WE BUILD DREAMS

Annual Report 2011

This annual report has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, Collins Stewart Pte. Limited for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("SGX-ST"). The Company's Sponsor has not independently verified the contents of this annual report. This annual report has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this annual report, including the correctness of any of the statements or opinions made or reports contained in this annual report.

The contact person for the Sponsor is Mr. Alex Tan Tiong Huat, Managing Director, Corporate Finance, Collins Stewart Pte. Limited at 77 Robinson Road #21-02 Singapore 068896, telephone (65) 6854 6160.

Artist impression

COMPANY PROFILE

Oxley Holdings Limited is a lifestyle property development company engaged in the development of residential, industrial and commercial properties.

Catering to the growing needs of upwardly mobile home buyers and entrepreneurs who value style, quality and convenience, Oxley's developments are generally located in choice areas and come with prominent lifestyle features.

The company's distinctive portfolio of residential and industrial developments includes Viva Vista, RV Point, Loft@Holland, Loft@Stevens, Devonshire Residences and Oxley BizHub.

The Company is listed on the Singapore Exchange's Catalist in October 2010.

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CHAIRMAN'S STATEMENT

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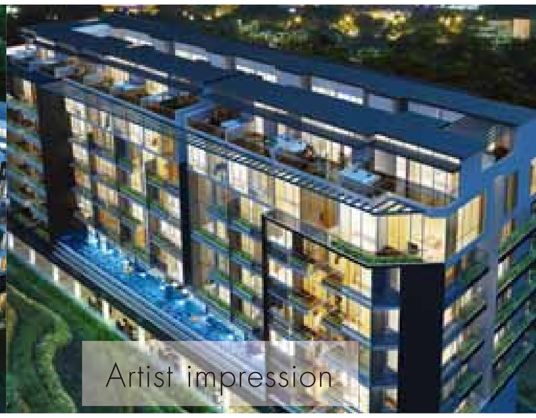
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Dear Shareholders,

On behalf of the Board of Directors of Oxley Holdings Limited ("Oxley Holdings"), I am pleased to present to you Oxley Holdings' annual report for the financial year ended 30 June 2011. This is our inaugural annual report since we attained our new status as a public-listed company.

The Group achieved a significant milestone on 29 October 2010 when we made our debut on the Catalist of the Singapore Exchange. Our IPO of 224 million shares at $0.38 each drew very positive support from members of the investment community, and resulted in the shares being fully subscribed. Through the IPO, we raised $81.2 million in net proceeds, which were mainly used to fund the acquisition of various development sites, as well as general corporate and working capital requirements.

The listing of Oxley Holdings provides us with a platform for continued growth and business expansion, and we would like to express our sincere gratitude to all professionals and shareholders who have contributed to the success of the listing exercise.

Financial Highlights

For the financial year ended 30 June 2011 ("FY2011"), we posted a net profit attributable to shareholders of $13.4 million, on a revenue of $70.9 million. This was derived based on percentage of completion method from the sale of Parc Somme, Loft@Rangoon and Suites@Katong, which were launched and fully sold in FY2010, and Viva Vista, RV Point and Loft@Holland, which were launched and fully sold in FY2011. We ended the financial year with total shareholder's equity of $131.5 million and a net asset value per share of 8.8 cents. At the close of FY2011, our cash and cash equivalents stood at $112.7 million.

In view of our positive performance, the Board has proposed a first and final cash dividend of 0.45 cents per ordinary share. This is equivalent to a payout ratio of about 50% in line with our offer document dated 21 October 2010.

Year In Review

We acquired a total of five parcels of land for residential re-development and successfully launched and sold out eight property development projects in various parts of Singapore. Notably, Oxley's Loft@Holland project was fully sold within two hours of its launch.

FY2011 was also a significant year, as it marked our entry into the industrial property development business through the acquisition of four industrial land parcels. One such parcel is currently being developed into Oxley BizHub, a 728-unit production and warehouse complex incorporating lifestyle elements. As of 15 August 2011, about 62% of the development has been sold.

We also ventured into commercial property development with the acquisition of two buildings along Robinson Road. We intend to redevelop these two buildings for sale of the office space.

Corporate Social Responsibility

As a responsible corporate citizen, we are mindful of the less fortunate in our society.

In September 2010, the team at Oxley Holdings came up with a novel idea to support the Boys' Town's fund-raising for a new dormitory, while extending the benefit to a group of elderly and disabled persons. Instead of making an outright donation, our team rallied 50 boys from Boys' Town to clean some 30 homes of the elderly and disabled in Bukit Merah as well as distribute daily provisions to 80 households in the neighborhood. In turn, Oxley Holdings pledged $50,000 and brought the boys a step closer to improving their own living conditions.

In support of the activities of Thye Hua Kwan Moral Society ("THKMS"), a charity operating over 50 welfare services, Oxley Holdings made an outright donation of $100,000 during the THKMS's Charity Show 2010 in September 2010. In June 2011, we further partnered THKMS to raise funds for its series of initiatives aimed at improving the lives of elderly residents under its care through the Oxley-Thye Hua Kwan Charity Golf 2011. The event saw 144 golfers from the business community putting their best swing forward and raising $308,288, including our contribution of $100,000.

Outlook

As a young and dynamic company, Oxley Holdings started out as a lifestyle developer specializing in the development of residential properties catering to the young and trendy home buyers. With these projects possessing the key ingredients of quality, accessibility and convenience, we have achieved considerable success for all our property launches over the past one year. Building on this accomplishment, we have diversified into the development of industrial and commercial properties to spread our exposure across the three different segments.

We are cautiously optimistic about the prospects for the current financial year as there are economic uncertainties along with the cooling measures introduced by the Singapore Government.

As at August 2011, our pipeline of activities comprised four residential, three industrial and two commercial property development projects, and we are monitoring the market for an opportune time to launch these projects by the end of June 2012.

We will continue to source for more good land acquisition opportunities in choice precincts so as to deliver high quality and unique developments to the market.

Acknowledgements

To our Board, management team and staff, I thank them for their dedication and diligence in helping to bring Oxley's projects to fruition.

Last but not least, I would like to thank our shareholders, bankers and principal suppliers for their support and confidence in Oxley Holdings. We stand dedicated to enhancing shareholders' value.

Ching Chiat Kwong
Chairman & CEO

PROJECT PORTFOLIO

Residential Projects

(Launched 1 Jul '10 – 30 Jun '11)

Project Name	Launched	Acquired	Tenure	GFA (sq m)	No. of Units (Shops /Residential)	% Sold	Expected TOP
Viva Vista	Aug-10	Jun-09	Freehold	9,013	106 / 144	100%	2015
RV Point	Oct-10	Feb-10	999 years	2,038	9 / 36	100%	2014
Loft@Holland	Jan-11	May-10	Freehold	1,580	41 Residential	100%	2015
Vibes@Kovan	Jan-11	May-10	Freehold	2,168	5 / 36	100%	2015
Loft@Stevens	Feb-11	Jun-10	Freehold	1,889	44 Residential	100%	2015
Devonshire Residences	Mar-11	Apr-10	Freehold	3,836	84 Residential	98%[1]	2015
Vibes@East Coast	Jun-11	May-10	Freehold	7,125	28 / 117	80%[1]	2015
Suites@Braddell	Jun-11	Oct-10	Freehold	1,552	33 Residential	97%[1]	2015

Residential Projects in Pipeline

Project Name / Location	Expected Launch	Acquired	Tenure	Proposed GFA (sq m)	No. of Units (Shops/Residential)
Presto@Upper Serangoon	FY2012	Oct-10	Freehold	1,846	36 Residential[2]
Vibes@Upper Serangoon	FY2012	Oct-10	Freehold	3,115	64 Residential[2]
Oxley Edge	FY2012	Oct-10	Freehold	2,546	4/45[2]
167-199B Jalan Pelikat	FY2012	May-11	Freehold	18,528	150/222[2]

Notes:
(1) Refers to percentage of units sold as at 15 August 2011.
(2) The plans for these projects are subject to modification, pending URA approval.

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Artist impression


Artist impression

PROJECT PORTFOLIO

Industrial Project

(Launched 1 Jul '10 – 30 Jun '11)

Project Name	Launched	Acquired	Tenure	GFA (sq m)	No. of Units	% Sold	Expected TOP
Oxley BizHub	Apr-11	Aug-10	60 years	87,126	728	62%	2015

Industrial Projects in Pipeline

Location	Expected Launch	Acquired	Tenure	Proposed GFA (sq m)
Arcsphere	FY2012	Dec-10	Freehold	2,529
Oxley Bizhub 2	FY2012	Feb-11	60 years	30,942
Irving Place	FY2012	Jun-11	60 years	10,562

Commercial Projects in Pipeline

Location	Expected Launch	Acquired	Tenure	Proposed GFA (sq m)
Oxley Tower	FY2012	Sep-10	Freehold	16,688
Robinson Square	FY2012	Dec-10	Freehold	4,755

BOARD OF DIRECTORS

Ching Chiat Kwong

Executive Chairman and CEO

Ching Chiat Kwong is the Executive Chairman and CEO of the Group. He is responsible for the overall performance as well as for the formulation of corporate strategies, and the future direction of the Group.

Mr Ching possesses more than 15 years of industry experience. Prior to establishing the Group, he invested in, developed and successfully launched 13 residential property projects in various parts of Singapore. His keen ability to identify market trends and business opportunities has enabled him to chart the course for the Group's expansion towards the development of industrial and commercial projects in addition to residential properties. Under Mr Ching's leadership, the Group completed the largest initial public offering to date on the Catalist of the Singapore Exchange.

Apart from his commitments at Oxley Holdings, Mr Ching is also an active supporter of programmes that benefit the elderly and socially disadvantaged.

Mr Ching graduated with a Bachelor of Arts degree and a Bachelor of Social Sciences (Hons) degree from the National University of Singapore in 1989 and 1990 respectively.

Low See Ching

Non-Executive Director

Low See Ching is the Group's Non-Executive Director. Between 2005 and 2009, Mr Low invested in, developed and launched five property development projects in Singapore, namely Residences@Jansen at Jansen Road, Urban Lofts at Rangoon Road, Vetro at Mar Thoma Road, The Verve at Jalan Rajah and The Aristo@Amber at Amber Road.

Mr Low currently holds the position of CEO at Hafary Holdings Limited, a Catalist-listed company, where he is responsible for the overall management, operations and charting of its corporate and strategic direction, including its sales, marketing and procurement strategies. Prior to his appointment at Hafary Holdings Limited, he was the sales director of Hafary Pte. Ltd. from 2000 to 2009, where he was responsible for formulating effective sales strategies and plans, providing leadership to the sales teams, developing and rolling out a strong customer relationship management system and building strong relationships with key customers.

Mr Low graduated with a Bachelor of Accountancy degree from the Nanyang Technological University, Singapore in 1999.

BOARD OF DIRECTORS

Ng Weng Sui, Harry
Independent Director

Ng Weng Sui, Harry is currently the Executive Director of HLM (International) Corporate Services Pte.Ltd., a company providing corporate services, including business consultancy, corporate advisory, accounting and secretarial services.

Mr Ng also serves as Independent Director of SGX Mainboard-listed Q&M Dental Group (Singapore) Limited, and Catalist-listed Artivision Technologies Ltd, where he is Chairman of the Audit Committee.

Mr Ng has more than 30 years of experience in accountancy, finance and audit. From October 2008 to April 2010, Mr Ng was the Chief Financial Officer and executive director of Achieva Limited, a SGX Mainboard-listed company. From August 2004 to July 2008, he was the Chief Financial Officer of Sunmoon Food Company Limited, a SGX Mainboard-listed company. From September 1999 to July 2004, Harry Ng was the Chief Financial Officer of Eltech Electronics Limited (now known as GES Investment Pte. Ltd.) and the head of internal audit of GES International Limited, both being companies previously listed on the Singapore Exchange. He is currently a Fellow member of the Institute of Certified Public Accountants of Singapore and a Fellow of the Association of Chartered Certified Accountants (UK).

Mr Ng obtained a Master of Business Administration (General Business Administration) from The University of Hull, UK in March 1997 and a Diploma in Marketing from The Chartered Institute of Marketing, UK in March 1987.

Phua Sian Chin
Independent Director

Phua Sian Chin has served as Chief Financial Officer of Catalist-listed Teho International Inc Ltd. since August 2008 and has more than 35 years of experience in accounting and corporate finance.

From 2000 to 2008, Mr Phua was the Chief Financial Officer of SMI Management & Co Pte. Ltd. where he was responsible for managing the Group's financial and accounting affairs, including corporate finance and banking, financial planning and compliance with listing regulations for Pacific Plywood Holdings Limited, SMI's parent company, which is listed on the Hong Kong Stock Exchange.

Mr Phua graduated with a Bachelor of Accountancy degree from the University of Singapore in 1975.

He is currently a Fellow of the Institute of Certified Public Accountants of Singapore, a Fellow of CPA Australia and a Fellow of the Association of Chartered Certified Accountants (UK).

KEY MANAGEMENT




Judy Ching Chiat Dee
General Manager

As General Manager, Judy Ching is responsible for the general operations of the Group, including the smooth execution of property development projects.

Ms Ching possesses nearly 30 years of experience in the marketing and management of residential, commercial and industrial property. Prior to joining Oxley in June 2011, Ms Ching spent five years with LCD Property Management Pte. Ltd., where her last position held was Senior Manager (Marketing & Leasing). During her employment at LCD Property, she also spent about 1.5 years holding a concurrent position as General Manager of Paradiz Investment Ltd. Ms Ching was a senior manager of Savills Residential before LCD Property, and spent some 22 years with Tuan Sing Holdings Limited, where her last position held was as Marketing Manager.

Ms Ching is a sister of Mr Ching Chiat Kwong, Executive Chairman and CEO, and a controlling shareholder of Oxley Holdings.

Ng Kok Peng
Finance Manager

As Finance Manager, Ng Kok Peng is responsible for the overall financial and accounting functions of the Group. Prior to joining Oxley in May 2010, he spent more than three years as Audit Assistant Manager and Audit Senior with Deloitte & Touche LLP and Foo Kon Tan Grant Thornton LLP respectively. He has more than 10 years of combined experience in audit, finance and accounting.

Mr Ng is a member of the Institute of Certified Public Accountants of Singapore and the Association of Chartered Certified Accountants (UK). He holds a Bachelor of Science degree in Applied Accounting from Oxford Brookes University.

Ng Suat Kheng, Carol
Administrative Manager

As Administrative Manager, Carol Ng is responsible for the Group's overall office administration and sales and marketing support activities. She manages the team of office staff and assists in the generation of management reports, liaison with external service providers including suppliers, government authorities and financial institutions & solicitors, and the handling of tax return matters. Prior to joining Oxley in May 2010, Ms Ng was an office manager at Oxley Construction Pte. Ltd., where she was responsible for the office operations and administration of construction projects. Ms Ng holds a Diploma in Management Studies from the Singapore Institute of Management.

Tan Chew Guek, Lindsay
Quantity Survey Manager

As Quantity Survey Manager, Lindsay Tan is responsible for supporting the Group's quality control effort, preparing handover documents to unit owners as well as handling customers' claims on defect works. She is also responsible for liaising with various suppliers and architects for quotations and claims, and for the preparation of building specification details for submission to the Controller of Housing, as well as the publication of marketing brochures. Prior to joining Oxley in May 2010, Ms Tan was a quantity surveyor at Oxley Construction where she was responsible for project tendering, handling of subcontractors' quotations, claims and contracts, as well as preparing and submitting various documents in relation to property construction. Ms Tan holds a diploma in Civil and Structural Engineering from the Singapore Polytechnic.

FINANCIAL HIGHLIGHTS

Consolidated Statement of Comprehensive Income ($'000)	2011	2010
Revenue	**70,850**	–
Profit Before Income Tax	**17,962**	756
Income Tax Expense	**(3,360)**	(207)
Profit After Income Tax	**14,602**	549
Attributable to:		
Owners of the Parent	**13,379**	629
Non-Controlling Interests	**1,223**	(80)
	14,602	549

Consolidated Statement of Financial Position ($'000)	2011	2010
Plant and Equipment	**126**	120
Deferred Tax Assets	**633**	–
Investment in an Associate	**–**	(2)
Development Properties	**720,822**	78,567
Trade and Other Receivables	**12,199**	2,540
Other Assets	**9,685**	6,677
Cash and Cash Equivalents	**112,652**	12,865
Total Assets	**856,117**	100,767
Non-Current Liabilities	**(620,413)**	(64,316)
Current Liabilities	**(98,640)**	(26,708)
	137,064	9,743
Shareholder's Equity	**131,516**	8,268
Non-Controlling Interests	**5,548**	1,475
Total Equity	**137,064**	9,743

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CORPORATE INFORMATION

Directors

Ching Chiat Kwong	Executive Chairman and CEO
Low See Ching	Non-Executive Director
Ng Weng Sui, Harry	Lead Independent Director
Phua Sian Chin	Independent Director

Management Team
Ching Chiat Kwong
Judy Ching Chiat Dee
Ng Kok Peng
Ng Suat Kheng, Carol
Tan Chew Guek, Lindsay

Company Secretary
Ng Kok Peng, CPA Singapore

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50 Raffles Place #11-02
Singapore Land Tower
Singapore 048623
Tel: 6438 0202
Fax: 6438 2020

Share Registrar
Boardroom Corporate & Advisory Services Pte. Ltd.
50 Raffles Place #32-01
Singapore Land Tower
Singapore 048623

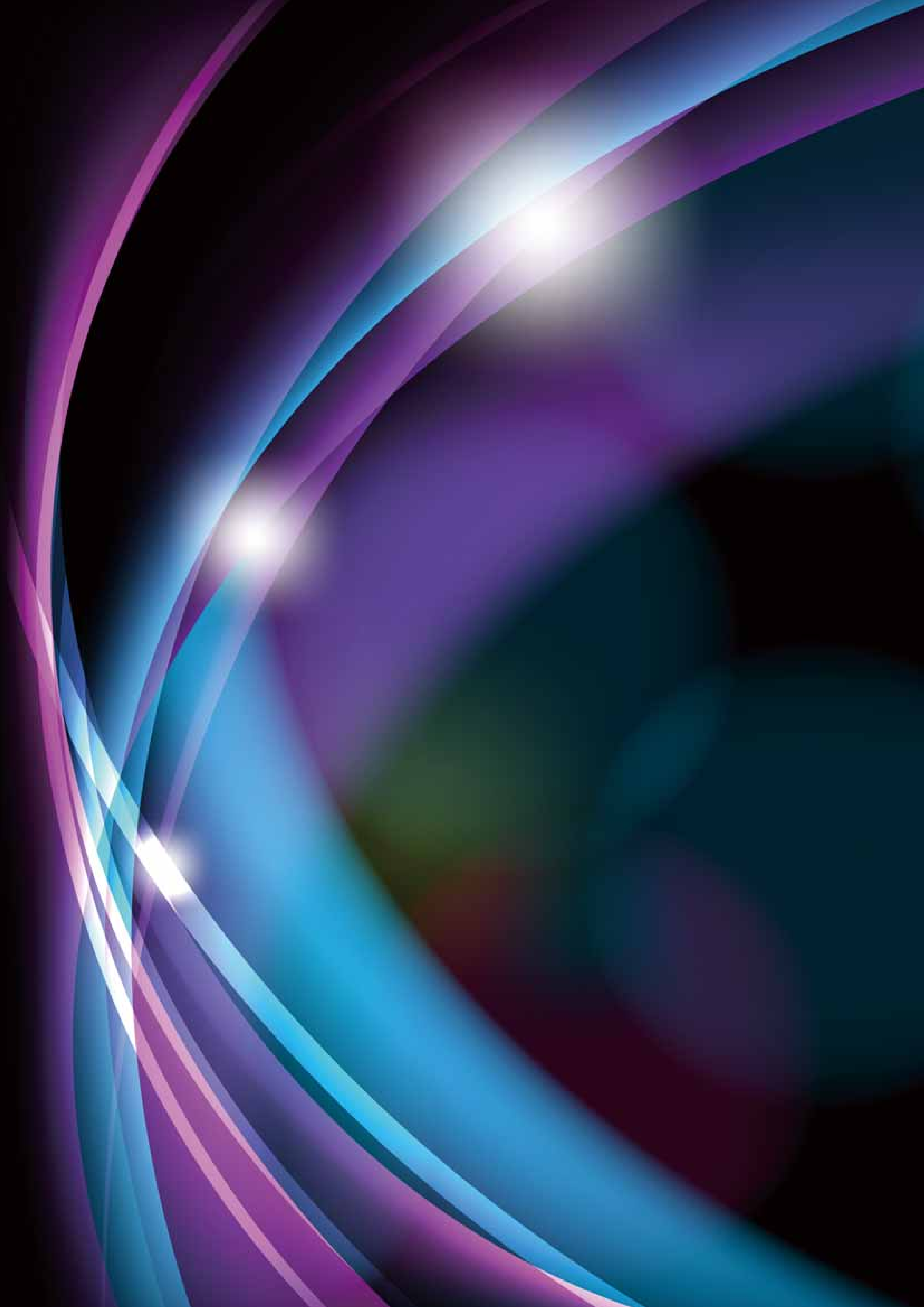
Sponsor
Collins Stewart Pte. Limited
77 Robinson Road #21-02
Singapore 068896

Auditors
RSM Chio Lim LLP
8 Wilkie Road #04-08
Wilkie Edge
Singapore 228095
Partner-in-charge: Lee Mong Sheong
(Certified Public Accountant, a member of the
Institute of Certified Public Accountants of Singapore)

Principal Bankers
United Overseas Bank Limited
80 Raffles Place
UOB Plaza
Singapore 048624

Hong Leong Finance Limited
16 Raffles Quay #01-05
Hong Leong Building
Singapore 048581

Malayan Banking Berhad
2 Battery Road
Maybank Tower
Singapore 049907



Directors' Report and Financial Statements

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CORPORATE GOVERNANCE REPORT

The Board of Directors (the "**Board**") of Oxley Holdings Limited (the "**Company**", and together with its subsidiaries, the "**Group**") recognises the importance of corporate governance and the offering of high standards of accountability to the shareholders of the Company by complying with the benchmark set by the Code of Corporate Governance 2005 (the "**Code**").

This Report sets out the corporate governance practices that have been adopted by the Company with specific reference to the principles of the Code, as well as any deviation from any guideline of the Code together with an explanation for such deviation.

Statement of Compliance

The Board confirms that for the financial year ended 30 June 2011 ("FY2011"), the Company has generally adhered to the principles and guidelines as set out in the Code, save as otherwise explained below.

BOARD MATTERS

The Board's Conduct of Affairs

Principle 1: **Every company should be headed by an effective Board to lead and control the company. The Board is collectively responsible for the success of the company. The Board works with the management of the Company (the "Management") to achieve this and the Management remains accountable to the Board.**

The Board comprises four directors, which include one executive director, one non-executive director and two independent directors, all of whom are from different disciplines and bring with them diversity of experience which will enable them to contribute effectively to the Group.

The principal functions of the Board, apart from its statutory responsibilities, include:–

- to review and oversee the management of the Group's business affairs and financial controls, performance and resource allocation;
- to approve matters such as corporate strategy and business plans, corporate restructuring, mergers and acquisitions, major investments and divestments, material acquisitions and disposal of assets and major corporate policies on key areas of operations;
- to approve the release of the Group's quarterly and full-year financial results and related party transactions of a material nature; and
- to assume the responsibilities for corporate governance.

Every director is expected, in the course of carrying out his duties, to act in good faith to provide insights and objectively take decisions in the interest of the Company.

CORPORATE GOVERNANCE REPORT

The Board has established three Board committees, namely, the Audit Committee ("**AC**"), the Nominating Committee ("**NC**") and the Remuneration Committee ("**RC**") to assist in the execution of its responsibilities. These committees operate within clearly defined terms of reference.

The Board meets on a quarterly basis and ad-hoc Board meetings will be convened when they are deemed necessary. In between Board meetings, other important matters will be put to the Board's approval by way of circulating resolutions in writing. The Company's Articles of Association provide for meetings of directors to be held by means of telephone conference or other methods of simultaneous communication by electronic or other means.

The attendance of the directors at scheduled meetings of the Board and Board committees during FY2011 is disclosed below:–

	Board	Audit Committee	Remuneration Committee	Nominating Committee
Number of meetings held				
	3	3	1	1
Number of meetings attended				
Ching Chiat Kwong	3	3	1	1
Low See Ching	3	3	1	1
Ng Weng Sui Harry	3	3	1	1
Phua Sian Chin	3	3	1	1

Newly appointed directors will be given an orientation of the Group's business strategies and operations. Directors also have the opportunity to visit the Group's development sites and meet with the Management as and when necessary, to gain a better understanding of the Group's business operations and governance practices. All directors who had no prior experience as directors of a listed company have undergone training and briefing on the roles and responsibilities as directors of a listed company.

Board Composition and Guidance

Principle 2: There should be a strong and independent element on the Board, which is able to exercise objective judgment on corporate affairs independently, in particular, from Management. No individual or small group of individuals should be allowed to dominate the Board's decision making.

As at the date of this report, the Board comprises the following directors:–

Executive Director	
Ching Chiat Kwong	Executive Chairman and Chief Executive Officer ("**CEO**")
Non-Executive Directors	
Low See Ching	Non-Executive Director
Ng Weng Sui Harry	Lead Independent Director
Phua Sian Chin	Independent Director

The Board comprises directors who have the right core competencies and diversity of experience to enable them, in their collective wisdom, to contribute effectively.

The independent directors make up more than one-third of the Board. There is a strong independent element on the Board. The Board has adopted the Code's criteria of an independent director in its review. An "independent" director is one who has no relationship with the Company, its related companies or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the directors' independent business judgment with a view to the best interests of the Company. The Board is of the view that all its independent non-executive directors have satisfied the criteria of independence as a result of its review. The independence of each independent director will be reviewed annually by the NC.

The Board considers the current Board size appropriate for the nature and scope of the Group's operations.

The composition of the Board will be reviewed annually by the NC to ensure that there is an appropriate mix of expertise and experience, which the Group may tap for assistance in furthering its business objectives and shaping its business strategies. Together, the directors as a group provide core competencies in business, accounting, investment, audit and taxation matters.

The independent directors also communicate regularly to discuss matters such as the Group's financial performance, corporate governance initiatives and the remuneration of the executive director and senior management.

CORPORATE GOVERNANCE REPORT

Chairman and Chief Executive Officer

Principle 3: There should be a clear division of responsibilities at the top of the company – the working of the Board and the executive responsibility of the company's business – which will ensure a balance of power and authority, such that no one individual represents a considerable concentration of power.

Mr Ching Chiat Kwong is the executive chairman and CEO of the Company and bears executive responsibility for the Group's business performance. He also assumes the responsibility of the chairman of the Board and is responsible for scheduling Board meetings as and when required, setting the agenda for Board meetings and ensuring the quality, quantity and timeliness of the flow of information between the Management, the Board and shareholders. He is also responsible for ensuring compliance with the Company's guidelines on corporate governance.

The Company has not created a separate CEO position as the Board is of the view that the current Board composition is appropriate and effective for the purposes for which the Board's roles and responsibilities are set up. The Board is of the view that with the establishment of the three Board committees, there are adequate safeguards in place to prevent an uneven concentration of power and authority in a single individual.

The Board has appointed Mr Ng Weng Sui Harry as the lead independent director to lead and co-ordinate the activities of the independent directors. The lead independent director will assist the independent directors to review the performance of the Management in meeting agreed goals and objectives, and monitor the reporting of performance. The lead independent director is also available to shareholders where they have concerns which contact through the normal channels of the executive chairman and CEO or finance manager has failed to resolve or for which such contact is inappropriate.

Board Membership

Principle 4: There should be a formal and transparent process for the appointment of new directors to the Board.

The NC comprises the following members:–

Phua Sian Chin (Chairman)
Ng Weng Sui Harry
Low See Ching

The chairman of the NC, Mr Phua Sian Chin, is an independent director, while Mr Ng Weng Sui Harry is the lead independent director and Mr Low See Ching is a non-executive director. Mr Phua Sian Chin is not associated with any substantial shareholder of the Company.

CORPORATE GOVERNANCE REPORT

The main terms of reference of the NC are as follows:–

- to recommend to the Board on all Board appointments and re-nominations having regard to the director's contribution and performance (such as attendance, preparedness, participation and candour);
- to ensure that all directors submit themselves for re-nomination and re-election at regular intervals and at least once every three years;
- to determine annually whether a director is independent in accordance with paragraph 2.1 of the Code;
- to decide whether a director is able to and has adequately carried out his duties as a director of the Company, in particular, where the director concerned has multiple board representations; and
- to assess the effectiveness of the Board as a whole and the contribution by each director to the effectiveness of the Board.

The NC is in charge of re-nominating the directors, having regard to their contribution and performance. Pursuant to Article 104 of the Company's Articles of Association, one-third of the directors shall retire from office at least once every three years at the Company's Annual General Meeting ("**AGM**"). In addition, pursuant to Article 106, a retiring director shall be eligible for re-election at the meeting at which he retires.

Article 114 of the Company's Articles of Association provides that a director appointed by the Board must retire and submit himself for re-election at the next AGM following his appointment.

The dates of initial appointment of each director, together with his directorships in other listed companies, are set out below:–

Name of director	Appointment	Date of initial appointment	Date of last re-election	Current directorships in listed companies	Past directorships in listed companies
Ching Chiat Kwong Age: 45	Executive Chairman and CEO	16 March 2010	–	None	None
Low See Ching Age: 36	Non-Executive Director	16 March 2010	–	Hafary Holdings Limited	None
Ng Weng Sui Harry Age: 55	Lead Independent Director	28 September 2010	–	Q&M Dental Group (Singapore) Limited Artivision Technologies Ltd.	Achieva Limited KTL Global Limited
Phua Sian Chin Age: 61	Independent Director	28 September 2010	–	None	None

CORPORATE GOVERNANCE REPORT

All the directors will retire at the Company's forthcoming AGM and will be eligible for re-election.

When a director has multiple board representations, the NC also considers whether or not the director is able to and has adequately carried out his duties as a director of the Company. The NC is satisfied that sufficient time and attention has been given by the directors to the affairs of the Company, notwithstanding that some of the directors have multiple board representations.

When the need for a new director arises, or where it is considered that the Board would benefit from the services of a new director with particular skills or to replace a retiring director, the NC, in consultation with the Board, determines the selection criteria and selects candidates with the appropriate expertise and experience for the position. In its search and nomination process for new directors, the NC may rely on search companies, personal contacts and recommendations for the right candidates.

The profiles and key information on the individual directors and their shareholdings in the Company are set out in the "Board of Directors" section and the "Director' Report" section of this Annual Report.

Board Performance

Principle 5: There should be a formal assessment of the effectiveness of the Board as a whole and the contribution by each director to the effectiveness of the Board.

The Board's performance is linked to the overall performance of the Group. The Board ensures compliance with the applicable laws and the Board members act in good faith, with due diligence and care in the best interest of the Company and its shareholders.

The NC is responsible for assessing the effectiveness of the Board as a whole and for assessing the contribution of each individual director. The NC proposes objective performance criteria which are approved by the Board. The performance criteria include comparison with industry peers, how the Board has enhanced long term shareholders' value and the Company's share price performance vis-a-vis the Singapore Straits Times Index and a benchmark index of its industry peers. Other performance criteria may include return on equity. These performance criteria will not be changed from year to year and where circumstances deem it necessary for any of the criteria to be changed, the onus will be on the Board to justify such changes.

The evaluation of individual directors aims to assess whether each director continues to contribute effectively and demonstrate commitment to the role (including commitment of time for Board and committee meetings, and any other duties). The executive chairman will act on the results of the performance evaluation, and where appropriate, propose new members be appointed to the Board or seek the resignation of directors, in consultation with the NC.

Access to Information

Principle 6: In order to fulfill their responsibilities, Board members should be provided with complete, adequate and timely information prior to board meetings and on an on-going basis.

The Company recognises the importance of the flow of information for the Board to discharge its duties effectively. The Management provides the Board with quarterly management accounts, as well as relevant background or explanatory information relating to the matters that would be discussed at the Board meetings, prior to the scheduled meetings. All directors are also furnished with updates on the financial position and any material developments of the Group as and when necessary. The Board has separate and independent access to the company secretary and the Management at all times. Under the direction of the chairman, the company secretary facilitates information flow within the Board and its committees and between the Management and non-executive directors. The company secretary attends all meetings of the Board and Board committees and ensures that all Board procedures are followed and applicable rules and regulations are complied with. The minutes of all Board committee meetings are circulated to the Board. The appointment and removal of the company secretary are subject to the approval of the Board as a whole.

The Board will have independent access to professional advice when required, subject to the approval of the chairman. The fees of professional advice will be borne by the Company.

REMUNERATION MATTERS

Procedures for Developing Remuneration Policies

Principle 7: There should be a formal and transparent procedure for developing policy on executive remuneration and for fixing the remuneration packages of individual directors. No director should be involved in deciding his own remuneration.

The RC comprises the following members:–

Phua Sian Chin (Chairman)
Ng Weng Sui Harry
Low See Ching

The chairman of the RC, Mr Phua Sian Chin, is an independent director, while Mr Ng Weng Sui Harry is the lead independent director and Mr Low See Ching is a non-executive director.

The main terms of reference of the RC are as follows:–

- to recommend to the Board a framework of remuneration for the directors and senior management;
- to determine specific remuneration packages for each executive director, covering all aspects of remuneration including but not limited to directors' fees, salaries, allowances, bonuses, options and benefits in kind;

CORPORATE GOVERNANCE REPORT

- to determine the remuneration of non-executive directors, taking into account factors such as effort and time spent, and the responsibilities of the directors;
- in the case of service contracts of directors, to review and to recommend to the Board the terms of renewal of the service contracts; and
- to consider the various disclosure requirements for directors' and key executives' remuneration as required by any regulatory bodies.

The RC's recommendations should be submitted for endorsement by the entire Board. No director shall be involved in deciding his own remuneration. If necessary, the RC will seek expert advice on the remuneration of directors.

Level and Mix of Remuneration

Principle 8: **The level of remuneration should be appropriate to attract, retain and motivate the directors needed to run the company successfully but companies should avoid paying more than is necessary for this purpose. A significant proportion of executive directors' remuneration should be structured so as to link rewards to corporate and individual performance.**

In setting remuneration packages, the Company takes into consideration the remuneration packages and employment conditions within the industry and in comparable companies. The remuneration package also takes into account the Company's relative performance and the performance of individual directors. The remuneration package is designed to allow the Company to better align the interests of the executive director with those of shareholders and link rewards to corporate and individual performance.

The directors are paid directors' fees, taking into account factors such as effort and time spent, and responsibilities of the directors. Directors' fees are recommended by the Board for approval at the Company's AGM.

The remuneration package of the executive director includes a basic salary and an annual incentive bonus based on the audited profit before tax of the Group.

The Company has entered into a service agreement with the executive chairman and CEO, Mr Ching Chiat Kwong, for an initial period of three years with effect from 1 May 2010. Upon the expiry of the initial period of three years, the employment of the executive director shall be automatically renewed on a year-to-year basis on such terms and conditions as the parties may agree. The service agreement provides for termination by each party giving not less than six months' notice in writing.

Currently, the Company does not have any long-term incentive schemes.

Disclosure on Remuneration

Principle 9: Each company should provide clear disclosure of its remuneration policy, level and mix of remuneration, and the procedure for setting remuneration in the company's annual report. It should provide disclosure in relation to its remuneration policies to enable investors to understand the link between remuneration paid to directors and key executives, and performance.

The following shows the level and mix of the remuneration paid or payable for FY2011 to each director and executive officer:–

Remuneration bands	Salary[(1)] %	Variable or performance related income/bonuses %	Directors' fees[(2)] %	Total %
Directors				
Above S$250,000				
Ching Chiat Kwong	27	72[(3)]	1	100
Below S$250,000				
Low See Ching	–	–	100	100
Ng Weng Sui Harry	–	–	100	100
Phua Sian Chin	–	–	100	100
Executive Officers				
Below S$250,000				
Judy Ching Chiat Dee[(4)]	77	23	–	100
Ng Kok Peng	82	18	–	100
Ng Suat Kheng, Carol	83	17	–	100
Tan Chew Guek, Lindsay	83	17	–	100

Notes:–

(1) Salary is inclusive of salary, allowances and Central Provident Fund contributions.

(2) Directors' fees are subject to the approval of the shareholders at the forthcoming AGM.

(3) Based on the service agreement, Mr Ching Chiat Kwong is eligible to be paid an incentive bonus, if the profit before tax of the Group ("**PBT**") exceeds S$7.5 million based on the audited financial statements, equivalent to 2% of the first S$2.0 million of the PBT, 4% of the next S$2.5 million of the PBT, and 5% of the PBT in excess of S$7.5 million. According to the audited financial statements for FY2011, the PBT exceeded S$7.5 million. As a result, an incentive bonus of S$0.6 million would be paid to Mr Ching Chiat Kwong.

(4) Ms Judy Ching Chiat Dee is a sister of Mr Ching Chiat Kwong, the executive chairman and CEO of the Company.

Save as disclosed in note (4) above, there is no employee who is an immediate family member of a director or the CEO and was paid more than S$150,000 during FY2011. "Immediate family member" means spouse, child, adopted child, step-child, brother, sister and parents.

Currently, the Company does not have any employee share schemes.

CORPORATE GOVERNANCE REPORT

ACCOUNTABILITY AND AUDIT

Accountability

Principle 10: The Board should present a balanced and understandable assessment of the company's performance, position and prospects.

The Board understands its accountability to the shareholders on the Group's performance. The objectives of the presentation of the annual financial statements and quarterly announcements to its shareholders are to provide the shareholders with a detailed and balanced analysis and explanation of the Group's performance, financial position and prospects.

The Management understands its role in providing all members of the Board with balanced and understandable management accounts of the Group's performance, position and prospects on a quarterly basis and/or such regular basis as the Board may require from time to time.

Audit Committee

Principle 11: The Board should establish an AC with written terms of reference which clearly sets out its authority and duties.

The AC comprises the following members:–

Ng Weng Sui Harry (Chairman)
Phua Sian Chin
Low See Ching

The chairman of the AC, Mr Ng Weng Sui Harry, is the lead independent director, while Mr Phua Sian Chin is an independent director and Mr Low See Ching is a non-executive director. All AC members have accounting or related financial management qualification to discharge their responsibilities as members of the committee.

The main terms of reference of the AC are as follows:–

- review the audit plans of the external auditors and internal auditors, including the results of their reviews and evaluation of the Group's system of internal controls;
- review the annual consolidated financial statements and the external auditors' report on those financial statements, and discuss any significant adjustments, major risk areas, changes in accounting policies, compliance with Singapore Financial Reporting Standards, concerns and issues arising from their audits including any matters which the auditors may wish to discuss in the absence of the Management, where necessary, before submission to the Board for approval;
- review the periodic consolidated financial statements comprising the income statements and balance sheets and such other information required by the SGX-ST Listing Manual Section B: Rules of Catalist (the "**Catalist Rules**"), before submission to the Board for approval;

- review and discuss with the external and internal auditors (if any), any suspected fraud, irregularity or infringement of any relevant laws, rules or regulations, which has or is likely to have a material impact on the Group's operating results or financial position and the Management's response;
- review the co-operation given by the Management to the external auditors;
- review the independence of the external auditors annually, and recommend to the Board the appointment, re-appointment or removal of the external auditors and approve the remuneration and terms of engagement of the external auditors;
- review and ratify any interested person transactions falling within the scope of Chapter 9 of the Catalist Rules;
- review potential conflicts of interest (if any);
- review the procedures by which employees of the Group may, in confidence, report to the Chairman of the AC, possible improprieties in matters of financial reporting or other matters and ensure that there are arrangements in place for independent investigation and follow-up actions in relation thereto;
- commission an annual internal control audit until such time as the AC is satisfied that the Group's internal controls are robust and effective enough to mitigate the Group's internal control weakness (if any);
- ensure that the internal audit function is adequate and has appropriate standing within the Group, ensure the adequacy of the internal audit function, and review the scope and results of the internal audit procedures including the effectiveness of the internal audit function;
- ensure that a review of the effectiveness of the Company's material internal controls, including financial, operational and compliance controls, and risk management, is conducted at least annually by the internal and/or external auditors;
- review the scope and results of the audit and its cost effectiveness and the independence and objectivity of the external auditors, and where the external auditors also supply a substantial volume of non-audit services to the Company, keep the nature and extent of such services under review, seeking to balance the maintenance of objectivity and value for money;
- approve internal control procedures and arrangements for all interested person transactions;
- undertake such other reviews and projects as may be requested by the Board and report to the Board its findings from time to time on matters arising and requiring the attention of the AC; and
- undertake generally such other functions and duties as may be required by law or the Catalist Rules, and by such amendments made thereto from time to time.

The AC has explicit authority to investigate any matter within its terms of reference, full access to and co-operation by the Management and full discretion to invite any director or executive officer of the Group to attend its meetings, and is given reasonable resources to enable it to discharge its functions properly and effectively.

CORPORATE GOVERNANCE REPORT

The AC meets with the external auditors, and with the internal auditors, without the presence of the Management, at least annually.

The AC reviews the whistle-blowing policy and procedures, which provide staff with well-defined and accessible channels within the Group for reporting possible improprieties in matters of financial reporting or other matters in confidence and ensure that there is independent investigation of such matters and appropriate follow-up action.

The Company's external auditors are RSM Chio Lim LLP. The total non-audit fees paid to the external auditors for FY2011 amounted to approximately $218,000. The AC, having undertaken a review of the nature of all non-audit services provided by the external auditors, is of the opinion that such services would not affect the independence of the external auditors. The AC has recommended to the Board that RSM Chio Lim LLP be nominated for re-appointment as external auditors at the forthcoming AGM.

Internal Controls

Principle 12: The Board should ensure that the Management maintains a sound system of internal controls to safeguard the shareholders' investments and the company's assets.

The Board acknowledges that it is responsible for the overall internal control framework, but recognises that no cost effective control system will preclude all errors and irregularities, as a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss.

The Group has implemented a system of internal controls designed to provide reasonable but not absolute assurance that assets are safeguarded, proper accounting records are maintained, operational controls are adequate and business risks are suitably managed.

The external auditors provide feedback to the AC highlighting matters that require the attention of the Management. The AC keeps under review the effectiveness of the Group's system of accounting and internal financial controls on an annual basis. The Board is generally satisfied with the adequacy of the internal controls currently in place.

Internal Audit

Principle 13: The Company should establish an internal audit function that is independent of the activities it audits.

The Company outsourced the internal audit function to a professional firm to review the Company's internal control processes in FY2011. The internal auditors report primarily to the AC and administratively to the executive chairman. The internal auditors plan their internal audit schedules in consultation with, but independent of, the Management. The AC will approve the annual internal audit plans, and review the scope and the results of the internal audit performed by the internal auditors. The AC will ensure the adequacy of the internal audit function at least annually.

COMMUNICATION WITH SHAREHOLDERS

Communication with Shareholders

Principle 14: Companies should engage in regular, effective and fair communication with shareholders.

The Company's quarterly and full year financial results announcements, analyst briefings and press releases (if any) are issued via SGXNET.

The Company discloses all material information on a timely basis and to all shareholders.

Principle 15: Companies should encourage greater shareholder participation at AGMs, and allow shareholders the opportunity to communicate their views on various matters affecting the company.

The Company supports the Code's principle to encourage communication with and participation by shareholders. Shareholders are encouraged to attend the AGM to ensure a greater level of shareholder participation. The Articles of Association allow a shareholder of the Company to appoint up to two proxies to attend the AGM and vote in place of the shareholder. Shareholders are given the opportunity to pose questions to the Board or the Management at the AGM. The members of the AC, NC and RC will be present at the AGM to answer questions relating to matters overseen by the respective committees. The external auditors will also be present to assist in addressing queries from shareholders relating to the conduct of audit and the preparation and content of the auditor's report.

The Board notes that there should be separate resolutions at general meetings on each substantially separate issue and supports the Code's principles as regards "bundling" of resolutions. In the event that there are resolutions which are interlinked, the Board will provide reasons and material implications.

DEALING IN SECURITIES

The Group has adopted and implemented policies in line with the SGX-ST's best practices in relation to the dealing of shares of the Company. The policies have been made known to directors, executive officers and any other persons as determined by the Management who may possess unpublished material price-sensitive information of the Group. The Group has procedures in place prohibiting directors and officers from dealing in the Company's shares during the two weeks before the announcement of the Company's financial statements for each of the first three quarters of its financial year and the one month before the announcement of the Company's full year financial statements ("**Prohibited Periods**"), or if they are in possession of unpublished material price-sensitive information of the Group.

Directors and officers are required to comply with and observe the laws on insider trading even if they trade in the Company's securities outside the Prohibited Periods. They are discouraged from dealing in the Company's securities on short-term considerations and should be mindful of the law on insider trading.

CORPORATE GOVERNANCE REPORT

INTERESTED PERSON TRANSACTIONS

The Company is required to comply with the requisite rules under Chapter 9 of the Catalist Rules for interested person transactions.

All interested person transactions will be properly documented and submitted to the AC for quarterly review to ensure that they are carried out on an arm's length basis, on normal commercial terms and will not be prejudicial to the interests of the shareholders.

In addition, an interested person transaction of value equal to or more than 3% of the Group's latest audited net tangible assets will be approved by the AC prior to entry into such transactions.

In the event that a member of the AC is interested in any interested person transaction, he will abstain from reviewing that particular transaction.

The Board will ensure that all disclosure, approval and other requirements on interested person transactions, including those required by prevailing legislation, the Catalist Rules and accounting standards are complied with.

Save as disclosed below, there were no material contracts of the Group involving the interests of any director or controlling shareholder, either still subsisting at the end of FY2011 or if not then subsisting, entered into since the end of the financial year ended 30 June 2010.

The aggregate value of interested person transactions during FY2011 is as follows:–

Name of interested person	Aggregate value of all interested person transactions during FY2011 (excluding transactions less than S$100,000 and transaction conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S$100,000)
Oxley Construction Pte. Ltd. for construction of property development projects and office renovation	–	S$20,223,000

NON-SPONSOR FEES

In compliance with Rule 1204(20) of the Catalist Rules, there was no non-sponsor fee paid to the Sponsor, Collins Stewart Pte. Limited, subsequent to the listing on Catalist to the date of printing of this Annual Report.

DIRECTORS' REPORT

The directors of the company are pleased to present their report together with the audited financial statements of the company and of the group for the reporting year ended 30 June 2011. On 13 October 2010, the company was converted from a private company limited by shares into a public company and changed its name to Oxley Holdings Limited.

1. Directors at Date of Report

The directors of the company in office at the date of this report are:

Ching Chiat Kwong	
Low See Ching	
Ng Weng Sui Harry	(Appointed on 28 September 2010)
Phua Sian Chin	(Appointed on 28 September 2010)

2. Arrangements to Enable Directors to Acquire Benefits by Means of the Acquisition of Shares and Debentures

Neither at the end of the reporting year nor at any time during the reporting year did there subsist any arrangement to which the company is a party, being an arrangement whose objects are, or one of whose objects is to enable the directors of the company to acquire benefits by means of the acquisition of shares in or debentures of the company or any other body corporate.

3. Directors' Interests in Shares and Debentures

The directors of the company holding office at the end of the reporting year had no interests in the share capital and debentures of the company and related corporations as recorded in the register of directors' shareholdings kept by the company under section 164 of the Companies Act, Cap. 50 except as follows:

Name of directors and company in which are held	At beginning of the reporting year or date of appointment if later	At end of the reporting year	As at 21 July 2011
The company	Number of ordinary shares of no par value		
Ching Chiat Kwong	333,334	580,714,000	583,962,000
Low See Ching	333,333	403,675,000	401,675,000
Ng Weng Sui Harry	–	100,000	100,000

By virtue of section 7 of the Companies Act, Cap. 50, Mr Ching Chiat Kwong and Mr Low See Ching are deemed to have an interest in all the subsidiaries of the company.

DIRECTORS' REPORT

4. Contractual Benefits of Directors

Since the beginning of the reporting year, no director of the company has received or become entitled to receive a benefit which is required to be disclosed under section 201(8) of the Companies Act, Cap. 50, by reason of a contract made by the company or a related corporation with the director or with a firm of which he is a member, or with a company in which he has a substantial financial interest except as disclosed in the financial statements.

There were certain transactions (shown in the financial statements under related party transactions) with corporations in which certain directors have interests.

5. Options to Take Up Unissued Shares

During the reporting year, no option to take up unissued shares of the company or any of its subsidiaries was granted.

6. Options Exercised

During the reporting year, there were no shares of the company or any of its subsidiaries issued by virtue of the exercise of an option to take up unissued shares.

7. Unissued Shares Under Option

At the end of the reporting year, there were no unissued shares of the company or any of its subsidiaries under option.

8. Independent Auditors

The independent auditors, RSM Chio Lim LLP, have expressed their willingness to accept re-appointment.

9. Audit Committee

The members of the audit committee at the date of this report are as follows:

Mr Ng Weng Sui Harry (Chairman of audit committee and Lead Independent Director)
Mr Phua Sian Chin (Independent Director)
Mr Low See Ching (Non-Executive Director)

The audit committee performs the functions specified by section 201B(5) of the Companies Act, Cap. 50. Among other functions, it performs the following:

- reviewing with the independent external auditors their audit plan;
- reviewing with the independent external auditors their evaluation of the company's internal accounting controls, and their report on the financial statements and the assistance given by the company's officers to them;
- reviewing with the internal auditors the scope and results of the internal audit procedures;
- reviewing the financial statements of the group and the company prior to their submission to the directors of the company for adoption; and
- reviewing the interested person transactions (as defined in Chapter 9 of the Listing Manual of SGX).

Other functions performed by the audit committee are described in the corporate governance report included in the annual report. It also includes an explanation of how independent auditor objectivity and independence is safeguarded where the independent auditors provide non-audit services.

The audit committee has recommended to the Board of Directors that the independent auditors, RSM Chio Lim LLP, be nominated for re-appointment as independent auditors at the forthcoming annual general meeting of the company.

DIRECTORS' REPORT

10. Subsequent Developments

There are no significant developments subsequent to the release of the group's and the company's preliminary financial statements, as announced on 15 August 2011, which would materially affect the group's and the company's operating and financial performance as of the date of this report.

On Behalf of the Board

....
Ching Chiat Kwong
Director

....
Low See Ching
Director

26 August 2011

STATEMENT BY DIRECTORS

In the opinion of the directors,

(a) the accompanying consolidated statement of comprehensive income, statements of financial position, statements of changes in equity, consolidated statement of cash flows, and notes thereto are drawn up so as to give a true and fair view of the state of affairs of the company and of the group as at 30 June 2011 and the results of the business and cash flows of the group and changes in equity of the company and of the group for the reporting year then ended; and

(b) at the date of this statement, there are reasonable grounds to believe that the company will be able to pay its debts as and when they fall due.

The Board of Directors approved and authorised these financial statements for issue.

On Behalf of the Board

....
Ching Chiat Kwong
Director

....
Low See Ching
Director

26 August 2011

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF OXLEY HOLDINGS LIMITED (Registration No: 201005612G)

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Oxley Holdings Limited and its subsidiaries (the group), which comprise the statements of financial position of the group and the company as at 30 June 2011, and the consolidated statement of comprehensive income, statement of changes in equity and statement of cash flows of the group, and statement of changes in equity of the company for the reporting year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with the provisions of the Singapore Companies Act, Cap. 50 (the "Act") and Singapore Financial Reporting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair statement of comprehensive income and statement of financial position and to maintain accountability of assets.

Independent Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF OXLEY HOLDINGS LIMITED (REGISTRATION NO: 201005612G)

Opinion

In our opinion, the consolidated financial statements of the group and the statement of financial position and statement of changes in equity of the company are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the group and of the company as at 30 June 2011 and the results, changes in equity and cash flows of the group and the changes in equity of the company for the reporting year ended on that date.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the company and by the subsidiaries have been properly kept in accordance with the provisions of the Act.

RSM Chio Lim LLP
Public Accountants and
Certified Public Accountants
Singapore

26 August 2011

Partner-in-charge of audit: Lee Mong Sheong
Effective from year ended 30 June 2011

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

YEAR ENDED 30 JUNE 2011

	Notes	Group 2011 $'000	Group 2010 $'000
Revenue	5	**70,850**	–
Cost of Sales		**(46,163)**	–
Gross Profit		**24,687**	–
Other Items of Income			
Other Income	6	**2,396**	744
Interest Income	7	**13**	2
Other Credits	8	**352**	1,278
Other Items of Expense			
Marketing and Distribution Costs		**(2,777)**	(532)
Administrative Expenses	10	**(5,955)**	(734)
Finance Costs	11	**(754)**	–
Share of Loss from an Equity-Accounted Associate		**–**	(2)
Profit Before Tax from Continuing Operations		**17,962**	756
Income Tax Expense	12	**(3,360)**	(207)
Profit Net of Tax, Representing Total Comprehensive Income		**14,602**	549
Profit Attributable to Owners of the Parent, Net of Tax		**13,379**	629
Profit (Loss) Attributable to Non-Controlling Interests, Net of Tax		**1,223**	(80)
Profit Net of Tax		**14,602**	549
Total Comprehensive Income Attributable to Owners of the Parent		**13,379**	629
Total Comprehensive Income (Loss) to Non-Controlling Interests		**1,223**	(80)
Total Comprehensive Income		**14,602**	549
Earnings Per Share	13		
Earnings per Share Currency Unit		**Cents**	Cents
Basic		**0.94**	0.05
Diluted		**0.94**	0.05

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF FINANCIAL POSITION

AS AT 30 JUNE 2011

		Group		Company	
		2011	2010	2011	2010
	Notes	$'000	$'000	$'000	$'000
ASSETS					
Non-Current Assets					
Plant and Equipment	15	**126**	120	**126**	120
Investment in an Associate	16	**–**	(2)	**–**	–
Investments in Subsidiaries	17	**–**	–	**16,725**	–
Deferred Tax Assets	12	**633**	–	**–**	–
Total Non-Current Assets		**759**	118	**16,851**	120
Current Assets					
Development Properties	18	**720,822**	78,567	**–**	–
Trade and Other Receivables	19	**12,199**	2,540	**159,292**	792
Other Assets	20	**9,685**	6,677	**58**	10
Cash and Cash Equivalents	21	**112,652**	12,865	**6,204**	6
Total Current Assets		**855,358**	100,649	**165,554**	808
Total Assets		**856,117**	100,767	**182,405**	928
EQUITY AND LIABILITIES					
Equity Attributable to Owners of the Parent					
Share Capital	22	**118,445**	8,576	**118,445**	1,000
Retained Earnings (Accumulated Losses)		**13,071**	(308)	**7,768**	(306)
Equity, Attributable to Owners of the Parent		**131,516**	8,268	**126,213**	694
Non-Controlling Interests		**5,548**	1,475	**–**	–
Total Equity		**137,064**	9,743	**126,213**	694
Non-Current Liabilities					
Other Financial Liabilities	23	**616,692**	64,316	**–**	–
Deferred Tax Liabilities	12	**3,721**	–	**–**	–
Total Non-Current Liabilities		**620,413**	64,316	**–**	–
Current Liabilities					
Income Tax Payable		**479**	207	**–**	–
Trade and Other Payables	24	**84,616**	26,501	**56,192**	234
Other Financial Liabilities	23	**13,545**	–	**–**	–
Total Current Liabilities		**98,640**	26,708	**56,192**	234
Total Liabilities		**719,053**	91,024	**56,192**	234
Total Equity and Liabilities		**856,117**	100,767	**182,405**	928

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF CHANGES IN EQUITY

YEAR ENDED 30 JUNE 2011

Group	Total Equity $'000	Attributable to Parent Sub-Total $'000	Share Capital $'000	Retained Earnings (Accumulated Losses) $'000	Non-Controlling Interests $'000
Current Year:					
Opening Balance at 1 July 2010	9,743	8,268	8,576	(308)	1,475
Movements in Equity:					
Total Comprehensive Income for the Year	14,602	13,379	–	13,379	1,223
Capital Contribution by Non-Controlling Interests	2,850	–	–	–	2,850
Issue of Share Capital (Note 22)	27,000	27,000	27,000	–	–
Issue of Shares Pursuant to the Placement of Shares (Note 22)	85,120	85,120	85,120	–	–
Share Issue Expenses (Note 22)	(2,251)	(2,251)	(2,251)	–	–
Closing Balance at 30 June 2011	137,064	131,516	118,445	13,071	5,548
Previous Year:					
Opening Balance at 1 July 2009	1,194	1,194	1,000	194	–
Movements in Equity:					
Total Comprehensive Income (Loss) for the Year	549	629	–	629	(80)
Capital Contribution by Non-Controlling Interests	1,555	–	–	–	1,555
Issue of Share Capital (Note 22)	7,445	7,445	7,445	–	–
Dividends Paid (Note 14)	(1,000)	(1,000)	–	(1,000)	–
Effects of Restructuring Exercise	–	–	131	(131)	–
Closing Balance at 30 June 2010	9,743	8,268	8,576	(308)	1,475

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF CHANGES IN EQUITY

YEAR ENDED 30 JUNE 2011

Company	Total Equity $'000	Share Capital $'000	Retained Earnings (Accumulated Losses) $'000
Current Year:			
Opening Balance at 1 July 2010	694	1,000	(306)
Movements in Equity:			
Total Comprehensive Income for the Year	8,074	–	8,074
Issue of Share Capital (Note 22)	27,000	27,000	–
Issue of Shares Pursuant to the Restructuring Exercise (Note 22)	7,576	7,576	–
Issue of Shares Pursuant to the Placement of Shares (Note 22)	85,120	85,120	–
Share Issue Expenses (Note 22)	(2,251)	(2,251)	–
Closing Balance at 30 June 2011	126,213	118,445	7,768
Previous Year:			
Opening Balance at Date of Incorporation	–	–[(a)]	–
Movements in Equity:			
Total Comprehensive Loss for the Year	(306)	–	(306)
Issue of Share Capital (Note 22)	1,000	1,000	–
Closing Balance at 30 June 2010	694	1,000	(306)

[(a)] Amount less than $1,000.

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

YEAR ENDED 30 JUNE 2011

	Group	
	2011 $'000	2010 $'000
Cash Flows From Operating Activities		
Profit Before Tax	**17,962**	756
Adjustments for:		
Interest Income	**(13)**	(2)
Interest Expense	**754**	–
Share of Loss of an Equity-Accounted Associate	**–**	2
Depreciation of Plant and Equipment	**46**	–
Gain on Disposal of a Property	**–**	(1,251)
Operating Cash Flows before Changes in Working Capital	**18,749**	(495)
Development Properties	**(583,547)**	(77,629)
Trade and Other Receivables	**(7,572)**	(1,265)
Other Assets	**(3,008)**	(3,803)
Trade and Other Payables	**18,050**	2,398
Net Cash Flows Used in Operating Activities	**(557,328)**	(80,794)
Cash Flows From Investing Activities		
Purchase of Plant and Equipment	**(52)**	(120)
Disposal of a Property	**–**	7,380
Purchase of a Property	**–**	(6,129)
Acquisition of a Subsidiary (Note 29)	**(11,915)**	–
Interest Received	**13**	2
Net Cash Flows (Used in) From Investing Activities	**(11,954)**	1,133
Cash Flows From Financing Activities		
Dividends Paid to Equity Owner of a Subsidiary (Note 14)	**–**	(1,000)
Issue of Ordinary Shares (Note 22)	**–**	6,372
Issue of Shares at IPO (Note 22)	**82,869**	–
Capital Contribution by Non-Controlling Interests	**2,850**	1,555
Advances from Pre-IPO Investors (Note 22)	**27,000**	–
Advances from Directors	**23,025**	15,163
Advances from Shareholder	**2,645**	2,519
Advances from Non-Controlling Interests	**14,890**	4,087
Repayment of Bank Borrowings	**(25,728)**	–
Increase in Bank Borrowings	**550,024**	64,316
Interest Paid	**(8,506)**	(938)
Net Cash Flows From Financing Activities	**669,069**	92,074
Net Increase in Cash and Cash Equivalents	**99,787**	12,413
Cash and Cash Equivalents, Consolidated Statement of Cash Flows, Beginning Balance	**12,865**	452
Cash and Cash Equivalents, Consolidated Statement of Cash Flows, Ending Balance (Note 21)	**112,652**	12,865

The accompanying notes form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2011

1. GENERAL

The company is incorporated in Singapore with limited liability. The financial statements are presented in Singapore dollars and they cover the parent and the group's subsidiaries.

The Board of Directors approved and authorised these financial statements for issue on the date of the statement by directors.

The principal activities of the company are those of investment holding and provision of management services. It is listed on the Catalist which is a market on Singapore Exchange Securities Trading Limited ("SGX-ST").

The principal activities of the subsidiaries are property development and investment holding.

The registered office of the company is located at 50 Raffles Place, #11-02 Singapore Land Tower, Singapore 048623. The company is domiciled in Singapore.

The Restructuring Exercise

In connection with the company's Initial Public Offering ("IPO") on SGX-ST in 29 October 2010, the company implemented a restructuring exercise reorganising the corporate structure to streamline and rationalise its group structure and business pursuant to which the company became the investment parent company of the group.

(a) Acquisition of subsidiaries

On 12 July 2010 and 26 July 2010, the company acquired the entire issued share capital of Oxley Global Pte. Ltd. and Oxley Ascend Realty Pte. Ltd., respectively, both incorporated in Singapore, from their shareholders, following which they became wholly-owned subsidiaries of the company.

NOTES TO THE FINANCIAL STATEMENTS
30 JUNE 2011

1. GENERAL (CONTINUED)

The Restructuring Exercise (Continued)

(b) Share swap in respect of subsidiaries (Continued)

Pursuant to a Share Swap Agreement dated 24 September 2010, the company acquired from each of Mr Ching Chiat Kwong, Mr Low See Ching and Mr Tee Wee Sien the ordinary shares held by them in the following companies:

Name of subsidiary	Net assets/ (liabilities) as at 30 June 2010 ($)	Number of shares acquired from Ching Chiat Kwong	Low See Ching	Tee Wee Sien	Percentage of issued share capital of subsidiary acquired (%)
Ascend Assets Pte. Ltd.	910,358	425,000	425,000	150,000	100.00
Galaxy Land Pte. Ltd.	1,307,622	500,000	350,000	150,000	100.00
Hume Homes Pte. Ltd.	1,173,482	500,000	350,000	150,000	100.00
Oxley Ascend Capital Pte. Ltd.	832,955	425,000	425,000	150,000	100.00
Oxley Assets Pte. Ltd.	993,857	500,000	350,000	150,000	100.00
Oxley Concept Pte. Ltd.	994,065	300,000	210,000	90,000	60.00
Oxley Connections Pte. Ltd.	(3,359)	350	100	50	0.01
Oxley Module Pte. Ltd.	994,230	330,000	231,000	99,000	66.00
Oxley Star Pte. Ltd.	994,055	337,500	236,250	101,250	67.50
Oxley Wealth Pte. Ltd.	850,387	260,000	250,000	–	51.00

The consideration of $7,575,590 for the acquisition of the shares in the above subsidiaries is based on the audited net assets of the acquired shares of the subsidiaries as at 30 June 2010 (save for Oxley Connections Pte. Ltd., whose net tangible assets was negative as at 30 June 2010 and whose shares were thus acquired for a nominal consideration of $1). The shares were transferred free from all liens, charges and encumbrances and with all rights attaching to them, with effect from 1 July 2010. In accordance with the Share Swap Agreement, the consideration was satisfied by the issue by the company of an aggregate of 8,000,000 shares to Mr Ching Chiat Kwong (4,166,666 shares), Mr Low See Ching (2,816,667 shares) and Mr Tee Wee Sien (1,016,667 shares).

The Restructuring Exercise has been accounted for using pooling-of-interest method (see Note 2 Business Combinations).

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Accounting Convention

The financial statements have been prepared in accordance with the Singapore Financial Reporting Standards ("FRS") and the related Interpretations to FRS ("INT FRS") as issued by the Singapore Accounting Standards Council and the Companies Act, Cap 50. The financial statements are prepared on a going concern basis under the historical cost convention except where an FRS requires an alternative treatment (such as fair values) as disclosed where appropriate in these financial statements.

Basis of Presentation

The consolidation accounting method is used for the consolidated financial statements that include the financial statements made up to the end of the reporting year of the company and all of its directly and indirectly controlled subsidiaries. Consolidated financial statements are the financial statements of the group presented as those of a single economic entity. The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. All significant intragroup balances and transactions, including profit or loss items and dividends, are eliminated in full on consolidation. The results of the investees acquired or disposed of during the reporting year are accounted for from the respective dates of acquisition or up to the dates of disposal which is the date on which effective control is obtained of the acquired business until that control ceases. On disposal, the attributable amount of goodwill, if any, is included in the determination of the gain or loss on disposal. The equity accounting method is used for associates in the group financial statements.

The company's financial statements have been prepared on the same basis, and as permitted by the Companies Act, Cap. 50, no statement of comprehensive income is presented for the company.

Basis of Preparation of the Financial Statements

The preparation of financial statements in conformity with generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting year. Actual results could differ from those estimates. The estimates and assumptions are reviewed on an ongoing basis. Apart from those involving estimations, management has made judgements in the process of applying the entity's accounting policies. The areas requiring management's most difficult, subjective or complex judgements, or areas where assumptions and estimates are significant to the financial statements, are disclosed at the end of these notes to the financial statements, where applicable.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2011

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition

The revenue amount is the fair value of the consideration received or receivable from the gross inflow of economic benefits during the reporting year arising from the course of the activities of the entity and it is shown net of any related sales taxes, estimated returns and rebates. Revenue and cost on the sale of development properties are recognised using the stage of completion method. The amount brought into the financial statements is the profits attributable to each sale contracts signed, but only to the extent that it relates to the stage of completion as certified by the independent architects or quantity surveyors for the individual units sold. When losses are expected, full provision is made in the financial statements after adequate consideration has been made for estimated costs to completion. Developments are considered complete upon the issue of temporary occupation permits ("TOP"). Interest income is recognised using the effective interest method. Rental revenue is recognised on a time-proportion basis that takes into account the effective yield on the asset on a straight-line basis over the lease term.

Employee Benefits

Contributions to defined contribution retirement benefit plans are recorded as an expense as they fall due. The entity's legal or constructive obligation is limited to the amount that it agrees to contribute to an independently administered fund which is the Central Provident Fund in Singapore (a government managed retirement benefit plan). For employee leave entitlement the expected cost of short-term employee benefits in the form of compensated absences is recognised in the case of accumulating compensated absences, when the employees render service that increases their entitlement to future compensated absences; and in the case of non-accumulating compensated absences, when the absences occur. A liability for bonuses is recognised where the entity is contractually obliged or where there is constructive obligation based on past practice.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2011

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income Tax

The income taxes are accounted using the asset and liability method that requires the recognition of taxes payable or refundable for the current year and deferred tax liabilities and assets for the future tax consequence of events that have been recognised in the financial statements or tax returns. The measurements of current and deferred tax liabilities and assets are based on provisions of the enacted or substantially enacted tax laws; the effects of future changes in tax laws or rates are not anticipated. Income tax expense represents the sum of the tax currently payable and deferred tax. Current and deferred income taxes are recognised as income or as an expense in profit or loss unless the tax relates to items that are recognised in the same or a different period outside profit or loss. For such items recognised outside profit or loss the current tax and deferred tax are recognised (a) in other comprehensive income if the tax is related to an item recognised in other comprehensive income and (b) directly in equity if the tax is related to an item recognised directly in equity. Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same income tax authority. The carrying amount of deferred tax assets is reviewed at each end of the reporting year and is reduced, if necessary, by the amount of any tax benefits that, based on available evidence, are not expected to be realised. A deferred tax amount is recognised for all temporary differences, unless the deferred tax amount arises from the initial recognition of an asset or liability in a transaction which (i) is not a business combination; and (ii) at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

A deferred tax liability or asset is recognised for all taxable temporary differences associated with investments in subsidiaries except where the reporting entity is able to control the timing of the reversal of the taxable temporary difference and it is probable that the taxable temporary difference will not reverse in the foreseeable future or for deductible temporary differences, they will not reverse in the foreseeable future and they cannot be utilised against taxable profits.

Foreign Currency Transactions

The functional currency is the Singapore dollar as it reflects the primary economic environment in which the entity operates. Transactions in foreign currencies are recorded in the functional currency at the rates ruling at the dates of the transactions. At each end of the reporting year, recorded monetary balances and balances measured at fair value that are denominated in non-functional currencies are reported at the rates ruling at the end of the reporting year and fair value dates respectively. All realised and unrealised exchange adjustment gains and losses are dealt with in profit or loss except when recognised in other comprehensive income and if applicable deferred in equity such as for qualifying cash flow hedges. The presentation is in the functional currency.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2011

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Borrowing Costs

All borrowing costs that are interest and other costs incurred in connection with the borrowing of funds that are directly attributable to the acquisition, construction or production of a qualifying asset that necessarily take a substantial period of time to get ready for their intended use or sale are capitalised as part of the cost of that asset until substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete. Other borrowing costs are recognised as an expense in the period in which they are incurred. The interest expense is calculated using the effective interest method.

Plant and Equipment

Depreciation is provided on a straight-line basis to allocate the gross carrying amounts of the assets less their residual values over their estimated useful lives of each part of an item of these assets. The annual rates of depreciation are as follows:

Plant and equipment	–	25% to 33.33%

An asset is depreciated when it is available for use until it is derecognised even if during that period the item is idle. Fully depreciated assets still in use are retained in the financial statements.

Plant and equipment are carried at cost on initial recognition and after initial recognition at cost less any accumulated depreciation and any accumulated impairment losses. The gain or loss arising from the derecognition of an item of plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item and is recognised in profit or loss. The residual value and the useful life of an asset is reviewed at least at each end of the reporting year and, if expectations differ significantly from previous estimates, the changes are accounted for as a change in an accounting estimate, and the depreciation charge for the current and future periods are adjusted.

Cost also includes acquisition cost, borrowing cost capitalised and any cost directly attributable to bringing the asset or component to the location and condition necessary for it to be capable of operating in the manner intended by management. Subsequent costs are recognised as an asset only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss when they are incurred.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Operating Leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased assets are classified as operating leases. For operating leases, lease payments are recognised as an expense in profit or loss on a straight-line basis over the term of the relevant lease unless another systematic basis is representative of the time pattern of the user's benefit, even if the payments are not on that basis. Lease incentives received are recognised in profit or loss as an integral part of the total lease expense. Rental income from operating leases is recognised in profit or loss on a straight-line basis over the term of the relevant lease unless another systematic basis is representative of the time pattern of the user's benefit, even if the payments are not on that basis.

Segment Reporting

The group discloses financial and descriptive information about its reportable segments. Reportable segments are operating segments or aggregations of operating segments that meet specified criteria. Operating segments are components about which separate financial information is available that is evaluated regularly by the chief operating decision maker in deciding how to allocate resources and in assessing performance. Generally, financial information is reported on the same basis as is used internally for evaluating operating segment performance and deciding how to allocate resources to operating segments.

Subsidiaries

A subsidiary is an entity including unincorporated and special purpose entity that is controlled by the group. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities accompanying a shareholding of more than one half of the voting rights or the ability to appoint or remove the majority of the members of the Board of Directors or to cast the majority of votes at meetings of the Board of Directors. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the group controls another entity.

In the company's own separate financial statements, an investment in a subsidiary is stated at cost adjusted for any value in the contingent consideration less any allowance for impairment in value. Impairment loss recognised in profit or loss for a subsidiary is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The net book value of a subsidiary is not necessarily indicative of the amounts that would be realised in a current market exchange.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2011

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Associates

An associate is an entity including an unincorporated entity in which the investor has a substantial financial interest (usually not less than 20% of the voting power), significant influence and that is neither a subsidiary nor a joint venture of the investor. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. The accounting for investments in an associate is on the equity method. The investment in an associate is carried in the statement of financial position at cost adjusted for any value in the contingent consideration plus post-acquisition changes in the share of net assets of the associate, less any impairment. The profit or loss reflects the investor's share of the results of operations of the associate. Losses of an associate in excess of the group's interest in the relevant entity are not recognised except to the extent that the group has an obligation. Profits and losses resulting from transactions between the group and an associate are recognised in the financial statements only to the extent of unrelated investors' interests in the associate. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of an associate are changed where necessary to ensure consistency with the policies adopted by the group. The net book value of an associate is not necessarily indicative of the amounts that would be realised in a current market exchange. The investor discontinues the use of the equity method from the date that it ceases to have significant influence over the associate and accounts for the investment in accordance with FRS 39 from that date. Any gain or loss is recognised in profit or loss. Any investment retained in the former associate is measured at its fair value at the date that it ceases to be an associate.

In the company's own separate financial statements, an investment in an associate is stated at cost adjusted for any value in the contingent consideration less any allowance for impairment in value. Impairment loss recognised in profit or loss for an associate is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The net book value of an associate is not necessarily indicative of the amount that would be realised in a current market exchange.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Business Combinations

Business combinations are accounted for by applying the acquisition method. There were none during the reporting year. As disclosed in Note 1, there was a restructuring exercise during the reporting year.

The group restructuring has been accounted for using the "pooling-of-interest" method. Accordingly, the group's consolidated financial statements for the reporting years ended 30 June 2010 and 2011 have been prepared as if the group had been in existence prior to the Restructuring Exercise. The assets and liabilities are brought into the consolidated statement of financial positions at the existing carrying amounts. The figures of the group for the reporting years ended 30 June 2010 and 30 June 2011 represent the consolidated results, state of affairs, changes in equity and cash flows as if the group, pursuant to the Restructuring Exercise, had existed since 1 July 2009.

The excess or deficiency of amount recorded as share capital issued (plus any additional consideration in form of cash or other assets) over the amount recorded for the share capital acquired is to be adjusted to the retained earnings.

Non-Controlling Interests

The non-controlling interests in the net assets and net results of a consolidated subsidiary are shown separately in the appropriate components of the consolidated financial statements. For each business combination, any non-controlling interest in the acquiree (subsidiary) is initially measured either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets. Where the non-controlling interest is measured at fair value, the valuation techniques and key model inputs used are disclosed in the relevant note. Profit or loss and each component of other comprehensive income are attributed to the owners of the parent and to the non-controlling interests. Total comprehensive income is attributed to the owners of the parent and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2011

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Impairment of Non-Financial Assets

Irrespective of whether there is any indication of impairment, an annual impairment test is performed at the same time every year on an intangible asset with an indefinite useful life or an intangible asset not yet available for use. The carrying amount of other non-financial assets is reviewed at each end of the reporting year for indications of impairment and where an asset is impaired, it is written down through profit or loss to its estimated recoverable amount. The impairment loss is the excess of the carrying amount over the recoverable amount and is recognised in profit or loss. The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). At each end of the reporting year non-financial assets other than goodwill with impairment loss recognised in prior periods are assessed for possible reversal of the impairment. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Development Properties

Development properties are properties being constructed or developed for sale. The cost of properties under development comprises specifically identified costs, including land acquisition costs, development expenditure, borrowing costs and other related expenditure. Borrowing costs payable on loans funding a development property are also capitalised, on a specific identification basis, as part of the cost of the development property until the completion of development. The cumulative impact of a revision in estimates is recorded in the period such revisions become likely and estimable.

1. Unsold development properties – Development properties that are unsold are carried at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less cost to complete development and selling expenses.

2. Sold development properties – Revenue and costs on development properties that have been sold are recognised using the stage of completion method. The amount brought into the financial statements is the profits attributable to each sale contracts signed, but only to the extent that it relates to the stage of completion as certified by the independent architects or quantity surveyors for the individual units sold. When it is probable that cost of development property will exceed sale proceed of the development property, the expected loss is recognised as an expense immediately.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Development Properties (Continued)

The aggregated costs incurred and the profit or loss recognised in each development property that has been sold are compared against progress billings up to the reporting year end. The development properties in progress have operating cycles longer than one year. The management includes in current assets amounts relating to the development properties in progress realisable over a period in excess of one year.

Financial Assets

Initial recognition and measurement and derecognition of financial assets:

A financial asset is recognised on the statement of financial position when, and only when, the entity becomes a party to the contractual provisions of the instrument. The initial recognition of financial assets is at fair value normally represented by the transaction price. The transaction price for financial asset not classified at fair value through profit or loss includes the transaction costs that are directly attributable to the acquisition or issue of the financial asset. Transaction costs incurred on the acquisition or issue of financial assets classified at fair value through profit or loss are expensed immediately. The transactions are recorded at the trade date.

Irrespective of the legal form of the transactions performed, financial assets are derecognised when they pass the "substance over form" based on the derecognition test prescribed by FRS 39 relating to the transfer of risks and rewards of ownership and the transfer of control.

Subsequent measurement:

Subsequent measurement based on the classification of the financial assets in one of the following four categories under FRS 39 is as follows:

1. Financial assets at fair value through profit or loss: As at end of the reporting year, there were no financial assets classified in this category.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2011

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial Assets (Continued)

2. Loans and receivables: Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Assets that are for sale immediately or in the near term are not classified in this category. These assets are carried at amortised costs using the effective interest method (except that short-duration receivables with no stated interest rate are normally measured at original invoice amount unless the effect of imputing interest would be significant) minus any reduction (directly or through the use of an allowance account) for impairment or uncollectibility. Impairment charges are provided only when there is objective evidence that an impairment loss has been incurred as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated. The methodology ensures that an impairment loss is not recognised on the initial recognition of an asset. Losses expected as a result of future events, no matter how likely, are not recognised. For impairment, the carrying amount of the asset is reduced through use of an allowance account. The amount of the loss is recognised in profit or loss. An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. Typically the trade and other receivables are classified in this category.

3. Held-to-maturity financial assets: As at end of the reporting year, there were no financial assets classified in this category.

4. Available-for-sale financial assets: As at end of the reporting year, there were no financial assets classified in this category.

Cash and Cash Equivalents

Cash and cash equivalents include bank and cash balances. For the consolidated statement of cash flows the item includes cash and cash equivalents less cash subject to restriction and bank overdrafts payable on demand that form an integral part of cash management.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial Liabilities

Initial recognition and measurement:

A financial liability is recognised on the statement of financial position when, and only when, the entity becomes a party to the contractual provisions of the instrument and it is derecognised when the obligation specified in the contract is discharged or cancelled or expires. The initial recognition of financial liability is at fair value normally represented by the transaction price. The transaction price for financial liability not classified at fair value through profit or loss includes the transaction costs that are directly attributable to the acquisition or issue of the financial liability. Transaction costs incurred on the acquisition or issue of financial liability classified at fair value through profit or loss are expensed immediately. The transactions are recorded at the trade date. Financial liabilities including bank and other borrowings are classified as current liabilities unless there is an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting year.

Subsequent measurement:

Subsequent measurement based on the classification of the financial liabilities in one of the following two categories under FRS 39 is as follows:

1. Liabilities at fair value through profit or loss: As at end of the reporting year, there were no financial liabilities classified in this category.

2. Other financial liabilities: All liabilities, which have not been classified as in the previous category fall into this residual category. These liabilities are carried at amortised cost using the effective interest method. Trade and other payables and borrowings are usually classified in this category. Items classified within current trade and other payables are not usually re-measured, as the obligation is usually known with a high degree of certainty and settlement is short-term.

Financial Guarantees

A financial guarantee contract requires that the issuer makes specified payments to reimburse the holder for a loss when a specified debtor fails to make payment when due. Financial guarantee contracts are initially recognised at fair value and are subsequently measured at the greater of (a) the amount determined in accordance with FRS 37 and (b) the amount initially recognised less, where appropriate, cumulative amortisation recognised in accordance with FRS 18.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fair Value of Financial Instruments

The carrying values of current financial instruments approximate their fair values due to the short-term maturity of these instruments. Disclosures of fair value are not made when the carrying amount of current financial instruments is a reasonable approximation of fair value. The fair values of non-current financial instruments may not be disclosed separately unless there are significant differences at the end of the reporting year and in the event the fair values are disclosed in the relevant notes. The maximum exposure to credit risk is the fair value of the financial instruments at the end of the reporting year. The fair value of a financial instrument is derived from an active market or by using an acceptable valuation technique. The appropriate quoted market price for an asset held or liability to be issued is usually the current bid price without any deduction for transaction costs that may be incurred on sale or other disposal and, for an asset to be acquired or for liability held, the asking price. If there is no market, or the markets available are not active, the fair value is established by using an acceptable valuation technique. The fair value measurements are classified using a fair value hierarchy of 3 levels that reflects the significance of the inputs used in making the measurements, that is, Level 1 for the use of quoted prices (unadjusted) in active markets for identical assets or liabilities; Level 2 for the use of inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and Level 3 for the use of inputs for the asset or liability that are not based on observable market data (unobservable inputs). The level is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. Where observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement.

Equity

Equity instruments are contracts that give a residual interest in the net assets of the company. Ordinary shares are classified as equity. Equity instruments are recognised at the amount of proceeds received net of incremental costs directly attributable to the transaction. Dividends on equity are recognised as liabilities when they are declared. Interim dividends are recognised when declared by the directors.

Provisions

A liability or provision is recognised when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are made using best estimates of the amount required in settlement and where the effect of the time value of money is material, the amount recognised is the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense. Changes in estimates are reflected in profit or loss in the reporting year they occur.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Critical Judgements, Assumptions and Estimation Uncertainties

The critical judgements made in the process of applying the accounting policies that have the most significant effect on the amounts recognised in the financial statements and the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting year, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting year are discussed below. These estimates and assumptions are periodically monitored to ensure they incorporate all relevant information available at the date when financial statements are prepared. However, this does not prevent actual figures differing from estimates.

Recognition of revenue and expenses:

Management uses surveys of work performed method to determine the stage of completion of the property under development. The stage of completion is applied on a cumulative basis in each accounting period to the current estimates of revenue and costs of development property. Changes in the estimate of revenue or costs, or the effect of a change in the estimate of the outcome of a development property could impact the amount of revenue and expenses recognised in profit or loss in the period in which the change is made and in subsequent periods. Such impact could potentially be significant. Significant judgement is required in estimating reasonable amounts of variation claims to be recognised as cost in project budgets and in determining if the group has to make provisions for any potential liquidated damages exposure and other losses.

Provision of foreseeable losses on development properties:

The group's accounting policy on development properties requires known or anticipated losses on the development projects to be provided for in the year in which such losses are determined. Estimating such losses requires the group to make an estimate of the expected selling price of the unsold development properties based on recent transactions or open market valuation of the unsold units. The group also estimates the total development costs to determine the extent of the anticipated losses, if any. Changes in the estimated selling price of the development properties due to market conditions and revisions of the total estimated development costs will therefore impact the anticipated losses recognised, and therefore provision for foreseeable losses on development properties could be revised.

NOTES TO THE FINANCIAL STATEMENTS

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3. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS

FRS 24 defines a related party as a person or entity that is related to the reporting entity and it includes (a) A person or a close member of that person's family if that person: (i) has control or joint control over the reporting entity; (ii) has significant influence over the reporting entity; or (iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity. (b) An entity is related to the reporting entity if any of the following conditions apply: (i) The entity and the reporting entity are members of the same group; (ii) One entity is an associate or joint venture of the other entity; (iii) Both entities are joint ventures of the same third party; (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity; (v) The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity; (vi) The entity is controlled or jointly controlled by a person identified in (a); (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

3.1 Related companies

Related companies in these financial statements include the members of the company's group of companies.

There are transactions and arrangements between the reporting entity and members of the group and the effects of these on the basis determined between the parties are reflected in these financial statements. The current intercompany balances are unsecured without fixed repayment terms and interest unless stated otherwise. For non-current balances if significant an interest is imputed unless stated otherwise based on the prevailing market interest rate for similar debt less the interest rate if any provided in the agreement for the balance. For financial guarantees an amount is recognised accordingly if significant where no charge is payable.

Intragroup transactions and balances that have been eliminated in these consolidated financial statements are not disclosed as related party transactions and balances below.

3.2 Other related parties

There are transactions and arrangements between the reporting entity and related parties and the effects of these on the basis determined between the parties are reflected in these financial statements. The current related party balances are unsecured without fixed repayment terms and interest unless stated otherwise. For non-current balances if significant an interest is imputed unless stated otherwise based on the prevailing market interest rate for similar debt less the interest rate if any provided in the agreement for the balance. For financial guarantees an amount is recognised accordingly if significant where no charge is payable.

3. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

3.2 Other related parties (Continued)

Significant related party transactions:

In addition to transactions and balances disclosed elsewhere in the notes to the financial statements, this item includes the following:

Group	Related parties		Director	
	2011	2010	**2011**	2010
	$'000	$'000	**$'000**	$'000
Management fee income	**–**	1	**–**	–
Progress payments for construction of development properties	**(18,157)**	–	**–**	–
Showroom building costs	**(2,038)**	(530)	**–**	–
Purchase of plant and equipment	**(28)**	(65)	**–**	–
Commission expense	**(6)**	–	**–**	(50)
Management fee expense	**–**	–	**–**	(19)

3.3 Key management compensation

	Group	
	2011	2010
	$'000	$'000
Salaries and other short-term employee benefits	**1,388**	142

The above amounts are included under administrative expenses. Included in the above amounts are the following items:

	Group	
	2011	2010
	$'000	$'000
Remuneration of a director of the company	**957**	110
Fees to directors of the company	**120**	–

NOTES TO THE FINANCIAL STATEMENTS

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3. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

3.3 Key management compensation (Continued)

Further information about the remuneration of individual directors is provided in the report on corporate governance.

Key management personnel are the directors and those persons having authority and responsibility for planning, directing and controlling the activities of the company, directly or indirectly. The above amounts for key management compensation are for all the directors and other key management personnel of the company.

3.4 Other receivables from and other payables to related parties

The trade transactions and the trade receivables and payables balances arising from sales and purchases of goods and services are disclosed elsewhere in the notes to the financial statements.

The movements in other receivables from and other payables to related parties are as follows:

	Directors			
	Group		Company	
	2011	2010	**2011**	2010
	$'000	$'000	**$'000**	$'000
Other receivables/(other payables):				
Balance at beginning of the year	**(16,822)**	(1,613)	**–**	–
Transfer of balance owing by subsidiaries to parent company	**–**	–	**(16,822)**	–
Amounts received and settlement of liabilities on behalf of the company	**(20,675)**	(15,140)	**(20,675)**	–
Commission and management fees	**–**	(69)	**–**	–
Balance at end of the year (Note 24)	**(37,497)**	(16,822)	**(37,497)**	–

3. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

3.4 Other receivables from and other payables to related parties (Continued)

	Related parties			
	Group		Company	
	2011	2010	**2011**	2010
	$'000	$'000	**$'000**	$'000
Other receivables/(other payables):				
Balance at beginning of the year	**130**	(304)	**(69)**	–
Amounts paid out and settlement of liabilities on behalf of another party	**–**	504	**69**	–
Amounts received and settlement of liabilities on behalf of the company	**(130)**	–	**–**	(69)
Purchase of plant and equipment	**–**	(70)	**–**	–
Balance at end of the year	**–**	130	**–**	(69)
Presented as:				
Other receivables (Note 19)	**–**	203	**–**	–
Other payables (Note 24)	**–**	(73)	**–**	(69)
Net	**–**	130	**–**	(69)

	Shareholder			
	Group		Company	
	2011	2010	**2011**	2010
	$'000	$'000	**$'000**	$'000
Other payables:				
Balance at beginning of the year	**(2,733)**	(214)	**–**	–
Transfer of balance owing by subsidiaries to parent company	**–**	–	**(2,733)**	–
Amounts received and settlement of liabilities on behalf of the company	**(2,395)**	(2,519)	**(2,395)**	–
Balance at end of the year (Note 24)	**(5,128)**	(2,733)	**(5,128)**	–

NOTES TO THE FINANCIAL STATEMENTS

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3. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

3.4 Other receivables from and other payables to related parties (Continued)

Group	Non-controlling interests	
	2011	2010
	$'000	$'000
Other payables:		
Balance at beginning of the year	(4,087)	–
Amounts paid out and settlement of liabilities on behalf of another party	4,363	–
Amounts received and settlement of liabilities on behalf of the company	(19,253)	(4,087)
Balance at end of the year	(18,977)	(4,087)
Presented as:		
Other receivables (Note 19)	2,087	–
Other payables (Note 24)	(21,064)	(4,087)
Net	(18,977)	(4,087)

Company	Subsidiaries	
	2011	2010
	$'000	$'000
Other receivables/(other payables):		
Balance at beginning of the year	–	–
Amounts paid out and settlement of liabilities on behalf of another party	159,266	–
Amounts paid in and settlement of liabilities on behalf of the company	(13,355)	–
Balance at end of the year	145,911	–
Presented as:		
Other receivables (Note 19)	159,266	–
Other payables (Note 24)	(13,355)	–
Net	145,911	–

4. FINANCIAL INFORMATION BY OPERATING SEGMENTS

FRS 108 requires the disclosure of information about operating segments, products and services, the geographical areas, and the major segments, but has no impact on the reported results or financial position of the Group.

The group has one major strategic operating segment – develop and sale of properties. All revenue and expenses incurred are directly attributable to this segment.

Geographical information – The group's combined results are generated in Singapore. The group's assets and liabilities are located in Singapore.

There are no customers with revenue transactions of over 10% of the group's revenue.

5. REVENUE

	Group	
	2011	2010
	$'000	$'000
Revenue from development properties	**70,850**	–

6. OTHER INCOME

	Group	
	2011	2010
	$'000	$'000
Management fee	**–**	1
Rental income	**2,357**	738
Other income	**39**	5
	2,396	744

NOTES TO THE FINANCIAL STATEMENTS

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7. INTEREST INCOME

	Group	
	2011	2010
	$'000	$'000
Interest income	**13**	2

8. OTHER CREDITS

	Group	
	2011	2010
	$'000	$'000
Gain from disposal of a property	**–**	1,251
Customer deposits forfeited	**247**	27
Others	**105**	–
	352	1,278

9. EMPLOYEE BENEFITS EXPENSE

	Group	
	2011	2010
	$'000	$'000
Employee benefits expense including directors	**1,497**	81
Contributions to defined contribution plan	**62**	7
Total employee benefits expense included in administrative expenses (Note 10)	**1,559**	88

NOTES TO THE FINANCIAL STATEMENTS

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10. ADMINISTRATIVE EXPENSES

	Group	
	2011	2010
	$'000	$'000
The major components include the following:		
Employee benefits expense (Note 9)	**1,559**	88
GST expenses	**1,155**	15
IPO expenses	**914**	198
Professional fees	**476**	71
Utilities	**179**	115

11. FINANCE COSTS

	Group	
	2011	2010
	$'000	$'000
Interest expense	**754**	–
Interest expense capitalised as cost of development properties (Note 18)	**7,752**	938

12. INCOME TAX EXPENSE

12A. Components of tax expense (income) recognised in profit or loss include:

	Group	
	2011	2010
	$'000	$'000
Current tax expense:		
Current tax expense	**272**	207
Subtotal	**272**	207
Deferred tax income:		
Deferred tax expense	**3,721**	–
Deferred tax income	**(633)**	–
Subtotal	**3,088**	–
Total income tax expense	**3,360**	207

NOTES TO THE FINANCIAL STATEMENTS

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12. INCOME TAX EXPENSE (CONTINUED)

12A. Components of tax expense (income) recognised in profit or loss include: (Continued)

The reconciliation of income taxes below is determined by applying the Singapore corporate tax rate. The income tax in profit or loss varied from the amount of income tax amount determined by applying the Singapore income tax rate of 17.0% (2010: 17.0%) to profit or loss before income tax as a result of the following differences:

	Group	
	2011	2010
	$'000	$'000
Profit before tax	**17,962**	756
Add: Share of loss from an equity-accounted associate	**–**	2
	17,962	758
Income tax expense at the above rate	**3,053**	129
Not deductible (not liable to tax) items	**537**	(8)
Exemption	**(65)**	(79)
Deferred tax assets valuation allowance	**(165)**	165
Total income tax expense	**3,360**	207

There are no income tax consequences of dividends to owners of the company.

12. INCOME TAX EXPENSE (CONTINUED)

12B. Deferred tax expense (income) recognised in profit or loss includes:

	Group	
	2011	2010
	$'000	$'000
Tax loss carryforwards	**(468)**	(165)
Deferred tax assets valuation allowance	**(165)**	165
Deferred tax on profits recognised for development properties based on stage of completion method	**3,721**	–
Total deferred income tax expense (income) recognised in profit or loss	**3,088**	–

12C. Deferred tax balance in the statement of financial position:

	Group		Company	
	2011	2010	**2011**	2010
	$'000	$'000	**$'000**	$'000
Deferred tax assets (liabilities) recognised in profit or loss:				
Tax loss carryforwards	**633**	165	**–**	–
Deferred tax assets valuation allowance	**–**	(165)	**–**	–
Profits recognised on development properties based on stage of completion method	**(3,721)**	–	**–**	–
Total	**(3,088)**	–	**–**	–
Presented in the statement of financial position as follows:				
Deferred tax assets	**633**	–	**–**	–
Deferred tax liabilities	**(3,721)**	–	**–**	–
Net position	**(3,088)**	–	**–**	–

NOTES TO THE FINANCIAL STATEMENTS

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12. INCOME TAX EXPENSE (CONTINUED)

12C. Deferred tax balance in the statement of financial position (Continued)

It is impracticable to estimate the amount expected to be settled or used within one year.

The realisation of the future income tax benefits from tax loss carryforwards and temporary differences from capital allowances is available for an unlimited future period subject to the conditions imposed by law including the retention of majority shareholders as defined.

13. EARNINGS PER SHARE

Basic and diluted earnings per share ("EPS") is calculated by dividing the net profit for the year attributable to owners of the company by the weighted average number of ordinary shares of no par value as follows:

	Group	
	2011	2010
	$'000	$'000
Net profit attributed to owners of the parent	**13,379**	629
	'000	'000
Weighted average number of equity shares	**1,419,649**	1,265,000[(a)]

(a) This represents pre-placement share capital, retrospectively adjusted taking into effect the sub-division of shares (Note 22), notwithstanding that the sub-division occurred on 12 October 2010.

The weighted average number of equity shares refers to shares in circulation during the reporting period. Basic earnings per share ratio is based on the weighted average number of ordinary shares outstanding during each reporting period.

There are no dilutive ordinary share equivalents outstanding during each reporting period.

NOTES TO THE FINANCIAL STATEMENTS

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14. DIVIDENDS ON EQUITY SHARES

	Group	
	2011	2010
	$'000	$'000
Interim exempt (one-tier) dividend paid of nil (2010: $500,000) per share	–	1,000

In respect of the current year, the directors propose that a final dividend of 0.45 cents per share with a total of $6,701,000 be paid to shareholders after the annual general meeting. There are no income tax consequences. This dividend is subject to approval by shareholders at the next annual general meeting and has not been included as a liability in these financial statements. The proposed dividend for 2011 is payable in respect of all ordinary shares in issue at the end of the reporting year and including the new qualifying shares issued up to the date the dividend becomes payable.

15. PLANT AND EQUIPMENT

	Total
	$'000
Group and Company	
Cost:	
At 1 July 2009	–
Additions	120
At 30 June 2010	120
Additions	52
At 30 June 2011	172
Accumulated depreciation:	
At 1 July 2009	–
Depreciation for the year[(a)]	–
At 30 June 2010	–
Depreciation for the year	46
At 30 June 2011	46

NOTES TO THE FINANCIAL STATEMENTS

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15. PLANT AND EQUIPMENT (CONTINUED)

	Total $'000
Net book value:	
At 1 July 2009	–
At 30 June 2010	120
At 30 June 2011	126

(a) There is no depreciation charge for 2010 as the assets were purchased in June 2010 and the depreciation amount is not significant.

The depreciation expense is charged under administrative expenses.

16. INVESTMENT IN AN ASSOCIATE

	Group 2011 $'000	2010 $'000
Movements in carrying value:		
At beginning of the year	**(2)**	–
Additions	**–**	–[(a)]
Share of profit or loss for the year	**–**	(2)
Transfer[(b)]	**2**	–
At end of the year	**–**	(2)
Share of net book value of associate	**–**	(2)

16. INVESTMENT IN AN ASSOCIATE (CONTINUED)

The associate held by the company is listed below:

Name of associate, country of incorporation, place of operations, principal activities and independent auditor	Percentage of equity held by the group	
	2011	2010
	%	%
Oxley Connections Pte. Ltd. Singapore Investment holding RSM Chio Lim LLP	–[b]	49.99

The summary financial information of the associate, not adjusted for the percentage ownership held by the group, is as follows:

	Group	
	2011	2010
	$'000	$'000
Assets	–	2,513
Liabilities	–	(2,517)
Revenues	–	–
Loss for the year	–	(4)

(a) Amount is less than $1,000.

(b) Oxley Connections Pte. Ltd. increased its share capital on 26 July 2010 by issuing 4,998,998 new ordinary shares of which 2,599,500 new ordinary shares were subscribed by the company. The consideration was offset against the advances due to the shareholders of Oxley Connections Pte. Ltd. This has resulted in Oxley Connections Pte. Ltd. and its subsidiary, Orchard Suites Residence Pte. Ltd., to become subsidiaries of the company.

NOTES TO THE FINANCIAL STATEMENTS

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17. INVESTMENTS IN SUBSIDIARIES

	Company	
	2011	2010
	$'000	$'000
Movements during the year:		
At beginning of the year	**–**	–
Additions	**16,725**	–
Total at cost	**16,725**	–
Net book value of subsidiaries	**32,822**	–

The subsidiaries held by the company and the group are listed below:

Name of subsidiaries and principal activities	Cost in Books of Group		Effective Percentage of Equity Held by Group	
	2011	2010	**2011**	2010
	$'000	$'000	**%**	%
Held by the company				
Ascend Assets Pte. Ltd. Property developer	**910**	–	**100**	–
Galaxy Land Pte. Ltd. Property developer	**1,308**	–	**100**	–
Hume Homes Pte. Ltd. Property developer	**1,173**	–	**100**	–
Oxley Ascend Capital Pte. Ltd. Property developer	**833**	–	**100**	–
Oxley Ascend Realty Pte. Ltd. (Formerly known as Niche Realty Pte. Ltd.) Property developer	**550**	–	**55**	–
Oxley Assets Pte. Ltd. Property developer	**994**	–	**100**	–

NOTES TO THE FINANCIAL STATEMENTS

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17. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

Name of subsidiaries and principal activities	Cost in Books of Group		Effective Percentage of Equity Held by Group	
	2011	2010	**2011**	2010
	$'000	$'000	**%**	%
Oxley Blossom Pte. Ltd. Property developer	**1,000**	–	**100**	–
Oxley Concept Pte. Ltd. Property developer	**596**	–	**60**	–
Oxley Connections Pte. Ltd. (Note 16) Investment holding	**2,600**	–	**52**	–
Oxley Consortium Pte. Ltd. Property developer	**1,000**	–	**100**	–
Oxley Global Pte. Ltd. Property developer	**1,000**	–	**100**	–
Oxley Module Pte. Ltd. Property developer	**656**	–	**66**	–
Oxley Mosaic Pte. Ltd. Property developer	**1,000**	–	**100**	–
Oxley Niche Pte. Ltd. Property developer	**1,000**	–	**100**	–
Oxley Rising Pte. Ltd. Property developer	**–**[(a)]	–	**100**	–
Oxley Sims Pte. Ltd. (Formerly known as Oxley Residences Pte. Ltd.) Property developer	**1,000**	–	**100**	–

NOTES TO THE FINANCIAL STATEMENTS

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17. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

Name of subsidiaries and principal activities	Cost in Books of Group		Effective Percentage of Equity Held by Group	
	2011	2010	**2011**	2010
	$'000	$'000	**%**	%
Oxley Star Pte. Ltd. Property developer	**671**	–	**67.5**	–
Oxley Wealth Pte. Ltd. Property developer	**434**	–	**51**	–
Oxley YCK Pte. Ltd.[(b)] Property developer	**–**[(a)]	–	**100**	–
Oxley Vibes Pte. Ltd. (Formerly known as Rising Development Pte. Ltd.) Property developer	**–**[(a)]	–	**100**	–
Oxley Viva Pte. Ltd.[(b)] Property developer	**–**[(a)]	–	**100**	–
Oxley Vista Pte. Ltd. Property developer	**–**[(a)]	–	**100**	–
Held by subsidiary				
Orchard Suites Residence Pte. Ltd. (Formerly known as Somerset Residence Pte. Ltd.) Property developer	**5,000**	–	**52**	–

(a) Cost of investment is less than $1,000.

(b) Not audited as it is newly incorporated and has not commenced operations. The unaudited management accounts as at 30 June 2011 are used for the purpose of consolidation.

The country of incorporation and place of operations for all the subsidiaries is Singapore. All the subsidiaries are audited by RSM Chio Lim LLP.

18. DEVELOPMENT PROPERTIES

	Group 2011 $'000	Group 2010 $'000
Properties in the course of development:		
Aggregate amount of costs incurred	**869,827**	90,461
Add: Attributable profit	**24,687**	–
Less: Progress payments received and receivable to date	**(173,692)**	(11,894)
	720,822	78,567
Interest expense capitalised as cost of development properties	**7,752**	938

The rate of interest capitalised during the year is between 1.58%–3.25% (2010: 2.22%–3.5%) per annum.

The development properties are mortgaged to banks as securities for the credit facilities extended to the group (Note 23).

Details of the development properties are as follows:

Project Name (where available)/ Location	Description	Tenure	Approximate Area (sqm) Land Area	Approximate Area (sqm) Gross Floor Area	Percentage of completion at 30 June 2011	Interest held by the Group	Expected completion date
Mixed Developments							
Suites@Katong 263 Tanjong Katong Road, Singapore	4-storey development with attic, mechanised car park and communal facilities	Freehold	1,040	2,786	36%	51%	Dec 2014
Parc Somme 62 Somme Road, Singapore	6-storey development with attic, swimming pool, gym and mechanised car park	99-year leasehold from 6 May 2008	518	1,629	34%	100%	Dec 2014

NOTES TO THE FINANCIAL STATEMENTS

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18. DEVELOPMENT PROPERTIES (CONTINUED)

Project Name (where available)/ Location	Description	Tenure	Approximate Area (sqm) Land Area	Approximate Area (sqm) Gross Floor Area	Percentage of completion at 30 June 2011	Interest held by the Group	Expected completion date
Mixed Developments							
Loft@Rangoon 113 Rangoon Road, Singapore	5-storey development with attic, swimming pool and mechanised car park	Freehold	458	1,453	22%	100%	Dec 2014
RV Point 233 River Valley Road, Singapore	8-storey development, mechanised car park and communal facilities	999-year leasehold from 1 July 1841	507	2,038	14%	100%	Dec 2014
Viva Vista 3 South Buona Vista Road, Singapore	5-storey development with attic and mechanised car park	Freehold	3,626	9,013	25%	100%	Dec 2015
Vibes@East Coast 308 Telok Kurau Road, Singapore	5-storey development with attic, mechanised car park, swimming pool and communal facilities	Freehold	2,413	7,125	Has not commenced construction	66%	Dec 2015
Oxley Edge 300-306 River Valley Road, Singapore	–[(a)]	Freehold	870	2,546	Has not commenced construction	100%	–[(b)]
Vibes @ Kovan 93 Kovan Road, Singapore	5-storey development with attic, mechanised car park, swimming pool and communal facilities	Freehold	723	2,168	Has not commenced construction	100%	Dec 2015

NOTES TO THE FINANCIAL STATEMENTS

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18. DEVELOPMENT PROPERTIES (CONTINUED)

Project Name (where available)/ Location	Description	Tenure	Approximate Area (sqm) Land Area	Gross Floor Area	Percentage of completion at 30 June 2011	Interest held by the Group	Expected completion date
Residential Developments							
Loft@Holland 151 Holland Road, Singapore	5-storey development with attic, mechanised car park and swimming pool	Freehold	1,124	1,580	3%	68%	Dec 2015
Loft@Stevens 68 Stevens Road, Singapore	5-storey development with attic, mechanised car park, swimming pool and communal facilities	Freehold	1,298	1,889	Has not commenced construction	60%	Dec 2015
Vibes@Upper Serangoon 488 Upper Serangoon Road, Singapore	5-storey development with attic, mechanised car park, swimming pool and gym	Freehold	993	3,115	Has not commenced construction	100%	–[(b)]
Presto@Upper Serangoon 524 Upper Serangoon Road, Singapore	5-storey development with attic, mechanised car park, swimming pool and gym	Freehold	585	1,846	Has not commenced construction	100%	–[(b)]
Devonshire Residences 55 Devonshire Road, Singapore	25-storey development, mechanised car park, swimming pool and communal facilities	Freehold	1,245	3,836	Has not commenced construction	52%	Dec 2015
Suites@Braddell 56 Braddell Road, Singapore	5-storey development with attic, mechanised car park, swimming pool and communal facilities	Freehold	1,108	1,552	Has not commenced construction	100%	Dec 2015

NOTES TO THE FINANCIAL STATEMENTS

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18. DEVELOPMENT PROPERTIES (CONTINUED)

Project Name (where available)/ Location	Description	Tenure	Approximate Area (sqm) Land Area	Approximate Area (sqm) Gross Floor Area	Percentage of completion at 30 June 2011	Interest held by the Group	Expected completion date
Industrial Developments							
Oxley Bizhub 61, 63, 65, 67, 69, 71 and 73 Ubi Road 1 Singapore	2 block 10-storey multiple-user development and one block of 4-storey building development, car park and ancillary facilities	60-year leasehold from 15 November 2010	34,853	87,126	Has not commenced construction	100%	Dec 2015
Oxley Buzhub 2 Land Parcel at Ubi Road 1/Avenue 4, Singapore	11-storey multiple-user development, car park and ancillary facilities	60-year leasehold from 10 June 2011	12,378	30,942	Has not commenced construction	55%	–[b]
Arcsphere 124 Lorong 23 Geylang, Singapore	10-storey multiple-user development and car park	Freehold	1,011	2,529	Has not commenced construction	100%	–[b]
Commercial Developments							
Oxley Tower 138 Robinson Road Singapore	–[a]	Freehold	1,490	16,688	Has not commenced construction	100%	–[b]
Robinson Square 144 Robinson Road Singapore	–[a]	Freehold	422	4,755	Has not commenced construction	100%	–[b]

(a) The plans for these projects are subject to modification, pending URA approval.

(b) These projects are yet to be launched.

18. DEVELOPMENT PROPERTIES (CONTINUED)

The group's current accounting policy of recognising revenue using the percentage of completion method on its development projects is an allowed alternative under RAP 11 (but see note 32). If the group had adopted the completion of construction method, the effects in the financial statements would have been as follows:

	Group	
	2011	2010
	$'000	$'000
Statement of comprehensive income		
Decrease in revenue	**(70,850)**	–
Decrease in profit for the year	**(24,687)**	–
Statement of financial position		
Decrease in development properties as at 1 July	**–**	–
Decrease in development properties as at 30 June	**(24,687)**	–
Decrease in retained earnings as at 1 July	**–**	–

19. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2011	2010	**2011**	2010
	$'000	$'000	**$'000**	$'000
Trade receivables:				
Outside parties	**10,094**	1,166	**26**	18
Related parties (Note 3)	**–**	–	**–**	6
Subtotal	**10,094**	1,166	**26**	24
Other receivables:				
Outside parties	**18**	31	**–**	–
Share subscription monies receivable	**–**	1,073	**–**	730
Non-controlling interests (Note 3)	**2,087**	–	**–**	–
Subsidiaries (Note 3)	**–**	–	**159,266**	–
Related party (Note 3)	**–**	203	**–**	–
Refundable deposits	**–**	67	**–**	38
Subtotal	**2,105**	1,374	**159,266**	768
Total trade and other receivables	**12,199**	2,540	**159,292**	792

NOTES TO THE FINANCIAL STATEMENTS

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20. OTHER ASSETS

	Group		Company	
	2011	2010	**2011**	2010
	$'000	$'000	**$'000**	$'000
Deposits and stamp duties paid for purchases of land	**9,539**	6,663	**–**	–
Deposits to secure services	**146**	3	**58**	–
Prepayments	**–**	11	**–**	10
	9,685	6,677	**58**	10

21. CASH AND CASH EQUIVALENTS

	Group		Company	
	2011	2010	**2011**	2010
	$'000	$'000	**$'000**	$'000
Not restricted in use	**14,949**	1,366	**6,204**	6
Project Accounts[(a)]	**97,703**	11,499	**–**	–
Cash at end of the year	**112,652**	12,865	**6,204**	6

The interest earning balances are not significant.

(a) The amounts in project accounts are bank balances held under Housing Developers (Project Account) (Amendment) Rules 1997, the use of which is subject to restrictions imposed by the aforementioned rules.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2011

22. SHARE CAPITAL

	Number of shares issued '000	Share capital $'000
Group		
Ordinary shares of no par value:		
Balance at beginning of the year 1 July 2009[a]	1,000	1,000
Issue of shares at $1 each	1,000	1,000
Issue of shares[a]	6,445	6,576
Balance at end of the year 30 June 2010	8,445	8,576
Issue of shares at $27 each[b]	1,000	27,000
Effect of Restructuring Exercise[d]	555	–
Sub-division of shares	1,265,000	35,576
Issue of shares pursuant to the placement of shares	224,000	85,120
Share issue expenses	–	(2,251)
Balance at end of the year 30 June 2011	1,489,000	118,445
Company		
Ordinary shares of no par value:		
Issue of shares on date of incorporation	–[c]	–[c]
Issue of shares at $1 each	1,000	1,000
Balance at end of the year 30 June 2010	1,000	1,000
Issue of shares at $27 each[b]	1,000	27,000
Issue of shares pursuant to the Restructuring Exercise[d]	8,000	7,445
Effect of Restructuring Exercise[d]	–	131
Sub-division of shares	1,265,000	35,576
Issue of shares pursuant to the placement of shares	224,000	85,120
Share issue expenses	–	(2,251)
Balance at end of the year 30 June 2011	1,489,000	118,445

(a) The share capital of the group represents the combined share capital of the company and the subsidiaries prior to the Restructuring Exercise (Note 1).

(b) Pursuant to an investment agreement dated 25 August 2010, pre-IPO investors collectively subscribed for 1,000,000 shares in the company, constituting 10.0% of the pre-Invitation share capital of the company, for an aggregate consideration of $27,000,000. The shares were issued to the pre-IPO investors on 8 October 2010.

(c) Amount less than $1,000.

(d) As disclosed in Note 1, the company issued ordinary shares to the existing shareholders as consideration for the acquisition of their equity interests in certain group entities as part of the restructuring exercise undertaken for the company's share placement exercise.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2011

22. SHARE CAPITAL (CONTINUED)

The company made a public placement offer of its ordinary shares and these shares commenced trading on the Catalist on 29 October 2010.

The ordinary shares of no par value which are fully paid carry no right to fixed income.

The company is listed on the Catalist and has appointed a sponsor to comply with the Catalist Rules and to facilitate certain corporate actions including rights issues, placement of shares, company warrants or other convertible securities for cash, major transactions, transactions requiring shareholders' approval and schemes of arrangement.

Capital management:

The objectives when managing capital are: to safeguard the reporting entity's ability to continue as a going concern, so that it can continue to provide returns for owners and benefits for other stakeholders, and to provide an adequate return to owners by pricing the sales commensurately with the level of risk. The management sets the amount of capital to meet its requirements and the risk taken. There were no changes in the approach to capital management during the reporting year. The management manages the capital structure and makes adjustments to it where necessary or possible in the light of changes in conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the management may adjust the amount of dividends paid to owners, return capital to owners, issue new shares, or sell assets to reduce debt.

In order to maintain its listing on the Singapore Stock Exchange, it has to have share capital with a free float of at least 10% of the shares. The company met the capital requirement on its initial listing and the rules limiting treasury share purchases mean it will automatically continue to satisfy that requirement, as it did throughout the reporting year. Management receives a report from the registrars frequently on substantial share interests showing the non-free float to ensure continuing compliance with the 10% limit throughout the reporting year.

The management monitors the capital on the basis of the debt-to-adjusted capital ratio. This ratio is calculated as net debt/adjusted capital (as shown below). Net debt is calculated as total borrowings less cash and cash equivalents. Adjusted capital comprises all components of equity (i.e. share capital, and retained earnings).

22. SHARE CAPITAL (CONTINUED)

	Group	
	2011	2010
	$'000	$'000
Net debt:		
All current and non-current borrowings	630,237	64,316
Less: cash and cash equivalents	(112,652)	(12,865)
Net debt	517,585	51,451
Adjusted capital:		
Total equity	137,064	9,743
Debt-to-adjusted capital ratio	378%	528%

There are significant external borrowings but these are secured by specific assets. The debt-to-adjusted capital ratio may not provide a meaningful indicator of the risk of borrowings.

23. OTHER FINANCIAL LIABILITIES

	Group	
	2011	2010
	$'000	$'000
Non-current:		
Bank loans (secured)	**616,692**	64,316
Non-current	**616,692**	64,316
Current:		
Bank loans (secured)	**13,545**	–
Current	**13,545**	–
Total	**630,237**	64,316
The non-current portion is repayable as follows:		
Due within 2 to 5 years	**455,442**	64,316
After 5 years	**161,250**	–
Total non-current portion	**616,692**	64,316

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2011

23. OTHER FINANCIAL LIABILITIES (CONTINUED)

The range of floating interest rates paid were as follows:

	2011	2010
Bank loans (secured)	**1.58% – 3.25%**	2.22% – 3.50%

The loans bear interest at either:

(a) 1.25% to 2.00% per annum (2010: 1.75% to 2.00% per annum) above the bank's cost of funds or 1.25% to 2.00% per annum (2010: 1.75% to 2.00% per annum) over the bank's Swap Offer Rate as determined by the bank on the day of transaction, whichever is the higher, or at such other rate at the sole discretion of the bank, for an interest period of one, two, three or six months; or

(b) 1.50% to 1.75% per annum (2010: 0.75% to 1.00% per annum) below the bank's prevailing Enterprise Base Rate on daily balance or such other rate or rates as may be determined by the bank at their discretion from time to time.

(c) 1.75% per annum (2010: Nil) over and above prevailing Singapore Interbank Offered Rate on daily balance or such other rate or rates as may be determined by the bank at their discretion from time to time.

The repayment terms of the loans are in one lump sum ranging from 36 to 70 months from the date of first drawdown of the loan or three to six months from the date of issuance of the Temporary Occupation Permit, whichever is the earliest.

The bank agreements for the bank loans provide among other matters for the following:-

(a) First legal mortgage on the development properties disclosed in Note 18;

(b) Legal assignment of all rights, title and interests in the construction contract, insurance policies, performance bonds (if any), tenancy agreements and sale and purchase agreements in respect of the proposed developments;

(c) Joint and several guarantees from directors and a shareholder of the company, as well as the non-controlling shareholders of the subsidiaries;

(d) Corporate guarantee by the company and fellow subsidiaries; and

(e) Compliance with certain covenants.

24. TRADE AND OTHER PAYABLES

	Group		Company	
	2011	2010	**2011**	2010
	$'000	$'000	**$'000**	$'000
Trade payables:				
Outside parties and accrued liabilities	**7,058**	1,903	**212**	–
Related parties (Note 3)	**8,427**	551	**–**	–
Subtotal	**15,485**	2,454	**212**	–
Other payables:				
Outside parties	**3,854**	226	**–**	165
Rental deposits	**1,588**	106	**–**	–
Subsidiaries (Note 3)	**–**	–	**13,355**	–
Directors (Note 3)	**37,497**	16,822	**37,497**	–
Shareholder (Note 3)	**5,128**	2,733	**5,128**	–
Non-controlling interests (Note 3)	**21,064**	4,087	**–**	–
Related parties (Note 3)	**–**	73	**–**	69
Subtotal	**69,131**	24,047	**55,980**	234
Total trade and other payables	**84,616**	26,501	**56,192**	234

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2011

25. FINANCIAL INSTRUMENTS: INFORMATION ON FINANCIAL RISKS

25A. Classification of Financial Assets and Liabilities

The following table summarises the carrying amount of financial assets and liabilities recorded at the end of the reporting year by FRS 39 categories:

	Group		Company	
	2011	2010	**2011**	2010
	$'000	$'000	**$'000**	$'000
Financial assets:				
Cash and cash equivalents	**112,652**	12,865	**6,204**	6
Loans and receivables	**12,199**	2,540	**159,292**	792
At end of the year	**124,851**	15,405	**165,496**	798
Financial liabilities:				
Borrowings at amortised cost	**630,237**	64,316	**–**	–
Trade and other payables at amortised cost	**84,616**	26,501	**56,192**	234
At end of the year	**714,853**	90,817	**56,192**	234

Further quantitative disclosures are included throughout these financial statements.

There are no significant fair value measurements recognised in the statement of financial position.

25. FINANCIAL INSTRUMENTS: INFORMATION ON FINANCIAL RISKS (CONTINUED)

25B. Financial Risk Management

The main purpose for holding or issuing financial instruments is to raise and manage the finances for the entity's operating, investing and financing activities. There are exposures to the financial risks on the financial instruments such as credit risk, liquidity risk and market risk comprising interest rate, currency risk and price risk exposures. The management has certain practices for the management of financial risks and action to be taken in order to manage the financial risks. The guidelines include the following:

(i) Minimise interest rate, currency, credit and market risks for all kinds of transactions.

(ii) Maximise the use of "natural hedge": favouring as much as possible the natural off-setting of sales and costs and payables and receivables denominated in the same currency and therefore put in place hedging strategies only for the excess balance. The same strategy is pursued with regard to interest rate risk.

(iii) All financial risk management activities are carried out and monitored by senior management staff.

(iv) All financial risk management activities are carried out following good market practices.

There has been no changes to the exposures to risk; the objectives, policies and processes for managing the risk and the methods used to measure the risk.

25C. Fair Values of Financial Instruments

The financial assets and financial liabilities at amortised cost are at a carrying amount that is a reasonable approximation of fair value.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2011

25. FINANCIAL INSTRUMENTS: INFORMATION ON FINANCIAL RISKS (CONTINUED)

25D. Credit Risk on Financial Assets

Financial assets that are potentially subject to concentrations of credit risk and failures by counterparties to discharge their obligations in full or in a timely manner consist principally of cash balances with banks and receivables. The maximum exposure to credit risk is: the total of the fair value of the financial instruments; the maximum amount the entity could have to pay if the guarantee is called on; and the full amount of any loan payable commitment at the end of the reporting year. Credit risk on cash balances with banks is limited because the counter-parties are entities with acceptable credit ratings. Trade receivables relate mainly to the Group's customers who bought its commercial and residential units. The Group's exposure to credit risk is deemed minimal as it would receive up to 85% of sale proceeds prior to handing over the units of commercial and residential properties to the customers. There is no significant concentration of credit risk, as the exposure is spread over a large number of counter-parties and customers.

Note 21 discloses the maturity of the cash and cash equivalents.

As at the end of reporting year, there were no amounts of trade and other receivables past due or impaired.

Other receivables are normally with no fixed terms and therefore there is no maturity.

25. FINANCIAL INSTRUMENTS: INFORMATION ON FINANCIAL RISKS (CONTINUED)

25E. Liquidity Risk

The following table analyses the non-derivative financial liabilities by remaining contractual maturity (contractual and undiscounted cash flows):

	Less than 1 year $'000	1 – 5 years $'000	After 5 years $'000	Total $'000
Group				
Non-derivative financial liabilities:				
2011:				
Gross borrowings commitments	26,901	472,051	161,373	660,325
Trade and other payables	84,616	–	–	84,616
At end of the year	111,517	472,051	161,373	744,941
2010:				
Gross borrowings commitments	1,789	67,619	–	69,408
Trade and other payables	26,501	–	–	26,501
At end of the year	28,290	67,619	–	95,909

	Less than 1 year $'000	1 – 5 years $'000	Total $'000
Company			
Non-derivative financial liabilities:			
2011:			
Trade and other payables	56,192	–	56,192
At end of the year	56,192	–	56,192
2010:			
Trade and other payables	234	–	234
At end of the year	234	–	234

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2011

25. FINANCIAL INSTRUMENTS: INFORMATION ON FINANCIAL RISKS (CONTINUED)

25E. Liquidity Risk (Continued)

The above amounts disclosed in the maturity analysis are the contractual undiscounted cash flows and such undiscounted cash flows differ from the amount included in the statement of financial position. When the counterparty has a choice of when an amount is paid, the liability is included on the basis of the earliest date on which it can be required to pay.

Financial guarantee contracts – For financial guarantee contracts the maximum earliest period in which the guarantee could be called is used. At the end of the reporting year no claims on the financial guarantees are expected. The following table shows the maturity analysis of the contingent liabilities:

	Less than 1 year $'000	1 – 5 years $'000	After 5 years $'000	Total $'000
Company				
2011				
Bank guarantee in favour of subsidiaries (Note 3)	13,545	246,044	161,250	420,839

The liquidity risk refers to the difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. It is expected that all the liabilities will be paid at their contractual maturity. The average credit period taken to settle trade payables is about 30 days (2010: 30 days). The other payables are with short-term durations. The classification of the financial assets is shown in the statement of financial position as they may be available to meet liquidity needs and no further analysis is deemed necessary.

	2011 $'000	2010 $'000
Bank facilities:		
Undrawn borrowing facilities	**239,727**	40,160

The undrawn borrowing facilities are available for operating activities and to settle other commitments. Borrowing facilities are maintained to ensure funds are available for the operations. A schedule showing the maturity of financial liabilities and unused bank facilities is provided regularly to management to assist in monitoring the liquidity risk.

25. FINANCIAL INSTRUMENTS: INFORMATION ON FINANCIAL RISKS (CONTINUED)

25F. Interest Rate Risk

The interest rate risk exposure is mainly from changes in fixed rate and floating interest rates. The interest from financial assets including cash balances is not significant. The following table analyses the breakdown of the significant financial instruments by type of interest rate:

	Group	
	2011	2010
	$'000	$'000
Financial liabilities:		
Floating rates	**630,237**	64,316
Total at end of the year	**630,237**	64,316
Financial assets:		
Fixed rates	**110**	–
Total at end of the year	**110**	–

The floating rate debt instruments are with interest rates that are re-set regularly at one, three or six month intervals. The interest rates are disclosed in the respective notes.

Sensitivity analysis:

	Group	
	2011	**2010**
	$'000	**$'000**
Financial liabilities:		
A hypothetical variation in interest rates by 10 basis points with all other variables held constant, would increase the amount of interest expense capitalised in development properties for the year by	**578**	64
A hypothetical variation in interest rates by 10 basis points with all other variables held constant, would decrease in pre-tax profit for the year by	**52**	–

25. FINANCIAL INSTRUMENTS: INFORMATION ON FINANCIAL RISKS (CONTINUED)

25F. Interest Rate Risk (Continued)

The analysis has been performed separately for fixed interest rate and floating interest rate financial instruments. The impact of a change in interest rates on fixed interest rate financial instruments has been assessed in terms of changing of their fair value. The impact of a change in interest rates on floating interest rate financial instruments has been assessed in terms of changing of their cash flows and therefore in terms of the impact on net expenses. The hypothetical changes in basis points are not based on observable market data (unobservable inputs).

25G. Foreign Currency Risk

The company and the entities in the group are not exposed to significant foreign currency risk as its transactions are mainly denominated in Singapore dollar, the functional currency of all entities within the group.

26. COMMITMENTS

Estimated amounts committed at the end of the reporting year for future certain expenditure but not recognised in the financial statements are as follows:

	Group	
	2011	2010
	$'000	$'000
Development expenditure contracted for development properties[a]	**197,154**	14,561
Commitment to purchase land (Note 20)	**127,954**	55,386

(a) The development expenditure includes contracts with a related party amounting to $58,715,000 (2010: $14,362,000).

27. OPERATING LEASE PAYMENT COMMITMENTS

At the end of the reporting year the total of future minimum lease payment commitments under non-cancellable operating leases are as follows:

	Group	
	2011	2010
	$'000	$'000
Not later than one year	**202**	144
Later than one year and not later than five years	**230**	295
Rental expense for the year	**211**	–

Operating lease payments are for rentals payable for office premise and certain plant and equipment. The lease from the owner is for three and five years, commencing from 1 July 2010 and 1 September 2010 respectively. The lease rental terms are negotiated for an average term of three to five years and rentals are subject to an escalation clause but the amount of the rent increase is not to exceed a certain percentage.

28. OPERATING LEASE INCOME COMMITMENT

At the end of the reporting year the total of future minimum lease receivables committed under non-cancellable operating leases are as follows:

	Group	
	2011	2010
	$'000	$'000
Not later than one year	**5,608**	–
Later than one year and not later than five years	**2,543**	–
Rental income for the year	**2,357**	738

Operating lease income commitments are for certain commercial properties acquired during the reporting year for the purpose of redevelopment.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2011

29. ACQUISITION

On 13 April 2010, Oxley Connections Pte. Ltd. (“Oxley Connections”), an associate of the group for the previous reporting year ended 30 June 2010, signed a conditional subscription agreement to subscribe for 5,000,000,000 new ordinary shares in the capital of Orchard Suites Residence Pte. Ltd. (“Orchard Suites”) at $5,000,000. On 13 April 2010, Oxley Connections also signed a sale and purchase agreement to acquire the unsecured note issued by Orchard Suites to an external party at a consideration of $9,313,000. The unsecured note has a nominal value of $5,000,000.

On 15 July 2010, the above transactions were completed, giving Oxley Connections effectively 99.98% interest in Orchard Suites.

On 26 July 2010, the company subscribed for 2,599,500 new ordinary shares of Oxley Connections (Note 16), giving the company an effective 52% interest in Oxley Connections, resulting in Oxley Connections and Orchard Suites becoming subsidiaries of the company.

The transaction is accounted as an acquisition of an asset as defined in FRS103.

30. ITEMS IN PROFIT OR LOSS

In addition to the charges and credits disclosed elsewhere in the notes to the financial statements, this item includes the following charges:

	Group	
	2011 $’000	2010 $’000
Other fees to the company’s independent auditors		
– IPO expenses	**160**	12
– Other expenses	**58**	–

31. CHANGES AND ADOPTION OF FINANCIAL REPORTING STANDARDS

For the reporting year ended 30 June 2011, the following new or revised Singapore Financial Reporting Standards were adopted. The new or revised standards did not require any modification of the measurement methods or the presentation in the financial statements.

FRS No.	Title
FRS 1	Presentation of Financial Statements (Amendments to)
FRS 7	Statement of Cash Flows (Amendments to)
FRS 17	Leases (Amendments to)
FRS 27	Consolidated and Separate Financial Statements (Revised)
FRS 28	Investments in Associates (Revised)
FRS 32	Classification Of Rights Issues (Amendments to) (*)
FRS 36	Impairment of Assets (Amendments to)
FRS 38	Intangible Assets (Amendments to) (*)
FRS 39	Financial Instruments: Recognition and Measurement – Eligible Hedged Item (Amendments to) (*)
FRS 39	Financial Instruments: Recognition and Measurement (Amendments to)
FRS 102	Share-based Payment (Amendments to) (*)
FRS 103	Business Combinations (Amendments to)
FRS 105	Non-current Assets Held for Sale and Discontinued Operations (Amendments to) (*)
FRS 108	Operating Segments (Amendments to)
INT FRS 109	Reassessment of Embedded Derivatives (Amendments to) (*)
INT FRS 116	Hedges of a Net Investment in a Foreign Operation (Amendments to) (*)
INT FRS 117	Distributions of Non-cash Assets to Owners (*)
INT FRS 118	Transfers of Assets from Customers (*)
INT FRS 119	Extinguishing Financial Liabilities with Equity Instruments (*)

(*) Not relevant to the entity.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2011

32. FUTURE CHANGES IN FINANCIAL REPORTING STANDARDS

The following new or revised Singapore Financial Reporting Standards that have been issued will be effective in future. The transfer to the new or revised standards from the effective dates is not expected to result in material adjustments to the financial position, results of operations, or cash flows for the following year except as disclosed below.

FRS No.	Title	Effective date for periods beginning on or after
FRS 1	Presentation of Financial Statements Disclosures (Amendments to)	1 January 2011
FRS 12	Deferred Tax (Amendments to) – Recovery of Underlying Assets	1 January 2012
FRS 24	Related Party Disclosures (revised)	1 January 2011
FRS 27	Consolidated and Separate Financial Statements (Amendments to)	1 July 2011
FRS 34	Interim Financial Reporting (Amendments to)	1 January 2011
FRS 107	Financial Instruments: Disclosures (Amendments to)	1 January 2011
FRS 107	Financial Instruments: Disclosures (Amendments to) – Transfers of Financial Assets (*)	1 July 2011
INT FRS 113	Customer Loyalty Programmes (Amendments to) (*)	1 January 2011
INT FRS 114	Prepayments of a Minimum Funding Requirement (revised) (*)	1 January 2011
INT FRS 115	Agreements for the Construction of Real Estate	1 January 2011

(*) Not relevant to the entity.

INT FRS 115 Agreements for the Construction of Real Estate

On 26 August 2010, the Accounting Standards Council issued INT FRS 115 with an accompanying note that explains the application of the Interpretation to property development sales in Singapore by considering the Singapore legal framework. INT FRS 115 supersedes RAP 11 Pre-Completion Contracts for the Sale of Development Property ("RAP 11") and becomes effective for annual periods beginning on or after 1 January 2011. When adopted, INT FRS 115 is to be applied retrospectively.

INT FRS 115 clarifies when revenue and related expenses from a sale of real estate unit should be recognised if an agreement between a developer and a buyer is reached before the construction of real estate is completed. INT FRS 115 determines that contracts which do not classify as construction contracts in accordance with FRS 11 can only be accounted for using the percentage of completion ("POC") method if the entity continuously transfers to the buyer control and the significant risks and rewards of ownership of the work-in-progress in its current state as construction progresses.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2011

32. FUTURE CHANGES IN FINANCIAL REPORTING STANDARDS (CONTINUED)

The group's current accounting policy for all residential property sales (including residential projects with some commercial units, commonly known as "mixed developments") is to recognise revenue using the POC method as construction progresses. This is an allowed alternative method under RAP 11.

The group has considered the application of INT FRS 115 and the accompanying practice note issued specifically in the context of the sale of residential development properties in Singapore, and concluded that whilst the "pre-completion" sale contracts were not, in substance, construction contracts, the legal terms in certain contracts result in the continuous transfer of work-in-progress to the purchaser. Consequently, the group will continue to adopt the percentage of completion method of revenue recognition for residential projects (including mixed developments) under progressive payment schemes in Singapore and hence for these contracts, revenue is recognised as work progresses. For the industrial and commercial development projects in Singapore, the construction revenue and expenses will be accounted for under the completion of construction method as stipulated in INT FRS 115, where applicable.

As at 30 June 2011, the group has yet to recognise revenue and related expenses for the industrial and commercial development projects as construction for these projects have not commenced. Had the completion of construction method been adopted, there will not be any impact to the financial statements in respect of the industrial and commercial development projects for the current reporting year.

STATISTICS OF SHAREHOLDINGS

Issued and paid-up capital	:	$120,695,590
Number of shares	:	1,489,000,000
Class of shares	:	Ordinary shares
Voting rights	:	One vote per share

The Company does not hold any treasury shares.

DISTRIBUTION OF SHAREHOLDINGS

(As at 12 August 2011)

Size of Shareholding	No. of Shareholders	% of Shareholders	No. of Shares	% of Shareholding
1 – 999	1	0.10	20	0.00
1,000 – 10,000	294	30.25	2,116,000	0.14
10,001 – 1,000,000	641	65.95	62,427,853	4.19
1,000,001 and above	36	3.70	1,424,456,127	95.67
TOTAL	**972**	**100.00**	**1,489,000,000**	**100.00**

SUBSTANTIAL SHAREHOLDERS

(As recorded in the Register of Substantial Shareholders as at 12 August 2011)

	Direct Interest		Deemed Interest	
	No. of Shares	%	No. of Shares	%
Ching Chiat Kwong	583,962,000	39.22	–	–
Low See Ching	401,675,000	26.98	–	–
Tee Wee Sien	174,425,000	11.71	–	–

STATISTICS OF SHAREHOLDINGS

TWENTY LARGEST SHAREHOLDERS

(As at 12 August 2011)

No.	Name	No. of Shares	%
1	CHING CHIAT KWONG	532,250,000	35.75
2	LOW SEE CHING	346,675,000	23.28
3	HONG LEONG FINANCE NOMINEES PTE. LTD.	110,300,000	7.41
4	BANK OF SINGAPORE NOMINEES PTE. LTD.	110,252,000	7.40
5	TEE WEE SIEN (ZHENG WEIXIAN)	85,725,000	5.76
6	CHAN YEOK PHENG	55,467,500	3.73
7	TAN YONG HOA	31,078,500	2.09
8	LEE TIAM NAM	27,632,500	1.86
9	TAN AH SENG	24,046,500	1.61
10	UNITED OVERSEAS BANK NOMINEES PTE. LTD.	22,287,980	1.50
11	FU JIANG HOLDINGS PTE. LTD.	15,053,500	1.01
12	TEE SWEE KIONG	13,840,000	0.93
13	TOH TIAU LAI	12,872,500	0.86
14	LIM TECK YONG	10,911,000	0.73
15	YONG KWAI FATT	10,475,500	0.70
16	GOH KEE CHOO	6,732,000	0.45
17	OCBC SECURITIES PRIVATE LTD	6,107,000	0.41
18	UOB KAY HIAN PTE. LTD.	6,061,000	0.41
19	PHILLIP SECURITIES PTE. LTD.	5,210,000	0.35
20	KIM ENG SECURITIES PTE. LTD.	4,549,000	0.31
	TOTAL	**1,437,526,480**	**96.55**

SHARES HELD BY PUBLIC

Based on the information provided to the Company as at 12 August 2011, approximately 15.31% of the issued ordinary shares of the Company was held in the hands of the public as defined in the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited (the "**Rules of Catalist**"). Accordingly, Rule 723 of the Rules of Catalist has been complied with.

APPENDIX

1 SEPTEMBER 2011

This Appendix is circulated to shareholders of Oxley Holdings Limited (the "**Company**") together with the Company's annual report. Its purpose is to explain to shareholders the rationale and provide information to shareholders for the proposed renewal of the Shareholders' Mandate (as defined in this Appendix) to be tabled at the Annual General Meeting of the Company to be held on Friday, 16 September 2011 at 10.00 am at the Raffles Lounge (Level 2) of the Raffles Country Club at 450 Jalan Ahmad Ibrahim, Singapore 639932.

The Notice of Annual General Meeting is enclosed with the Annual Report.

If you are in any doubt as to the contents herein or as to any action you should take, you should consult your broker, bank manager, accountant or other professional adviser immediately.

If you have sold or transferred all your issued and fully paid ordinary shares in the capital of the Company, you should immediately forward this Appendix, together with the Company's annual report, the Notice of Annual General Meeting and the accompanying Proxy Form, to the purchaser or transferee or to the bank, stockbroker or agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

This Appendix has been prepared by the Company and its contents have been reviewed by the Company's sponsor, Collins Stewart Pte. Limited (the "**Sponsor**") for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"). The Sponsor has not independently verified the contents of this Appendix.

This Appendix has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this Appendix, including the correctness of any of the statements or opinions made or reports contained in this Appendix.

The contact person for the Sponsor is Mr. Alex Tan Tiong Huat, Managing Director, Corporate Finance, Collins Stewart Pte. Limited at 77 Robinson Road #21-02 Singapore 068896, telephone (65) 6854 6160.

OXLEY HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 201005612G)

APPENDIX

IN RELATION TO

THE PROPOSED RENEWAL OF THE SHAREHOLDERS' MANDATE FOR INTERESTED PERSON TRANSACTIONS

APPENDIX

1 SEPTEMBER 2011

DEFINITIONS

In this Appendix, the following definitions apply throughout unless otherwise stated:

Companies within our Group

"Company" or "Oxley Holdings"	:	Oxley Holdings Limited
"Group"	:	The Company and its subsidiaries

Other Companies and Organisations

"Oxley Construction" or "Mandated Interested Person"	:	Oxley Construction Pte. Ltd.
"SGX-ST"	:	Singapore Exchange Securities Trading Limited

General

"Act" or "Companies Act" : The Companies Act (Chapter 50) of Singapore as amended, supplemented or modified from time to time

"AGM" : Annual general meeting to be held on Friday, 16 September 2011 at 10.00 a.m. at the Raffles Lounge (Level 2) of the Raffles Country Club at 450 Jalan Ahmad Ibrahim, Singapore 639932

"Associate" :

(a) In relation to any director, chief executive officer, substantial shareholder or controlling shareholder (being an individual) means:-

  (i) his immediate family (being his spouse, child, adopted child, step-child, sibling and parent);

  (ii) the trustees of any trust of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and

  (iii) any company in which he and his immediate family together (directly or indirectly) have an interest of 30% or more

(b) In relation to a substantial shareholder or a controlling shareholder (being a company) means any other company which is its subsidiary or holding company or is a subsidiary of such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of 30% or more

APPENDIX

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"Audit Committee"	:	The audit committee of the Company
"Catalist Rules"	:	The SGX-ST Listing Manual Section B: Rules of Catalist, as may be amended, varied or supplemented from time to time
"Controlling Shareholder"	:	A person who:- (a) holds directly or indirectly 15% or more of the nominal amount of all voting shares in the Company; or (b) in fact exercises control over the Company
"Directors"	:	The directors of the Company
"Latest Practicable Date"	:	12 August 2011, being the latest practicable date prior to the printing of this Appendix
"Shareholders"	:	Registered holders of Shares, except where the registered holder is CDP, the term "Shareholders" shall, in relation to such Shares mean the Depositors whose Securities Accounts are credited with Shares
"Shareholders' Mandate"	:	The general mandate approved by Shareholders for the Group to enter into certain transactions with the Mandated Interested Person in compliance with Chapter 9 of the Catalist Rules, as further described in this Appendix
"Shares"	:	Ordinary shares in the capital of the Company
"Substantial Shareholder"	:	A person who has an interest in voting shares of the Company the total votes attached to which are not less than 5% of the total votes attached to all the voting shares in the Company

Currencies, Units and Others

"S$" or "$" and "cents"	:	Singapore dollars and cents, respectively

The terms "Depositor", "Depository Agent" and "Depository Register" shall have the meanings ascribed to them respectively in Section 130A of the Companies Act.

Words importing the singular shall, where applicable, include the plural and vice versa and words importing the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. References to persons shall include corporations.

Any reference in this Appendix to any enactment is a reference to that enactment for the time being amended or re-enacted. Any word defined under the Act, any statutory modification thereof, and used in this Appendix shall, where applicable, have the meaning ascribed to it under the Act, such statutory modification thereof, as the case may be.

APPENDIX

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1. INTRODUCTION

The Company anticipates that the Group would, in the ordinary course of business, enter into transactions including but not limited to the transactions set out in this Appendix with persons which are considered "interested persons" as defined in Chapter 9 of the Catalist Rules. It is likely that such transactions will occur with some degree of frequency and could arise at any time and from time to time.

Under Chapter 9 of the Catalist Rules, a listed company may seek a general mandate from its shareholders for recurrent transactions of a revenue or trading nature or those necessary for its day-to-day operations, which may be carried out with the listed company's interested persons, but not for the purchase or sale of assets, undertakings or businesses.

Due to the time-sensitive nature of commercial transactions, such a mandate will enable the Group, in the normal course of business, to enter into certain categories of interested person transactions with certain categories of interested persons, as set out below, provided that such interested person transactions are made on an arm's length basis and on normal commercial terms.

On 28 September 2010, the Shareholders approved the Shareholders' Mandate (as described below). The Shareholders' Mandate is effective until the earlier of (i) the first annual general meeting following the Company's admission to Catalist or (ii) the first anniversary of the date of the Company's admission to Catalist. Accordingly, the Directors propose that the Shareholders' Mandate be renewed at the AGM to be held on 16 September 2011, to take effect until the next annual general meeting of the Company.

The purpose of this Appendix is to provide Shareholders with the relevant information relating to, and to seek Shareholders' approval at the AGM to renew the Shareholders' Mandate.

2. RENEWAL OF SHAREHOLDERS' MANDATE FOR INTERESTED PERSON TRANSACTIONS

2.1 Categories of interested persons

The Shareholders' Mandate will apply to the Group's transactions with the Mandated Interested Person, namely Oxley Construction.

Oxley Construction is a company incorporated in May 1995 and is primarily engaged in building construction. The sole shareholder of Oxley Construction is Mr Ching Chiat Kwong, the Executive Chairman and Chief Executive Officer, as well as Controlling Shareholder, of the Company. The directors of Oxley Construction are Mr Home Baha Dur and Mr Ching Chiat Kwong (who is a non-executive director of Oxley Construction).

2.2 Categories of interested person transaction and the benefits derived from such transactions

The transactions with the Mandated Interested Person relate to the provision of building and construction services by the Mandated Interested Person in the ordinary course of business to the Group. The Directors believe that it is beneficial to the Group to engage the Mandated Interested Person for the construction of the Group's property projects as long as such transactions are made on prices and terms not less favourable than those offered to the Group by unrelated parties.

APPENDIX

1 SEPTEMBER 2011

The Mandated Interested Person has been providing building and construction services to previous property development projects undertaken by Mr Ching Chiat Kwong, the Executive Chairman and Chief Executive Officer of the Company, and is thus familiar with the requirements and specifications, in terms of material quality, workmanship, timeline and other deliverables, demanded by the Group. As such, less time and resource will be spent on additional quality checks, unnecessary rectification works and supervision to ensure that work is done to the Group's satisfaction and project timelines are adhered to. Based on the foregoing, the Directors are of the view that it will be beneficial to the Group to continue to engage the services of the Mandated Interested Person in the future, subject to the review procedures under the Shareholders' Mandate.

Transactions with interested persons that do not fall within the ambit of the Shareholders' Mandate shall be subject to the relevant provisions of Chapter 9 and/or other applicable provisions of the Catalist Rules.

2.3 Rationale for and benefits of the Shareholders' Mandate

The Shareholders' Mandate and the renewal of the Shareholders' Mandate on an annual basis will eliminate the need to convene general meetings from time to time to seek Shareholders' approval as and when potential transactions with the Mandated Interested Person arise, thereby eliminating the administrative time and expenses in convening such meetings, without compromising the corporate objectives and adversely affecting the business opportunities available to the Group.

The Shareholders' Mandate is intended to facilitate recurrent transactions of a revenue or trading nature or those necessary for day-to-day operations, provided that they are carried out on an arm's length basis and on normal commercial terms and are not prejudicial to the interests of the Company and its minority Shareholders.

Disclosure will be made in the Company's annual report of the aggregate value of interested person transactions conducted pursuant to the Shareholders' Mandate during the financial year. In addition, the Company will announce the aggregate value of transactions conducted pursuant to the Shareholders' Mandate during the relevant financial period within the required time frame stipulated in the Catalist Rules.

2.4 Guidelines and review procedures under Shareholders' Mandate

Prior to engaging the services of the Mandated Interested Person, at least two other quotes or bids from unrelated parties shall be obtained for similar building and construction services for comparison purposes. If the construction contract is to be awarded to the Mandated Interested Person, the contract sum shall not be less favourable than the most competitive quote offered and the credentials of the Mandated Interested Person shall also be supported by a recommendation from an architect. In addition, the material terms (in respect of the total amount of the contract sum) offered by the Mandated Interested Person shall also not be less favourable than those offered by the unrelated parties. In the event that certain material terms are not directly comparable to the other quotes or bids from unrelated parties (for example, differences arising from classification of work to be performed), a Director or the Finance Manager, who shall not have an interest in such transaction, will determine whether the terms offered by the Mandated Interested Person are fair and reasonable. In reviewing the contract sum and terms, all pertinent factors, including but not limited to quality, specifications and requirements, duration of contracts, credit terms, delivery arrangement and track record will be taken into consideration.

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The Group shall implement the aforesaid procedures to supplement existing internal control procedures to ensure that interested person transactions are undertaken on an arm's length basis and on normal commercial terms consistent with usual business practice and policies and are not more favourable to the interested person than those extended to unrelated parties.

In addition, to supplement internal procedures to ensure that all interested person transactions covered by the Shareholders' Mandate will be carried out on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders, the following approval limits for the interested person transactions will be applied:-

(a) where an individual transaction is below $250,000, such transaction will be subject to review and prior approval by the Finance Manager, who shall not have an interest in such transaction;

(b) where an individual transaction is equal to or in excess of $250,000, such transaction will be subject to review and prior approval by the Audit Committee; and

(c) where the aggregate value of all transactions with the Mandated Interested Person in the same financial year is equal to or in excess of 5% of the Group's latest audited net tangible assets, all transactions comprising such an amount will be reviewed by the Audit Committee to ensure that they are carried out on normal commercial terms and in accordance with the procedures set out in the Shareholders' Mandate. All transactions which have been reviewed and approved by the Audit Committee will be excluded from the aggregation of transactions for the purpose of such review.

A register will be maintained by the Company to record all interested person transactions (including the dates, terms and basis on which such transactions are entered into) which are entered into pursuant to the Shareholders' Mandate and the approval or review by the Audit Committee or Finance Manager, as the case may be. In the event that the Finance Manager or any member of the Audit Committee (where applicable) is interested in any interested person transaction, he will abstain from reviewing and/or approving that particular transaction.

The Company shall, on a quarterly basis, report to the Audit Committee on all interested person transactions, and the basis of such transactions, entered into with the Mandated Interested Person during the preceding quarter. The Audit Committee shall review such interested person transactions to ensure that they are carried out at arm's length and on normal commercial terms, at its quarterly meetings except where such interested person transactions are required under the review procedures to be reviewed and approved by the Audit Committee prior to the entry thereof.

The Audit Committee shall review from time to time such guidelines and procedures to determine if they continue to be adequate and/or commercially practicable in ensuring that transactions between the Mandated Interested Person and the Group are conducted on an arm's length basis and on normal commercial terms.

The Audit Committee will also carry out periodic reviews (not less than twice in a financial year) to ensure that the established guidelines and procedures for interested person transactions have been complied with and the relevant approvals obtained. The Audit Committee may also engage external parties to carry out such periodic reviews if deemed necessary or appropriate. Further, if during these periodic reviews, the Audit Committee is of the view that the above guidelines and procedures are not sufficient to ensure that these interested person transactions will be on an arm's length basis and on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders, the Company will revert to the Shareholders for a fresh mandate based on new guidelines and procedures for transactions with the Mandated Interested Person. During the period prior to obtaining a fresh mandate from Shareholders, all transactions with the Mandated Interested Person will be subject to prior review and approval by the Audit Committee.

3. AUDIT COMMITTEE'S STATEMENT

The Audit Committee (currently comprising Mr Ng Weng Sui Harry, Mr Phua Sian Chin and Mr Low See Ching) has reviewed the terms of the Shareholders' Mandate and confirms that the method and procedures for determining the transaction prices under the Shareholders' Mandate have not changed since the last Shareholders' approval on 28 September 2010 and that such methods and procedures are sufficient to ensure that the transactions will be carried out on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders.

4. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

The interests of the Directors and Substantial Shareholders in Shares as at the Latest Practicable Date are set out below:-

	Direct Interest		Deemed Interest	
	Number of Shares	**%**	**Number of Shares**	**%**
Directors				
Ching Chiat Kwong	583,769,000	39.21	–	–
Low See Ching	401,675,000	26.98	–	–
Harry Ng	100,000	0.01	–	–
Phua Sian Chin	–	–	–	–
Substantial Shareholders (other than Directors)				
Tee Wee Sien	174,425,000	11.71	–	–

5. DIRECTORS' RECOMMENDATION

Having fully considered the rationale set out in this Appendix, the Directors who are considered independent for the purposes of the proposed renewal of the Shareholders' Mandate, namely Mr Ng Weng Sui Harry, Mr Phua Sian Chin and Mr Low See Ching, believe that the Shareholders' Mandate is in the interest of the Company and recommend that Shareholders vote in favour of the resolution to approve the same as set out in the Notice of AGM.

In view that the Mandated Interested Person is an Associate of Mr Ching Chiat Kwong, the Executive Chairman and Chief Executive Officer, as well as Controlling Shareholder, of the Company, Mr Ching will abstain from voting on the resolution pertaining to the renewal of the Shareholders' Mandate at the AGM and will also undertake to ensure that his Associates will abstain from voting on the same.

6. ANNUAL GENERAL MEETING

The AGM, notice of which is set out in the Annual Report 2011 of the Company, will be held on Friday, 16 September 2011 at 10.00 a.m. at the Raffles Lounge (Level 2) of the Raffles Country Club at 450 Jalan Ahmad Ibrahim, Singapore 639932, for the purpose of considering and, if thought fit, passing with or without any modifications, the Ordinary Resolution relating to the renewal of the Shareholders' Mandate as set out in the Notice of AGM.

7. ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders who are unable to attend the AGM and who wish to appoint a proxy to attend on their behalf are requested to complete, sign and return the Proxy Form attached to the Annual Report in accordance with the instructions printed thereon as soon as possible and, in any event, so as to reach the registered office of the Company at 50 Raffles Place #11-02 Singapore Land Tower Singapore 048623 not less than 48 hours before the time fixed for the AGM. The completion and lodgement of the Proxy Form by a Shareholder will not prevent him from attending and voting at the AGM in person if he so wishes.

A Depositor shall not be regarded as a member of the Company entitled to attend the AGM and to speak and vote thereat unless his name appears on the Depository Register as at 48 hours before the AGM.

8. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Appendix and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, the facts stated and the opinions expressed in this Appendix are fair and accurate and that there are no material facts the omission of which would make any statement in this Appendix misleading.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of OXLEY HOLDINGS LIMITED (the "**Company**") will be held at the Raffles Lounge (Level 2) of the Raffles Country Club at 450 Jalan Ahmad Ibrahim, Singapore 639932 on Friday, 16 September 2011 at 10.00 am for the following purposes:–

AS ORDINARY BUSINESS

Resolution 1

1. To receive and adopt the Audited Accounts for the financial year ended 30 June 2011 together with the Directors' Report, Statement by Directors and Independent Auditors' Report.

Resolution 2

2. To declare a first and final one-tier tax exempt dividend of 0.45 Singapore cent per ordinary share for the financial year ended 30 June 2011.

Resolution 3

3. To re-elect Mr Ching Chiat Kwong who is retiring pursuant to Article 114 of the Company's Articles of Association (the "**Articles**") and who, being eligible, offers himself for re-election as a Director.

Resolution 4

4. To re-elect Mr Low See Ching who is retiring pursuant to Article 114 of the Articles and who, being eligible, offers himself for re-election as a Director.

Resolution 5

5. To re-elect Mr Ng Weng Sui Harry who is retiring pursuant to Article 114 of the Articles and who, being eligible, offers himself for re-election as a Director.

   *Mr Ng Weng Sui Harry will, upon re-election as a Director of the Company, remain as the chairman of the Audit Committee and the Board considers him to be independent for the purpose of Rule 704(7) of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited (the "**Rules of Catalist**").*

Resolution 6

6. To re-elect Mr Phua Sian Chin who is retiring pursuant to Article 114 of the Articles and who, being eligible, offers himself for re-election as a Director.

   Mr Phua Sian Chin will, upon re-election as a Director of the Company, remain as a member of the Audit Committee and the Board considers him to be independent for the purpose of Rule 704(7) of the Rules of Catalist.

Resolution 7

7. To approve the payment of Directors' fees of S$120,000 for the financial year ended 30 June 2011.

Resolution 8

8. To re-appoint RSM Chio Lim LLP as the Company's Independent Auditors and to authorise the Directors to fix their remuneration.

9. To transact any other ordinary business that may be properly transacted at an Annual General Meeting.

NOTICE OF ANNUAL GENERAL MEETING

AS SPECIAL BUSINESS

Resolution 9

10. To consider and, if thought fit, pass the following resolution as an Ordinary Resolution:–

"Authority to allot and issue shares

"That pursuant to Section 161 of the Companies Act, Chapter 50 of Singapore, and the Listing Manual Section B: Rules of Catalist (the "**Rules of Catalist**") of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"), authority be and is hereby given to the Directors of the Company to:–

(A) (i) allot and issue shares in the capital of the Company ("**Shares**") whether by way of rights, bonus or otherwise; and/or

(ii) make or grant offers, agreements or options (collectively, "**Instruments**") that might or would require Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into Shares,

at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit; and

(B) (notwithstanding that this authority may have ceased to be in force) issue Shares in pursuance of any Instrument made or granted by the Directors while this authority was in force,

provided that:–

(1) the aggregate number of Shares to be issued pursuant to this authority (including Shares to be issued in pursuance of Instruments made or granted pursuant to this authority) does not exceed 100% of the total number of issued Shares (excluding treasury shares) (as calculated in accordance with sub-paragraph (2) below) ("**Issued Shares**"), of which the aggregate number of Shares to be issued other than on a pro-rata basis to the existing shareholders of the Company (including Shares to be issued in pursuance of Instruments made or granted pursuant to this authority) does not exceed 50% of the total number of Issued Shares;

(2) (subject to such manner of calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of Shares that may be issued under sub-paragraph (1) above, the percentage of Issued Shares shall be based on the total number of issued Shares (excluding treasury shares) at the time this authority is given, after adjusting for:–

(i) new Shares arising from the conversion or exercise of convertible securities;

(ii) new Shares arising from exercising share options or vesting of share awards outstanding or subsisting at the time this authority is given, provided the options or awards were granted in compliance with Part VIII of Chapter 8 of the Rules of Catalist; and

(iii) any subsequent bonus issue, consolidation or sub-division of Shares;

NOTICE OF ANNUAL GENERAL MEETING

(3) in exercising the authority conferred by this Resolution, the Directors shall comply with the provisions of the Rules of Catalist for the time being in force (unless such compliance has been waived by the SGX-ST) and the Articles of Association for the time being of the Company; and

(4) (unless revoked or varied by the Company in general meeting) this authority shall continue in force until the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required by law to be held, whichever is the earlier."

[See Explanatory Note (i)]

Resolution 10

11. To consider and, if thought fit, pass the following resolution as an Ordinary Resolution:–

"Renewal of mandate for interested person transactions

That approval be and is hereby given for the purpose of Chapter 9 of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited for the renewal of the mandate (the "**Shareholders' Mandate**") for the Company and its subsidiaries to enter into any of the transactions falling within the types of interested person transactions as described in the Appendix to the Annual Report 2011 (the "**Appendix**") with the interested person described in the Appendix, provided that such transactions are transacted on normal commercial terms and will not be prejudicial to the interests of the Company and its minority shareholders and in accordance with the guidelines and procedures as set out in the Appendix and that the Shareholders' Mandate shall, unless revoked or varied by the Company in general meeting, continue in force until the conclusion of the next annual general meeting of the Company; and the Directors of the Company be and are hereby authorised to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to this Resolution."

[See Explanatory Note (ii)]

BY ORDER OF THE BOARD

NG KOK PENG
Company Secretary

Singapore
1 September 2011

NOTICE OF ANNUAL GENERAL MEETING

Explanatory Notes:–

(i) Ordinary Resolution 9, if passed, will empower the Directors to issue shares in the capital of the Company and to make or grant instruments (such as warrants) convertible into shares, and to issue shares in pursuance of such instruments, up to a number not exceeding 100% of the total number of issued shares (excluding treasury shares) in the capital of the Company, with a sub-limit of 50% for issues other than on a pro-rata basis to shareholders. For the purpose of determining the aggregate number of shares that may be issued, the percentage of issued shares shall be based on the total number of issued shares (excluding treasury shares) in the capital of the Company at the time Ordinary Resolution 9 is passed, after adjusting for (a) new shares arising from the conversion or exercise of any convertible securities; (b) new shares arising from exercising share options or vesting of share awards outstanding or subsisting at the time Ordinary Resolution 9 is passed, provided the options or awards were granted in compliance with Part VIII of Chapter 8 of the Rules of Catalist; and (c) any subsequent bonus issue, consolidation or sub-division of shares. Such authority will, unless previously revoked or varied at a general meeting, expire at the next annual general meeting of the Company.

(ii) Ordinary Resolution 10, if passed, will renew the shareholders' mandate for the Company and its subsidiaries to enter into certain transactions with an interested person (further details are set out in the Appendix to the Annual Report 2011). Such mandate will, unless previously revoked or varied at a general meeting, expire at the next annual general meeting of the Company.

Notes:–

(i) A member of the Company entitled to attend and vote at the above Meeting may appoint not more than two proxies to attend and vote instead of him.

(ii) Where a member appoints two proxies, he shall specify the proportion of his shareholding to be represented by each proxy in the instrument appointing the proxies. A proxy need not be a member of the Company.

(iii) If the member is a corporation, the instrument appointing the proxy must be under seal or the hand of an officer or attorney duly authorised.

(iv) The instrument appointing a proxy must be deposited at the Registered Office of the Company at 50 Raffles Place, #11-02, Singapore Land Tower, Singapore 048623, not less than 48 hours before the time appointed for holding the above Meeting.

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OXLEY HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 201005612G)

ANNUAL GENERAL MEETING
PROXY FORM

IMPORTANT

1. This Annual Report is also forwarded to investors who have used their CPF moneys to buy shares in the Company at the request of their CPF Approved Nominees, and is sent solely for their information only.
2. This Proxy Form is therefore not valid for use by such CPF investors and shall be ineffective for all intents and purposes if used or purported to be used by them.

I/We ______________________________ (Name)

of ______________________________ (Address)

being a member/members of OXLEY HOLDINGS LIMITED (the "**Company**") hereby appoint:

Name	Address	NRIC/ Passport Number	Proportion of Shareholdings (%)

and/or (delete as appropriate)

Name	Address	NRIC/ Passport Number	Proportion of Shareholdings (%)

or failing the person or both of the persons above, the Chairman of the Meeting as my/our proxy/proxies to attend and to vote for me/us on my/our behalf, at the Annual General Meeting ("**AGM**") of the Company to be held at the Raffles Lounge (Level 2) of the Raffles Country Club at 450 Jalan Ahmad Ibrahim, Singapore 639932 on Friday, 16 September 2011 at 10.00 a.m., and at any adjournment thereof. I/We direct my/our proxy/proxies to vote for or against the resolutions to be proposed at the AGM as indicated hereunder. If no specific direction as to voting is given, the proxy/proxies will vote or abstain from voting at his/her/their discretion, as he/she/they will on any other matter arising at the AGM and at any adjournment thereof.

No.	Resolutions relating to:	For	Against
	Ordinary Business		
1.	Audited accounts for financial year ended 30 June 2011		
2.	Payment of first and final dividend		
3.	Re-election of Mr Ching Chiat Kwong as a Director		
4.	Re-election of Mr Low See Ching as a Director		
5.	Re-election of Mr Ng Weng Sui Harry as a Director		
6.	Re-election of Mr Phua Sian Chin as a Director		
7	Payment of Directors' fees of S$120,000		
8.	Re-appointment of RSM Chio Lim LLP as auditors		
	Special Business		
9.	Authority to allot and issue shares		
10.	Renewal of mandate for interested person transactions		

(Please indicate with a cross [X] in the space provided whether you wish your vote to be cast for or against the resolution as set out in the Notice of AGM.)

Dated this ________ day of ________________ 2011

Total number of Shares in:	No. of Shares
(a) CDP Register	
(b) Register of Members	

____
Signature(s) of Member(s) or Common Seal

IMPORTANT: PLEASE READ NOTES OVERLEAF

Notes:–

1. Please insert the total number of shares held by you. If you have shares entered against your name in the Depository Register (as defined in Section 130A of the Companies Act, Chapter 50 of Singapore), you should insert that number of shares. If you have shares registered in your name in the Register of Members, you should insert that number of shares. If you have shares entered against your name in the Depository Register and shares registered in your name in the Register of Members, you should insert the aggregate number of shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, this proxy form shall be deemed to relate to all the shares held by you.

2. A member of the Company entitled to attend and vote at the AGM is entitled to appoint not more than two proxies to attend and vote on his behalf. A proxy need not be a member of the Company.

3. Where a member appoints two proxies, the proportion of the shareholding to be represented by each proxy shall be specified in this proxy form. If no proportion is specified, the Company shall be entitled to treat the first named proxy as representing the entire shareholding and any second named proxy as an alternate to the first named or at the Company's option to treat this proxy form as invalid.

4. This proxy form must be deposited at the registered office of the Company at 50 Raffles Place, #11-02 Singapore Land Tower, Singapore 048623 not less than 48 hours before the time set for the AGM.

5. This proxy form must be under the hand of the appointor or of his attorney duly authorised in writing. Where this proxy form is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised.

6. Where this proxy form is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with this proxy form, failing which this proxy form may be treated as invalid.

7. The Company shall be entitled to reject a proxy form which is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the proxy form. In addition, in the case of shares entered in the Depository Register, the Company may reject a proxy form if the member, being the appointor, is not shown to have shares entered against his name in the Depository Register as at 48 hours before the time appointed for holding the AGM, as certified by The Central Depository (Pte) Limited to the Company.

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(65) 6578 6522

OXLEY HOLDINGS LIMITED

(Incorporated in the Republic of Singapore on 16 March 2010)

(Company Registration Number: 201005612G)