flows from financing activities</b>			
Dividends paid to owners of the Company	9	(85,440)	(28,480)
Repayment of borrowings		(207,600)	-
Interest paid		(5,041)	(5,979)
Payment for lease liabilities		(512)	(466)
<b>Net cash used in financing activities</b>		<u>(298,593)</u>	<u>(34,925)</u>
<b>Net (decrease)/increase in cash and cash equivalents</b>		<u>(198,861)</u>	<u>429,061</u>
Cash and cash equivalents at beginning of the year		<u>728,971</u>	<u>299,910</u>
<b>Cash and cash equivalents at end of the year</b>		<u>530,110</u>	<u>728,971</u>

## **E. Notes to the Condensed Interim Consolidated Financial Statements**

### **1. Corporate information**

Bukit Sembawang Estates Limited (the “Company”) is incorporated in the Republic of Singapore and has its registered office at 2 Bukit Merah Central, #13-01, Singapore 159835. The Company is listed on the Singapore Exchange Securities Limited.

The principal activity of the Company is that relating to investment holding. The principal activities of the subsidiaries are those relating to investment holding, property development and operating of serviced apartments.

These condensed interim consolidated financial statements as at and for the second half and financial year ended 31 March 2022 relate to the Company and its subsidiaries (together referred to as the “Group”).

### **2. Basis of Preparation**

The condensed interim financial statements for the second half and financial year ended 31 March 2022 have been prepared in accordance with SFRS(I) 1-34 *Interim Financial Reporting* issued by Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last annual financial statements for the year ended 31 March 2021.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with the SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

The condensed interim financial statements are presented in Singapore dollar which is the Company’s functional currency. All financial information has been rounded to the nearest thousand, unless otherwise stated.

#### **2.1. New and amended standards adopted by the Group**

The Group adopted all the new and amended standards that are relevant and effective for annual periods beginning on or after 1 April 2021. The adoption of these new and amended accounting standards does not result in changes to the Group’s and the accounting policies and has no material effect on the Group’s condensed interim financial statements.

#### **2.2. Use of judgements and estimates**

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 March 2021.



## **2.2. Use of judgements and estimates (cont'd)**

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial period, are described in the following notes:

Note 8	–	estimation of provisions for current and deferred taxation
Note 12	–	impairment assessment of property, plant and equipment
Note 13	–	allowance for foreseeable losses on development properties

## **3. Seasonal operations**

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period.

## **4. Segment and revenue information**

The Group has three reportable segments, as described below, which are the Group's strategic business units. For each of the strategic business units, the Company's Board of Directors reviews internal management reports at least on a quarterly basis. The following summary describes the operations in each of the Group's reportable segments:

- Property development: Development of residential properties for sale.
- Investment holding: Holding and management of office building and investments.
- Hospitality: Owner of serviced apartment units.

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit before tax, as included in the internal management reports that are reviewed by the Group's Board of Directors. Segment profit before tax is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

Segment information by geographical segment is not presented as the Group's operations are in Singapore.

#### 4.1. Reportable segments

	Property development \$'000	Investment holding \$'000	Hospitality \$'000	Consolidated \$'000
<b>From 1 October 2021 to 31 March 2022</b>				
Total revenue	87,356	538	5,217	93,111
Inter-segment revenue	(3,402)	(325)	-	(3,727)
External revenue	83,954	213	5,217	89,384
Interest income	-	847	-	847
Finance costs	(2,144)	-	(6)	(2,150)
Depreciation	(335)	(82)	(3,305)	(3,722)
Reportable segment profit before tax	21,647	464	11,129	33,240
Tax expense				(3,679)
Profit for the period				29,561
Other material non-cash items:				
- Allowance for foreseeable losses on development properties recognised	(724)	-	-	(724)
- Impairment loss on property, plant and equipment written back	-	-	13,358	13,358
Other segment information:				
- Capital expenditure	(27)	-	(196)	(223)
Segment assets	942,246	499,122	219,591	1,660,959
Deferred tax assets				12,404
Total assets as at 31 March 2022				1,673,363
Segment liabilities	168,072	1,125	2,831	172,028
Current tax payable				19,314
Deferred tax liabilities				36
Total liabilities as at 31 March 2022				191,378

#### 4.1. Reportable segments (cont'd)

	Property development	Investment holding	Hospitality	Consolidated
	\$'000	\$'000	\$'000	\$'000
<b>From 1 October 2020 to 31 March 2021</b>				
Total revenue	356,305	606	4,251	361,162
Inter-segment revenue	(3,140)	(315)	-	(3,455)
External revenue	<u>353,165</u>	<u>291</u>	<u>4,251</u>	<u>357,707</u>
Interest income	3	940	-	943
Finance costs	(3,202)	-	(7)	(3,209)
Depreciation	<u>(365)</u>	<u>(81)</u>	<u>(3,323)</u>	<u>(3,769)</u>
Reportable segment profit/(loss) before tax	139,741	584	(1,267)	139,058
Tax expense				<u>(23,274)</u>
Profit for the period				<u>115,784</u>
Other material non-cash items:				
- Allowance for foreseeable losses on development properties written back	2,280	-	-	2,280
Other segment information:				
- Capital expenditure	(43)	-	(480)	(523)
Segment assets	1,054,792	671,466	214,234	1,940,492
Deferred tax assets				<u>10,903</u>
Total assets as at 31 March 2021				<u>1,951,395</u>
Segment liabilities	420,876	1,073	2,672	424,621
Current tax payable				37,260
Deferred tax liabilities				<u>5,007</u>
Total liabilities as at 31 March 2021				<u>466,888</u>

#### 4.1. Reportable segments (cont'd)

	Property development \$'000	Investment holding \$'000	Hospitality \$'000	Consolidated \$'000
<b>From 1 April 2021 to 31 March 2022</b>				
Total revenue	281,668	811	9,477	291,956
Inter-segment revenue	(3,402)	(325)	-	(3,727)
External revenue	<u>278,266</u>	<u>486</u>	<u>9,477</u>	<u>288,229</u>
Interest income	3	1,667	-	1,670
Finance costs	(5,024)	-	(12)	(5,036)
Depreciation	<u>(695)</u>	<u>(163)</u>	<u>(5,625)</u>	<u>(6,483)</u>
Reportable segment profit before tax	83,249	1,009	11,077	95,335
Tax expense				<u>(12,417)</u>
Profit for the year				<u>82,918</u>
Other material non-cash items:				
- Allowance for foreseeable losses on development properties recognised	(724)	-	-	(724)
- Impairment loss on property, plant and equipment written back	-	-	13,358	13,358
Other segment information:				
- Capital expenditure	(30)	-	(240)	(270)
Segment assets	942,246	499,122	219,591	1,660,959
Deferred tax assets				<u>12,404</u>
Total assets as at 31 March 2022				<u>1,673,363</u>
Segment liabilities	168,072	1,125	2,831	172,028
Current tax payable				19,314
Deferred tax liabilities				<u>36</u>
Total liabilities as at 31 March 2022				<u>191,378</u>

#### 4.1. Reportable segments (cont'd)

	Property development	Investment holding	Hospitality	Consolidated
	\$'000	\$'000	\$'000	\$'000
<b>From 1 April 2020 to 31 March 2021</b>				
Total revenue	575,988	895	7,533	584,416
Inter-segment revenue	(3,140)	(315)	-	(3,455)
External revenue	<u>572,848</u>	<u>580</u>	<u>7,533</u>	<u>580,961</u>
Interest income	9	2,077	-	2,086
Finance costs	(6,428)	-	(14)	(6,442)
Depreciation	<u>(721)</u>	<u>(162)</u>	<u>(5,601)</u>	<u>(6,484)</u>
Reportable segment profit/(loss) before tax	227,681	1,452	(1,768)	227,365
Tax expense				<u>(37,930)</u>
Profit for the year				<u>189,435</u>
Other material non-cash items:				
- Allowance for foreseeable losses on development properties written back	2,280	-	-	2,280
Other segment information:				
- Capital expenditure	(94)	-	(512)	(606)
Segment assets	1,054,792	671,466	214,234	1,940,492
Deferred tax assets				<u>10,903</u>
Total assets as at 31 March 2021				<u>1,951,395</u>
Segment liabilities	420,876	1,073	2,672	424,621
Current tax payable				37,260
Deferred tax liabilities				<u>5,007</u>
Total liabilities as at 31 March 2021				<u>466,888</u>

## 5. Revenue

	Group			
	2H FY2021/22	2H FY2020/21	FY2021/22	FY2020/21
	\$'000	\$'000	\$'000	\$'000
Development properties for which revenue is:				
- recognised over time	3,328	-	5,169	-
- recognised at a point in time	80,593	353,120	272,998	572,721
Hospitality income	5,217	4,251	9,477	7,533
Rental and related income	246	336	585	707
	<u>89,384</u>	<u>357,707</u>	<u>288,229</u>	<u>580,961</u>

## 6. Financial assets and financial liabilities

### Accounting classifications and fair values

The carrying amounts of financial assets and financial liabilities including their levels in the fair value hierarchy are set out below. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	Note	Carrying amount		Fair value	
		Amortised cost \$'000	Other financial liabilities \$'000	Total \$'000	Level 2 \$'000
<b>Group</b>					
31.03.2022					
Financial assets not measured at fair value					
Trade and other receivables*		2,699	-	2,699	
Cash and cash equivalents		530,110	-	530,110	
		<u>532,809</u>	<u>-</u>	<u>532,809</u>	
Financial liabilities not measured at fair value					
Borrowings	14	-	(130,858)	(130,858)	(130,858)
Trade and other payables#		-	(23,796)	(23,796)	
		<u>-</u>	<u>(154,654)</u>	<u>(154,654)</u>	

\* Excludes prepayments.

# Excludes deferred income.

	Note	Carrying amount		Fair value	
		Amortised cost \$'000	Other financial liabilities \$'000	Total \$'000	Level 2 \$'000
<b>Group</b>					
31.03.2021					
Financial assets not measured at fair value					
Trade and other receivables*		2,273	-	2,273	
Cash and cash equivalents		728,971	-	728,971	
		<u>731,244</u>	<u>-</u>	<u>731,244</u>	
Financial liabilities not measured at fair value					
Borrowings	14	-	(337,859)	(337,859)	(339,856)
Trade and other payables#		-	(38,804)	(38,804)	
		<u>-</u>	<u>(376,663)</u>	<u>(376,663)</u>	

\* Excludes prepayments.

# Excludes deferred income.

## 6. Financial assets and financial liabilities (cont'd)

	Carrying amount		
	Amortised cost \$'000	Other financial liabilities \$'000	Total \$'000
<b>Company</b>			
31.03 2022			
Financial assets not measured at fair value			
Trade and other receivables*	794,222	-	794,222
Cash and cash equivalents	492,547	-	492,547
	<u>1,286,769</u>	<u>-</u>	<u>1,286,769</u>
Financial liabilities not measured at fair value			
Trade and other payables	-	(910,623)	(910,623)
	<u>-</u>	<u>(910,623)</u>	<u>(910,623)</u>

\* Excludes prepayments.

	Carrying amount		
	Amortised cost \$'000	Other financial liabilities \$'000	Total \$'000
<b>Company</b>			
31.03 2021			
Financial assets not measured at fair value			
Trade and other receivables*	469,374	-	469,374
Cash and cash equivalents	670,382	-	670,382
	<u>1,139,756</u>	<u>-</u>	<u>1,139,756</u>
Financial liabilities not measured at fair value			
Trade and other payables	-	(713,382)	(713,382)
	<u>-</u>	<u>(713,382)</u>	<u>(713,382)</u>

\* Excludes prepayments.



## 7. Profit before tax

7.1. Profit before tax is after debiting/(crediting) the following:

	Group			
	2H FY2021/22	2H FY2020/21	FY2021/22	FY2020/21
	\$'000	\$'000	\$'000	\$'000
Allowance for foreseeable losses on development properties recognised/(written back)	724	(2,280)	724	(2,280)
Depreciation of investment property	82	81	163	162
Depreciation of property, plant and equipment	3,640	3,688	6,320	6,322
Impairment loss on property, plant and equipment written back	(13,358)	-	(13,358)	-
Interest income	(847)	(943)	(1,670)	(2,086)
Grant income	(515)	(607)	(1,130)	(1,360)
Interest expense	1,685	2,887	4,206	5,832

## 7.2. Related party transactions

There are no material related party transactions for the financial period.

## 8. Tax expense

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed interim consolidated statement of profit or loss are:

	Group			
	2H FY2021/22	2H FY2020/21	FY2021/22	FY2020/21
	\$'000	\$'000	\$'000	\$'000
<b>Current tax expense</b>				
Current period/year	9,504	20,475	19,315	37,260
(Over)/Under provision in respect of prior years	(426)	527	(426)	527
<b>Deferred tax (credit)/expense</b>				
Current period/year	(5,529)	2,272	(6,602)	143
Under provision in respect of prior years	130	-	130	-
Tax expense	<u>3,679</u>	<u>23,274</u>	<u>12,417</u>	<u>37,930</u>

## 9. Dividends

	Company	
	FY2021/22 \$'000	FY2020/21 \$'000
<b>Ordinary dividends paid:</b>		
Tax-exempt final dividend of \$0.04 per share in respect of financial year ended 31 March 2021	10,356	-
Tax-exempt special dividend of \$0.29 per share in respect of financial year ended 31 March 2021	75,084	-
Tax-exempt final dividend of \$0.04 per share in respect of financial year ended 31 March 2020	-	10,356
Tax-exempt special dividend of \$0.07 per share in respect of financial year ended 31 March 2020	-	18,124
	85,440	28,480

## 10. Net Asset Value

	Group		Company	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021
Net asset value per ordinary share	\$5.72	\$5.73	\$2.66	\$2.85

## 11. Investment property

	Group	
	31.03.2022 \$'000	31.03.2021 \$'000
<b>Cost</b>		
Beginning of financial year/end of financial year	8,189	8,189
<b>Accumulated depreciation</b>		
Beginning of financial year	4,866	4,704
Depreciation charge for the financial year	163	162
End of financial year	5,029	4,866
<b>Carrying amounts</b>		
End of financial year	3,160	3,323

## 11. Investment property (cont'd)

Investment property comprises office premises that are leased to external customers held either to earn rental income or capital appreciation or both. It is stated at cost less accumulated depreciation and impairment losses.

The Group engaged external, independent professional valuers to assess the fair value of the Group's investment property at the end of the financial year.

The fair value of the investment property is based on a valuation conducted by a firm of independent professional valuers that has appropriate recognised professional qualifications and recent experience in the location and category of the investment property being valued. The fair value is based on market value, being the estimated amount for which a property could be exchanged on the date of valuation between a willing buyer and a willing seller in an arm's length transaction. The valuation is based on the direct comparison method, having regard to the prevailing conditions of the property and recent market transactions for similar properties in the same location.

The fair value measurement for investment property has been categorised as a Level 3 of the fair value based on the inputs to the valuation technique used.

## 12. Property, plant and equipment

For the financial year ended 31 March 2022, the Group acquired assets amounting to \$270,000 (FY2021: \$606,000).

### Impairment assessment

The recoverable amount of the serviced apartment units as at 31 March 2022 was estimated using the fair value less costs to sell approach based on the discounted cash flow method adopted by an external independent professional valuer engaged by the Group. Based on the assessment, the Group reversed an impairment loss of \$13.4 million on the serviced apartment units in FY2022 (FY2021 : \$nil).

Judgement is involved in the impairment assessment, including determining the key assumptions applied in arriving at the recoverable amount. Changes to the assumptions applied could impact the recoverable amount in the future periods. The key unobservable inputs used in determining the recoverable amount include discount rate, terminal yield rate, occupancy rate, average room rate and growth rate. The fair value measurement was categorised as a Level 3 fair value based on inputs to the valuation techniques used.

## 13. Development properties

	Group	
	31.03.2022	31.03.2021
	\$'000	\$'000
Properties under development	888,738	774,403
Completed units	27,711	194,785
	916,449	969,188
Allowance for foreseeable losses	(6,288)	(5,564)
Total development properties	910,161	963,624

### 13. Development properties (cont'd)

The allowance for foreseeable losses was determined taking into consideration the expected selling prices for the projects, which were based on external independent professional valuations undertaken as at 31 March 2022. The valuations were undertaken by independent professional valuers who have appropriate recognised professional qualifications and recent experience in the location and category of the development properties being valued. The valuations were based on the comparable sales method. The valuation method used involves making estimates of the selling prices of the development properties, taking into consideration the recent selling prices for comparable properties and prevailing property market conditions. Market conditions may, however, change which may affect the estimated future selling prices and accordingly, the carrying value of development properties may have to be adjusted in future periods.

### 14. Borrowings

	Group	
	31.03.2022	31.03.2021
	\$'000	\$'000
<b>Non-current liabilities</b>		
- Unsecured bank loans	130,858	337,859

#### Details of any collaterals

All bank loans were unsecured.

### 15. Earnings per share

Details of the basic and diluted earnings per share are as follows:

	Group			
	2H FY2021/22	2H FY2020/21	31.03.2022	31.03.2021
	\$'000	\$'000	\$'000	\$'000
Basic and diluted earnings per share is based on:				
Profit for the period/year	29,561	115,784	82,918	189,435
Weighted average number of ordinary shares ('000)	258,911	258,911	258,911	258,911

Diluted earnings per share is the same as basic earnings per share as there are no dilutive instruments in issue during the year.

## 16. Share Capital

	<b>Group and Company</b>			
	<b>31.03.2022</b>		<b>31.03.2021</b>	
	Number of shares '000	\$'000	Number of shares '000	\$'000
Issued and fully-paid ordinary shares with no par value				
At beginning and end of financial year	<u>258,911</u>	<u>631,801</u>	<u>258,911</u>	<u>631,801</u>

There were no outstanding convertibles that may result in the issuance of shares as at 31 March 2022 and 31 March 2021.

The Company had no treasury shares and subsidiary holdings as at 31 March 2022 and 31 March 2021.

## 17. Subsequent events

There are no known subsequent events which have led to adjustments to this set of interim financial statements.

## **F. Other Information Required by Listing Rule Appendix 7.2**

### **1. Review**

The condensed consolidated statement of financial position of Bukit Sembawang Estates Limited and its subsidiaries as at 31 March 2022 and the related condensed consolidated comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the second half year period and financial year then ended and certain explanatory notes have not been audited and reviewed by our auditors.

### **2. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:**

- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
- (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

#### Condensed Interim Consolidated Statement of Comprehensive Income

##### 2H FY2021/22 vs 2H FY2020/21

Revenue decreased by 75% to \$89.4 m and cost of sales decreased by 72% to \$59.4 m as compared to 2H FY2020/21.

The Group's gross profit decreased by 79% from \$145.0 m to \$30.0 m as compared to 2H FY2020/21 mainly due to lower profit recognised on development projects.

In 2H FY2021/22, profits were recognised for 8 St Thomas, Luxus Hills (Signature Collection), The Atelier and Fraser Residence Orchard, Singapore.

In 2H FY2020/21, profits were recognised for 8 St Thomas, Luxus Hills (Signature Collection), Luxus Hills (Contemporary Collection) and Fraser Residence Orchard, Singapore.

Administrative expenses increased by \$0.6 m for 2H FY2021/22 was mainly due to the higher administrative and payroll related expenses.

Other operating income increased by \$9.0 m for 2H FY2021/22 was mainly due to a write-back of impairment loss on Property, Plant and Equipment relating to Fraser Residence Orchard, Singapore of \$13.4 m offset against net allowance for foreseeable losses on development properties of \$0.7 m. In 2H FY2020/21, there was a write-back of \$2.3 m of allowance for foreseeable losses on development properties.

The decrease in finance costs of \$1.1 m was mainly due to repayment of bank loan.

The decrease in tax expense was mainly due to lower taxable profits.

As a result of the above, the Group's net profit after tax declined by \$86.2 m from \$115.8 m to \$29.6 m, a decrease of 75% as compared 2H FY2020/21.

## Review of performance of the Group (cont'd)

### FY2021/22 vs FY2020/21

Revenue decreased by 50% to \$288.2 m and cost of sales decreased by 44% to \$187.9 m as compared to FY2020/21.

The Group's gross profit decreased by 59% from \$243.4 m to \$100.3 m as compared to FY2020/21 mainly due to lower profit recognised on development projects.

In FY2021/22, profits were recognised for 8 St Thomas, Luxus Hills (Signature Collection), Luxus Hills (Contemporary Collection), Nim Collection Phase 2, The Atelier and Fraser Residence Orchard, Singapore.

In FY2020/21, profits were recognised for 8 St Thomas, Luxus Hills (Signature Collection), Luxus Hills (Contemporary Collection), Nim Collection Phases 1 and 2 and Fraser Residence Orchard, Singapore.

Other income decreased by \$0.3 m was mainly due to lower government grant income from relief measures due to the COVID-19 pandemic in FY2021/22.

Administrative expenses increased by \$0.8 m for FY2021/22 was mainly due to the higher administrative and payroll related expenses.

Other operating income increased by \$11.2 m for FY2021/22 was mainly due to a write-back of impairment loss on Property, Plant and Equipment relating to Fraser Residence Orchard, Singapore of \$13.4 m offset against net allowance for foreseeable losses on development properties of \$0.7 m. In FY2020/21, there was a write-back of \$2.3 m of allowance for foreseeable losses on development properties.

The decrease in finance costs of \$1.4 m was mainly due to repayment of bank loan.

The decrease in tax expense was mainly due to lower taxable profits.

As a result of the above, the Group's net profit after tax declined by \$106.5 m from \$189.4 m to \$82.9 m, a decrease of 56% as compared FY2020/21.

## 2. Review of performance of the Group (cont'd)

### Condensed Interim Statements of Financial Position

#### As at 31.03.2022 vs 31.03.2021

The Group's total assets as at 31 March 2022 decreased by \$278.0 m, a decrease of 14.2%, from \$1,951.4 m to \$1,673.4 m as compared to 31 March 2021. The decrease was mainly due to decrease in development properties arising from recognition of development costs in cost of sales in respect of completed units sold during the year and decrease in contract assets due to transfer of contract assets to trade receivables upon billings issued. The decrease in cash and cash equivalents was mainly due to collections from 8 St Thomas and Luxus Hills (Contemporary Collection) offset against repayment of bank loan.

The Group's total liabilities as at 31 March 2022 decreased by \$275.5 m, a decrease of 59.0%, from \$466.9 m to \$191.4 m as compared to 31 March 2021. The decrease was mainly due to decrease in borrowings arising from repayment of bank loan and lower trade and other payables mainly due to lower deferred income arising from the recognition of revenue from units sold under Deferred Payment Schemes on completion of the sale during the year. Deferred income relates to the non-refundable deposits received in respect of completed development properties sold under Deferred Payment Schemes. The decrease was also due to decrease in current tax payable arising from payment of tax during the year and lower tax provision.

### Condensed Interim Consolidated Statement of Cash Flows

#### FY2021/22 vs FY2020/21

The Group recorded a net cash outflow of \$198.9 m for FY2021/22. During the year ended 31 March 2022, the net cash generated from operating activities amounted to \$100.0 m was mainly due to working capital movements. Net cash used in financing activities amounted to \$298.6 m was mainly due to dividend payment of \$85.4 m and repayment of borrowings. The Group had cash and cash equivalents of \$530.1 m as at 31 March 2022 compared to \$729.0 m as at 31 March 2021.



**3. A breakdown of sales as follows:**

Group	01.04.2021 to 31.03.2022 \$'000	01.04.2020 to 31.03.2021 \$'000	Change %
(a) Sales reported for first half year	198,845	223,254	(10.9)
(b) Operating profit after tax before deducting non-controlling interests reported for first half year	53,357	73,651	(27.6)
(c) Sales reported for second half year	89,384	357,707	(75.0)
(d) Operating profit after tax before deducting non-controlling interests reported for second half year	29,561	115,784	(74.5)

**4. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

The Group did not make any specific forecast previously.

**5. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

According to URA real estate statistics the overall private residential property price increased by 0.7% in the 1<sup>st</sup> quarter of 2022, compared to 5.0% increase in the 4<sup>th</sup> quarter of 2021. The total number of new residential units sold in the 1<sup>st</sup> quarter of 2022 was 1,825 units, compared to 3,018 units sold in the 4<sup>th</sup> quarter of 2021.

The Group has fully sold Luxus Hills Contemporary Collection (Phase 16) and Nim Collection (Phase 1) in Q1 2022. The Group relaunched The Atelier for sale about six months ago and conducted the Preview of LIV@MB on 6 May 2022, which sales commenced on 21 May 2022. During this period of global economic uncertainty, caused primarily by the protracted and lingering impact of COVID-19 pandemic, and aggravated by the Russia/Ukraine crisis, the residential property market in Singapore remains affected by the impact of the property cooling measures (imposed in mid-December 2021), rising interest rates/mortgage rates, shortage of manpower, higher construction and other costs and reduced margins. The Group shall continue to monitor the progress of construction of our ongoing projects to ensure timely completion and adopt prudent and measured approaches to calibrate appropriate timing for residential project launches in the pipeline.

6. **If a decision regarding dividend has been made:-**

**(a) Whether an interim (final) ordinary dividend has been declared (recommended).**

A final dividend in respect of the financial year ended 31 March 2022 has been recommended.

**(b)(i) Amount per share**

	31.03.2022
Name of dividend	Final
Dividend type	Cash
Dividend rate	4 cents
Tax rate	Tax exempt (One-tier)
Name of dividend	Special
Dividend type	Cash
Dividend rate	12 cents
Tax rate	Tax exempt (One-tier)

**(ii) Previous corresponding period**

	31.03.2021
Name of dividend	Final
Dividend type	Cash
Dividend rate	4 cents
Tax rate	Tax exempt (One-tier)
Name of dividend	Special
Dividend type	Cash
Dividend rate	29 cents
Tax rate	Tax exempt (One-tier)

**(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).**

The dividend is tax exempt in the hands of shareholders.

**(d) The date the dividend is payable.**

To be announced at later date.

**(e) The date on which Registrable Transfers received by the company (up to 5.00 pm) will be registered before entitlements to the dividend are determined.**

To be announced at later date.

**7. If no dividend has been declared (recommended), a statement to that effect and the reason(s) for the decision.**

Not applicable.

**8. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year as follows:-**

Total annual dividend	Latest 12 months \$'000	Previous 12 months \$'000
Final	10,356	10,356
Special	31,069	75,084
Total	41,425	85,440

**9. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

The Group does not have a general mandate from shareholders for IPTs.

**10. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13). If there are no such persons, the issuer must make an appropriate negative statement.**

Pursuant to Rule 704(13) of the Listing Manual of the Singapore Exchange Securities Trading Limited, the Company confirms that, to the best of its knowledge, belief and information, none of the persons occupying managerial positions in the Company or any of its principal subsidiaries is a relative of a director or the chief executive officer or a substantial shareholder of the Company.

**11. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1).**

The Company has received undertakings from all its Directors and Executive Officers in the format set out in Appendix 7.7 under Rule 720(1) of the Listing Manual of the SGX-ST.

**BY ORDER OF THE BOARD**

**LOTUS ISABELLA LIM MEI HUA  
COMPANY SECRETARY  
27 MAY 2022**