





Oxley Tower,  
Singapore

## COMPANY PROFILE

Headquartered and listed in Singapore, Oxley Holdings Limited (“Oxley” or “Oxley Holdings”) is a lifestyle property developer specialising in the development of quality residential, commercial and industrial projects. Oxley’s developments are typically located in choice areas that are easily accessible via a variety of transport modes. Most of the projects also tend to incorporate retail elements, and lifestyle features and facilities. Since going public in October 2010, Oxley has launched a portfolio of 27 distinctive developments locally and most of them met with strong market reception.

Today, Oxley has expanded its property development portfolio into other regions, forming strong partnerships with other reputable developers and business partners. The Group has established a presence in the UK, Cambodia and Malaysia. In the first half of 2014, the Group launched its maiden overseas project, *Royal Wharf*, a new waterfront township located in East London, and *The Bridge*, a mixed-residential and commercial development in the heart of Phnom Penh.

The Group has also diversified into property investment. Among such investment properties under development are two hotels, *Novotel Singapore on Stevens* and *Ibis Singapore on Stevens*, which are due to open their doors for business in the first half of 2017.

Note: This image as well as all other images of Oxley’s development projects shown in this report are artist’s impressions.

# CONTENTS

<b>2</b>	Chairman's Statement	<b>27</b>	Financial Contents
<b>5</b>	Financial Highlights	<b>91</b>	Statistics of Shareholdings
<b>6</b>	Board of Directors	<b>93</b>	Appendix
<b>8</b>	Key Management	<b>101</b>	Notice of Annual General Meeting
<b>9</b>	Corporate Information		Proxy Form
<b>10</b>	Project Portfolio		
<b>12</b>	Corporate Social Responsibility		
<b>13</b>	Corporate Governance Report		



# CHAIRMAN'S STATEMENT



## Dear Shareholders,

I am pleased to report that the financial year ended 30 June 2014 ("FY2014") was a fruitful year for Oxley Holdings. We chalked up several milestones with record full year revenue and net profit, maiden project launches in two overseas markets, and obtained the Temporary Occupation Permit ("TOP") of our first large-scale industrial project to date.

## Financial Highlights

The Group achieved a 135% increase in revenue to \$1.07 billion for FY2014 compared to the previous financial year ("FY2013"). The revenue was recorded based on the percentage of completion method on construction progress made in 13 of our mixed-residential projects, and using the completion of construction method for two of our industrial developments that received their TOP during FY2014.

Net profit attributable to shareholders quadrupled to \$286.7 million compared to \$69.1 million in FY2013. Earnings per share on a fully diluted basis rose to 9.72 cents compared to 2.45 cents in FY2013.

The strong performance was mainly contributed by revenue recognised upon the completion of *Oxley BizHub*. Standing among the largest strata-titled industrial developments in Singapore, *Oxley BizHub* is a 728-unit industrial development with a gross floor area ("GFA") of 937,825 square feet. Another of our industrial projects, *The Commerze@Irving*, also received its TOP in the first half of the financial year. *The Commerze@Irving* is a light industrial development with a GFA of 126,263 square feet. The development comprises 67 industrial units and 64 shop/canteen units.

Revenue was also recognised from construction progress made in 13 of the Group's mixed-residential projects – *Devonshire Residences*, *Floraville/Floraview/Floravista*, *Loft@Holland*, *NEWest*, *Oxley Edge*, *Presto@Upper Serangoon*, *RV Point*, *Suites@Braddell*, *The Promenade@Pelikat*, *Vibes@East Coast*, *Vibes@Kovan*, *Vibes@Upper Serangoon* and *Viva Vista*.

At the close of FY2014, total shareholders' equity stood at \$410.4 million, compared to \$238.7 million a year ago, while net asset value per share was 13.92 cents, versus 8.10 cents in FY2013. Cash and cash equivalents



*Royal Wharf, East London, UK*

amounted to \$359.9 million, compared to \$436.5 million a year ago.

#### **Dividend**

In view of Oxley's positive performance over the financial year, we have proposed a final one-tier tax exempt cash dividend of 0.18 cent per ordinary share for FY2014. Together with the interim one-tier tax exempt cash dividends of 3.0 cents per ordinary share and 0.3 cent per ordinary share paid out in respect of the first and second quarter of the financial year respectively, the total dividend for the year amounts to 3.48 cents per ordinary share. This is equivalent to approximately \$102.6 million and a dividend payout ratio of about 36%.

#### **Project Launches and Land Acquisitions**

During the financial year, we strengthened our footprint overseas by forging partnerships with reputable property developers. In March 2014, we announced our collaboration with one of London's largest residential property developers to develop our maiden overseas project, *Royal Wharf*.

We are excited to see *Royal Wharf*, a premier waterfront township development providing approximately 3,400 homes, a school, a retail high street and a waterfront park, take shape and regenerate the Royal Docks in East London. *Royal Wharf's* Phase 1 launch of 811 units in London and Singapore saw sales in excess of 50% on the first day. We have since sold 99% of the launched units and expect to complete construction of this phase in the second half of 2016. We are also looking forward to launching the second phase by the end of 2014.

Following this, the Group inked a joint venture in Cambodia, marking our second foray overseas. In June 2014, we launched *The Bridge*, a mixed-residential and commercial development set in the heart of Phnom Penh with close proximity to the National Monument and many embassies. Oxley became the first to introduce the Small-Office-Home-Office ("SOHO") property concept in Phnom Penh, marking another key milestone. Upon its completion in 2018, *The Bridge* will comprise 963 SOHO units, along with 762 residential apartments and 627 retail units. We have since sold more than 80% of the residential units.

# CHAIRMAN'S STATEMENT

Closer to home, we launched *Floraville / Floraview / Floravista*, a 168-unit mixed-residential development, and *Eco-tech@Sunview*, a 424-unit light industrial project, in August 2013. These projects have seen take-up rates of 26% and 74% respectively.

In November 2013, we added to our land bank, a 12,586-square metre plot of land located in close proximity to the Petronas Twin Towers and KLCC in Kuala Lumpur, Malaysia. The Group plans to develop this plot of land into a hotel, together with serviced apartments, office tower and a retail mall.

At around the same time, we also acquired a 8,921-square metre plot of land strategically located near Phnom Penh's bustling Riverside Esplanade and Wat Phnom, a popular tourist attraction. The Group plans to build serviced apartments, two hotel towers and a retail mall.

## Investment Property

During the financial year, we made further progress in our maiden hospitality venture. We appointed Accor, a leading hotel group based in Europe, to manage our two hotels, *Novotel Singapore on Stevens* and *Ibis Singapore on Stevens*. When completed, *Novotel Singapore on Stevens* will have 254 rooms, a 500-seat ballroom, meeting facilities, food and beverage outlets, a fitness centre as well as a swimming pool, while *Ibis Singapore on Stevens* will have 528 rooms together with a lobby bar/café and a gymnasium. The hotels are set to open their doors by the first half of 2017.

## Board and Executive Appointments

On behalf of the Board and staff, I would like to welcome Mr Lim Yeow Hua @ Lim You Qin, who was appointed to the Board as Independent Director on 30 April 2014. With his 26 years of experience in tax, financial services and investment banking, I am confident that Mr Lim will bring on board much insight and experience.

I am also pleased to welcome Mr Low See Ching on board as Deputy Chief Executive Officer. Mr Low had previously served as a Non-Executive Director of the Company since its formation, and I look forward to working closer with him to build a stronger Oxley. Moving forward, we will continue to strengthen the management ranks of the Company as we spread our wings to different markets in the region.

## Looking forward

We have started to reap the fruits of our labour over the past few years, but we are not resting on our laurels, especially in light of the dampened market sentiment we are experiencing in Singapore.

Most of our 27 launched projects in Singapore are fully sold. In addition, 12 of our residential projects under construction are in the early to middle stages of revenue recognition. The majority of these are expected to obtain TOP in the current financial year ending 30 June 2015 ("FY2015"). These projects will be the key income drivers for the Group in FY2015. We will also continue to exercise prudence in our land acquisition strategy going forward.

## Acknowledgements

I would like to offer my heartfelt thanks to my fellow Board members, management team and staff. It has been a good year for all of us, and I hope that with your continued passion and dedication, we will work together to achieve even better results in future.

I would also like to thank all our shareholders who have placed their support and faith in us. We hope to share the rewards of our hard work with you, as we continue to strive for sustainable growth in the years ahead.

## Ching Chiat Kwong

Executive Chairman and CEO

# FINANCIAL HIGHLIGHTS

	2014 \$'000	2013 \$'000
<b>Consolidated Statement of Profit or Loss and Other Comprehensive Income</b>		
Revenue	1,074,116	457,693
Profit Before Tax	377,367	122,733
Income Tax Expense	(70,501)	(18,830)
Profit Net of Tax	306,866	103,903
Attributable to:		
Owners	286,668	69,139
Non-Controlling Interests	20,198	34,764
<b>Consolidated Statement of Financial Position</b>		
Plant and Equipment	1,380	68
Investment Properties	566,691	61,107
Investments in Joint Ventures	17,029	5,110
Deferred Tax Assets	2,604	4,988
Development Properties	1,355,239	1,293,471
Trade and Other Receivables	1,081,273	750,128
Other Assets	40,172	125,069
Cash and Cash Equivalents	359,920	436,460
Total Assets	3,424,308	2,676,401
Non-Current Liabilities	(2,019,446)	(1,179,097)
Current Liabilities	(939,677)	(1,208,797)
Net Assets	465,185	288,507
Shareholders' Equity	410,442	238,671
Non-Controlling Interests	54,743	49,836
Total Equity	465,185	288,507



# BOARD OF DIRECTORS



## 1. CHING CHIAT KWONG

Executive Chairman and CEO

Mr 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 also serves as the Non-Independent and Non-Executive Chairman of HG Metal Manufacturing Limited, and is also a Non-Executive Director of Artivision Technologies Ltd, NewSat Limited and BRC Asia Limited.

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 then largest initial public offering on the Catalist of the Singapore Exchange ("SGX") in 2010.

Apart from his commitments at Oxley, 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.

## 2. LOW SEE CHING

Deputy CEO and Executive Director

Mr Low See Ching was appointed as Deputy CEO and Executive Director of the Group on 1 February 2014. Prior to this appointment, Mr Low served on the Board as Non-Executive Director.

Mr Low is responsible for business development, as well as supporting the CEO in the formulation of corporate strategies and future direction of the Group. Between 2005 and 2009, he 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 is currently a Non-Executive Director of Hafary Holdings Limited. He joined Hafary Group in 2000 and rose through the ranks to Executive Director and CEO in 2005 before relinquishing his role in December 2013. He was responsible for the overall management, operations and charting of its corporate and strategic direction, including sales, marketing and procurement strategies. He is also a Non-Executive Director of HG Metal Manufacturing Limited.

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

## 3. NG WENG SUI HARRY

Lead Independent Director

Mr Ng Weng Sui Harry joined the Board on 28 September 2010 and was appointed as Lead Independent Director. He is 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 sits on the boards of Q&M Dental Group (Singapore) Limited, Artivision Technologies Ltd, IEV Holdings Limited and HG Metal Manufacturing Limited as Independent Director where he is Chairman of the Audit Committee.



Mr Ng has more than 30 years of experience in accountancy, finance and audit. He was Chief Financial Officer and Executive Director of Achieva Limited from October 2008 to April 2010 and Chief Financial Officer of Sunmoon Food Company Limited from August 2004 to July 2008 respectively.

He is currently a Fellow of the Institute of Singapore Chartered Accountants 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.

#### 4. PHUA SIAN CHIN

Independent Director

Mr Phua Sian Chin was appointed to the Board as Independent Director on 28 September 2010. He has served as the Chief Financial Officer of Teho International Inc Ltd. since August 2008 and has more than 35 years of experience in accounting and corporate finance.

He was, for over eight years, the Chief Financial Officer of a holding company listed on the Hong Kong Stock Exchange and Regional Financial Controller for multinational corporations in the Asia-Pacific region for more than 10 years. He was also the group financial head for property development groups in Singapore and Indonesia for over six years.

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 Singapore Chartered Accountants, a Fellow of CPA Australia, a Fellow of the Association of Chartered Certified Accountants (UK), and a registered member of the Singapore Institute of Directors.

#### 5. LIM YEOW HUA @ LIM YOU QIN

Independent Director

Mr Lim Yeow Hua @ Lim You Qin was appointed to the Board as Independent Director on 30 April 2014. Mr Lim is the Founder and Managing Director of Asia Pacific Business Consultants Pte. Ltd., a company providing tax and business consultancy services. He also serves as an independent director of a number of other companies listed on the SGX.

Mr Lim possesses more than 26 years of experience in tax, financial services and investment banking. Prior to founding Asia Pacific Business Consultants Pte. Ltd., he worked as Senior Regional Tax Manager at British Petroleum (BP), Director (Structured Finance) at UOB Asia Ltd., Senior Tax Manager at KPMG, Senior Vice-President (Structured Finance) at Macquarie Investment Pte. Ltd., Senior Tax Manager at PricewaterhouseCoopers, as well as Deputy Director at the Inland Revenue Authority of Singapore.

Mr Lim graduated with a Bachelor of Accountancy degree and obtained a Master of Business Administration from the National University of Singapore in 1986 and 1992 respectively.

He is currently a Fellow of the Institute of Singapore Chartered Accountants, an Accredited Tax Advisor of the Singapore Institute of Accredited Tax Professionals, and a full member of the Singapore Institute of Directors.

## KEY MANAGEMENT



### 1. CHING CHIAT DEE, JUDY

General Manager

Ms Ching Chiat Dee, Judy joined Oxley in June 2011 as General Manager. Ms Ching is responsible for the general operations of the Group, including the smooth execution of property development projects.

Ms Ching possesses more than 30 years of experience in the marketing and management of residential, commercial and industrial property. Prior to joining Oxley, 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 Management Pte. Ltd., she also spent about 1.5 years holding a concurrent position as General Manager of Paradiz Investment Ltd.

Ms Ching was a Senior Manager with Savills Residential before LCD Property, and spent some 22 years with Tuan Sing Holdings Limited, where her last position held was Marketing Manager.

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

### 2. OOI CHEE ENG

Financial Controller

Mr Ooi Chee Eng joined Oxley in August 2014 as Financial Controller. He is responsible for the overall financial and accounting functions of the Group. He is also Company Secretary of Oxley Holdings Limited.

He has over 15 years of experience in accounting and finance. Prior to joining Oxley, he spent five years with Achieva Limited, where he was initially employed as Group Finance Manager and subsequently rose to the rank of Group Financial Controller.

Mr Ooi has held managerial positions in the finance divisions of United Fiber System Ltd and SunMoon Food Ltd., and has worked in Neptune Orient Lines Ltd, Sime

Darby Singapore and HK Region and KPMG Singapore.

Mr Ooi is a member of the Institute of Singapore Chartered Accountants. He holds a Bachelor of Accountancy from Nanyang Technological University.

### 3. NG SUAT KHEG, CAROL

Administrative Manager

Ms Ng Suat Kheng, Carol joined Oxley in May 2010 as Administrative Manager. Ms 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, financial institutions and solicitors, and the handling of tax return matters.

Prior to joining Oxley, 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.

### 4. TAN CHEW GUEK, LINDSAY

Quantity Survey Manager

Ms Tan Chew Guek, Lindsay joined Oxley in May 2010 as Quantity Survey Manager. Ms Tan is responsible for supporting the Group's quality control effort, building specification preparation, payment certification, and handling of unit handover and defects coordination. She is also responsible for the Group's overall procurement administration as well as the publication of marketing brochures.

Prior to joining Oxley, Ms Tan was a quantity surveyor at Oxley Construction Pte Ltd, where she was responsible for preparing tender and contract documents, processing claims, contract payments and settlement of final accounts, and processing and maintaining construction documentation. Ms Tan holds a Diploma in Civil and Structural Engineering from Singapore Polytechnic.

# CORPORATE INFORMATION

## DIRECTORS

Ching Chiat Kwong	<i>Executive Chairman and CEO</i>
Low See Ching	<i>Deputy CEO and Executive Director</i>
Ng Weng Sui Harry	<i>Lead Independent Director</i>
Phua Sian Chin	<i>Independent Director</i>
Lim Yeow Hua @ Lim You Qin	<i>Independent Director</i>

## MANAGEMENT TEAM

Ching Chiat Kwong  
Low See Ching  
Ching Chiat Dee, Judy  
Ooi Chee Eng  
Ng Suat Kheng, Carol  
Tan Chew Guek, Lindsay

## COMPANY SECRETARY

Ooi Chee Eng

## REGISTERED OFFICE

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

## EXTERNAL AUDITORS

RSM Chio Lim LLP  
8 Wilkie Road #04-08  
Wilkie Edge  
Singapore 228095  
Partner-in-charge: Lee Mong Sheong  
(since the financial year ended 30 June 2011)  
(Chartered Accountant Singapore, a member of the  
Institute of Singapore Chartered Accountants)

## INTERNAL AUDITORS

Pioneer Management Services Pte. Ltd.  
4 Shenton Way #04-01  
SGX Centre 2  
Singapore 068807  
Director-in-charge: Low Sok Lee Mona

## PRINCIPAL BANKERS

United Overseas Bank Limited  
Hong Leong Finance Limited  
Malayan Banking Berhad  
DBS Bank Ltd



# PROJECT PORTFOLIO

## SINGAPORE

Project Name	Tenure	No. of units	Approximate	
			Land Area (sq ft)	GFA (sq ft)
<b>RESIDENTIAL</b>				
(residential/shops)				
<b>Completed</b>				
Parc Somme	99 yrs	30 / 5	5,576	17,539
Suites@Katong	FH	51 / 8	11,195	30,106
Loft@Rangoon	FH	24 / 3	4,930	15,645
Loft@Stevens	FH	44 / 0	13,972	20,329
Loft@Holland	FH	41 / 0	12,099	17,004
Viva Vista	FH	144 / 106	39,030	97,022
<b>Launched</b>				
Vibes@Kovan	FH	36 / 5	7,782	23,219
Vibes@East Coast	FH	117 / 28	25,974	76,694
Devonshire Residences	FH	84 / 0	13,401	41,291
Presto@Upper Serangoon	FH	36 / 0	6,301	19,595
Vibes@Upper Serangoon	FH	60 / 0	10,731	32,848
RV Point	999 yrs	36 / 9	5,457	21,934
Suites@Braddell	FH	33 / 0	11,927	16,699
The Promenade@Pelikat	FH	164 / 270	69,552	209,789
Oxley Edge	FH	45 / 5	12,070	34,723
Midtown Residences / The Midtown	99 yrs	160 / 107	57,047	181,409
NEWest	956 yrs	136 / 141	164,666	270,706
Floraville / Floraview / Floravista	FH	140 / 28	88,796	133,835
KAP Residences / KAP	FH	142 / 107	59,576	184,719
<b>Pipeline</b>				
The Rise@Oxley	FH	120 / 29	25,630	115,303
339 – 339C Joo Chiat Road	FH	4 / 1	6,383	9,655

**SINGAPORE (Cont'd)**

Project Name	Tenure	No. of units	Approximate	
			Land Area (sq ft)	GFA (sq ft)
<b>INDUSTRIAL</b>		<b>(industrial/shops)</b>		
<b>Completed</b>				
Oxley Bizhub	60 yrs	728 / 0	375,158	937,825
Oxley Bizhub 2	60 yrs	271 / 0	133,237	333,057
Arcsphere	FH	19 / 0	10,882	27,223
The Commerze@Irving	60 yrs	67 / 64	36,092	126,263
<b>Launched</b>				
Eco-tech@Sunview	30 yrs	424 / 1 Canteen	303,251	758,126
<b>COMMERCIAL</b>		<b>(office/shops)</b>		
<b>Launched</b>				
Robinson Square	FH	33 / 5	4,542	51,177
Oxley Tower	FH	104 / 133	16,033	181,252
The Flow	FH	0 / 56	22,147	70,288
<b>Pipeline</b>				
Space@Tampines*	30 yrs	71	417,643	709,263
<b>HOSPITALITY</b>		<b>(rooms)</b>		
<b>Pipeline</b>				
Novotel Singapore on Stevens* / Ibis Singapore on Stevens*	103 yrs	782	198,889	318,222

**OVERSEAS**

Project Name	Country	Tenure	Development Type	Approximate	
				Land Area (sq m)	GFA (sq m)
<b>Launched</b>					
Royal Wharf	East London, United Kingdom	FH & LH	Township	149,734	363,000
The Bridge	Phnom Penh, Cambodia	FH	Mixed Residential and Commercial	10,090	150,399
<b>Pipeline</b>					
KLCC (Oxley Tower)^	Kuala Lumpur, Malaysia	FH	-	12,586	-
The Garage^	Phnom Penh, Cambodia	FH	-	8,921	-

\* Investment properties which will not be launched for sale.

^ Project names are for illustrative purposes only.

FH Freehold

LH Leasehold

## CORPORATE SOCIAL RESPONSIBILITY



Oxley's Executive Chairman and CEO Mr Ching Chiat Kwong (right) presenting a ceremonial cheque donation of \$1 million to Philippine Ambassador Minda Calaguian-Cruz (center) and Singapore Red Cross Chairman Mr Tee Tua Ba for the victims of Typhoon Haiyan.

Oxley Holdings is committed to the sustainable development of its business, and believes in the importance of giving back to the community. Some notable contributions made by the Group in FY2014 are as follows:

- In support of the Singapore Red Cross Society's (SRC) relief efforts for Typhoon Haiyan, Oxley made a pledge in November 2013 to match public donations dollar-for-dollar, up to \$1 million. The Group is heartened to know that actual donations received far surpassed the \$1 million mark, and that this has enabled SRC to dispatch relief and medical mission teams to the Philippines, and continue the work of rebuilding communities in the affected areas.
- The Group donated \$100,000 to Thye Hua Kwan Moral Society in conjunction with the Oxley-THK Charity Golf Tournament held in October 2013. The contribution was channelled towards the provision of material, medical and emotional support for some 25,000 beneficiaries.
- In January 2014, the Group donated \$50,000 to Che Sen Khor Moral Uplifting Society for its "Light Up The

Future Through Education" Pocket Money Assistance Scheme, helping children from less privileged backgrounds continue with their studies.

- Oxley also contributed \$50,000 to Kebun Baru Community Club at a fundraising golf tournament held in April 2014. The fund raised is being used to support upgrading works at the Community Club to create additional space and provide a more conducive environment for the community.
- In May 2014, the Group contributed \$25,000 to the Tan Tock Seng Hospital Community Charity Fund in conjunction with its Charity Ride. The donation is being used to help improve the quality of life of less fortunate patients.



TTSH Charity Ride 2014 @ Phuket  
Photo: Courtesy of Tan Tock Seng Hospital

# 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 2012 (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 2014 (“**FY2014**”), 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 long-term success of the company. The Board works with Management to achieve this objective and Management remains accountable to the Board.**

The Board comprises five directors, which include two executive directors and three 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 Company.

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 disposals of assets and major corporate policies on key areas of operations;
- to establish a framework of prudent and effective controls to assess and manage risks and safeguard shareholders’ interests and the Group’s assets;
- 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.

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.

# CORPORATE GOVERNANCE REPORT

The Board meets on a regular basis and ad-hoc Board meetings are convened when they are deemed necessary. In between Board meetings, other important matters will be tabled for 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 FY2014 is disclosed below:-

	Board	Audit Committee	Remuneration Committee	Nominating Committee
Number of meetings held				
	4	4	1	1
Number of meetings attended				
Ching Chiat Kwong	3	3	1	1
Low See Ching	4	4	1	1
Ng Weng Sui Harry	4	4	1	1
Phua Sian Chin	4	4	1	1
Lim Yeow Hua @ Lim You Qin <sup>(1)</sup>	1	1	-	-

**Note:**

(1) Lim Yeow Hua @ Lim You Qin was appointed as a director of the Company on 30 April 2014.

Newly appointed directors will receive a formal letter explaining their duties and responsibilities and 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 have no prior experience as directors of a listed company will undergo training and briefing on the roles and responsibilities as directors of a listed company. The directors are also encouraged to keep themselves abreast of the latest developments relevant to the Group and attendance of appropriate courses and seminars may be arranged and funded by the Company. The external auditors update the directors on the new or revised financial reporting standards on an annual basis.

## 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 and substantial shareholders. 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 Directors

Ching Chiat Kwong	Executive Chairman and Chief Executive Officer ("CEO")
Low See Ching	Deputy CEO

### Non-Executive Directors

Ng Weng Sui Harry	Lead Independent Director
Phua Sian Chin	Independent Director
Lim Yeow Hua @ Lim You Qin	Independent Director

# CORPORATE GOVERNANCE REPORT

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 half 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 corporations, its 10% shareholders 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 independence of each independent director will be reviewed annually by the NC and the Board. Each independent director is required to complete a checklist annually to confirm his independence based on the guidelines as set out in the Code. The independence of any director who has served on the Board beyond nine years from the date of his first appointment will be subject to more rigorous review, taking into account the need for progressive refreshing of the Board. The NC and the Board are of the view that all its independent non-executive directors have satisfied the criteria of independence as a result of its review.

The Board has examined its size and is of the view that it is appropriate for effective decision-making, taking into account the nature and scope of the Group's operations and the requirements of the Group's business.

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, the performance of the Management, and the remuneration of the executive directors and senior management.

## Chairman and Chief Executive Officer

**Principle 3: There should be a clear division of responsibilities between the leadership of the Board and the executives responsible for managing the company's business. No one individual should represent 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 and promoting high standards of corporate governance. 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.

Mr Low See Ching is the Deputy CEO of the Company and supports the CEO in business development, formulation of corporate strategies and charting the future direction of the Group.

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.

In view that Mr Ching Chiat Kwong is both Executive Chairman and CEO, the Board has appointed Mr Ng Weng Sui Harry as the lead independent director. The lead independent director is available to shareholders where they have concerns and for which contact through the normal channels of the Executive Chairman and CEO or Financial Controller has failed to resolve or is inappropriate. Led by the lead independent director, the independent directors meet without the presence of the other directors, if deemed necessary. Where appropriate, the lead independent director provides feedback to the Executive Chairman after such meetings.

# CORPORATE GOVERNANCE REPORT

## Board Membership

### **Principle 4: There should be a formal and transparent process for the appointment and re-appointment of directors to the Board.**

The NC comprises the following members:-

Phua Sian Chin (Chairman)  
Ng Weng Sui Harry  
Lim Yeow Hua @ Lim You Qin

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 Lim Yeow Hua @ Lim You Qin is an independent director. Mr Phua Sian Chin is not associated with any substantial shareholder of the Company.

The key terms of reference of the NC are as follows:-

- to make recommendations to the Board on relevant matters relating to the review of board succession plans for directors, in particular, the Executive Chairman and for the CEO, to develop a process for evaluation of the performance of the Board, the Board committees and directors, and to review training and professional development programmes for the Board;
- to make recommendations to the Board on the appointment and re-appointment of directors (including alternate directors, if applicable), taking into consideration the composition and progressive renewal of the Board and each director's competencies, commitment, contribution and performance (such as attendance, preparedness, participation and candour);
- to ensure that all directors submit themselves for re-nomination and re-appointment at regular intervals and at least once every three years;
- to determine annually, and as and when circumstances require, whether a director (including an alternate director) is independent, bearing in mind paragraph 2.3 of the Code and any other salient factors;
- to decide if a director is able to and has been adequately carrying out his duties as a director of the Company, taking into consideration the director's number of listed company board representations and other principal commitments; and
- to assess the effectiveness of the Board as a whole and its Board committees and the contribution by the Executive Chairman and each individual 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 the Company's Annual General Meeting ("**AGM**"), provided that all directors shall retire at least once every three years. In addition, pursuant to Article 106, a retiring director shall be eligible for re-election at the meeting at which he retires. In addition, Article 114 provides that a director appointed by the Board must retire and submit himself for re-election at the next AGM following his appointment.

# CORPORATE GOVERNANCE REPORT

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	Executive Chairman and CEO	16 March 2010	30 October 2012	Artivision Technologies Ltd. HG Metal Manufacturing Limited NewSat Limited BRC Asia Limited	None
Low See Ching	Deputy CEO	16 March 2010	14 October 2013	Hafary Holdings Limited HG Metal Manufacturing Limited	None
Ng Weng Sui Harry	Lead Independent Director	28 September 2010	14 October 2013	Artivision Technologies Ltd. HG Metal Manufacturing Limited IEV Holdings Limited Q&M Dental Group (Singapore) Limited	None
Phua Sian Chin	Independent Director	28 September 2010	30 October 2012	None	Jason Holdings Limited (Previously known as Jason Parquet Holdings Limited)
Lim Yeow Hua @ Lim You Qin	Independent Director	30 April 2014	-	Advanced Integrated Manufacturing Corp. Ltd. Eratat Lifestyle Limited China Minzhong Food Corporation Limited KTL Global Limited KSH Holdings Limited	Great Group Holdings Limited

According to Article 104 of the Company's Articles of Association, Mr Ching Chiat Kwong and Mr Phua Sian Chin will retire at the Company's forthcoming AGM and will be eligible for re-election. According to Article 114 of the Company's Article of Association, Mr Lim Yeow Hua @ Lim You Qin will retire at the 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. The Board is of the view that there is no necessity at this point in time to determine the maximum number of listed company board representations which a director may hold, as each director is able to devote sufficient time and attention to the affairs of the Company.

# CORPORATE GOVERNANCE REPORT

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 "Directors' Report" section of this Annual Report. None of the directors directly hold shares in the subsidiaries of the Company.

## Board Performance

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

The Board's performance is reflected in 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. Given the size of the Board, the NC is of the view that it is not necessary to assess each Board committee. The NC has established a review process and proposed objective performance criteria set out in assessment checklists which are approved by the Board. The performance criteria include how the Board has enhanced long-term shareholders' value, financial performance indicators as well as share price performance. 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 be briefed 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 fulfil their responsibilities, directors should be provided with complete, adequate and timely information prior to Board meetings and on an on-going basis so as to enable them to make informed decisions to discharge their duties and responsibilities.**

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 Executive 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 Executive Chairman. The fees of professional advice will be borne by the Company.

# CORPORATE GOVERNANCE REPORT

## 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:-

Lim Yeow Hua @ Lim You Qin (Chairman)  
Phua Sian Chin  
Ng Weng Sui Harry

The chairman of the RC, Mr Lim Yeow Hua @ Lim You Qin, is an independent director, while Mr Ng Weng Sui Harry is the lead independent director and Mr Phua Sian Chin is an independent director.

The key terms of reference of the RC are as follows:-

- to review and recommend for endorsement by the entire Board a general framework of remuneration for the directors and key management personnel;
- to review and recommend for endorsement by the entire Board the specific remuneration packages for each director as well as for the key management personnel, covering all aspects of remuneration including but not limited to directors' fees, salaries, allowances, bonuses, options, share-based incentives and awards, and benefits in kind;
- to review and recommend to the Board the terms of renewal of the service contracts of directors; and
- to review the Company's obligations arising in the event of termination of the executive directors and key management personnel's contracts of services, to ensure that such contracts of service contain fair and reasonable termination clauses which are not overly generous.

The RC's recommendations are submitted for endorsement by the entire Board. No director is 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 and structure of remuneration should be aligned with the long-term interest and risk policies of the company, and should be appropriate to attract, retain and motivate (a) the directors to provide good stewardship of the company, and (b) key management personnel to successfully manage the company. However, companies should avoid paying more than is necessary for this purpose.**

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 and key management personnel. The remuneration package is designed to allow the Company to better align the interests of the executive directors and key management personnel 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.

# CORPORATE GOVERNANCE REPORT

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

The Company has entered into service agreements with the Executive Chairman and CEO, Mr Ching Chiat Kwong, and the Deputy CEO, Mr Low See Ching, for initial periods of three years. Upon the expiry of the initial period of three years, the employment of the executive directors shall be automatically renewed on a year-to-year basis on such terms and conditions as the parties may agree. The service agreements provide 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: Every company should provide clear disclosure of its remuneration policies, 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 management personnel, and performance.**

The following shows the level and mix of the remuneration paid or payable for FY2014 to each director and key management personnel (who is not also a director):-

Remuneration bands	Salary <sup>(1)</sup> %	Variable or performance related income/ bonuses %	Directors' fees <sup>(2)</sup> %	Total %
<b>Directors</b>				
<i>S\$18,500,000 to S\$18,749,999</i>				
Ching Chiat Kwong <sup>(3)</sup>	2	98	-	100
<i>Below S\$250,000</i>				
Low See Ching <sup>(4)</sup>	68	-	32	100
Ng Weng Sui Harry	-	-	100	100
Phua Sian Chin	-	-	100	100
Lim Yeow Hua @ Lim You Qin	-	-	100	100
<b>Key Management Personnel</b>				
<i>Below S\$250,000</i>				
Ching Chiat Dee <sup>(5)</sup>	80	20	-	100
Ng Kok Peng <sup>(6)</sup>	80	20	-	100
Ng Suat Kheng	80	20	-	100
Tan Chew Guek, Lindsay	80	20	-	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.

# CORPORATE GOVERNANCE REPORT

- (3) Based on his service agreement, Mr Ching Chiat Kwong is eligible to be paid an incentive bonus, if the profit before tax less minority interests of the Group (“**PBT**”) exceeds S\$3.0 million based on the audited financial statements, equivalent to 3% of the first S\$2.0 million of the PBT exceeding S\$3.0 million, 4% of the next S\$2.5 million of the PBT, and 5% of the PBT in excess of S\$7.5 million. Based on the audited financial statements for FY2014, an incentive bonus of S\$18.2 million would be paid to Mr Ching Chiat Kwong. His director’s fee is rounded down to 0%.
- (4) Based on his service agreement which commenced on 1 April 2014, Mr Low See Ching is eligible to be paid an incentive bonus, if the PBT of the Group, excluding profit or loss in respect of development projects which were first launched for sale before 1 February 2014, (“**Adjusted PBT**”) exceeds S\$3.0 million based on the audited financial statements, equivalent to 1.5% of the first S\$2.0 million of the Adjusted PBT exceeding S\$3.0 million, 2% of the next S\$2.5 million of the Adjusted PBT, and 2.5% of the Adjusted PBT in excess of S\$7.5 million. Based on the audited financial statements for FY2014, no incentive bonus would be paid to Mr Low See Ching.
- (5) Ms Ching Chiat Dee is a sister of Mr Ching Chiat Kwong, the Executive Chairman and CEO of the Company.
- (6) Mr Ng Kok Peng resigned as the Financial Controller on 30 August 2014.

The aggregate remuneration paid to the four key management personnel of the Group in FY2014 amounted to S\$464,000.

The Board is of the view that full disclosure of the specific remuneration of each individual director and key management personnel is not in the best interests of the Company, taking into account the sensitive nature of the subject, the competitive business environment the Group operates in and the potential negative impact such disclosure will have on the Group.

Save as disclosed in note (5) above, there is no employee who is an immediate family member of a director or the CEO and was paid more than S\$50,000 during FY2014. “Immediate family member” means spouse, child, adopted child, step-child, brother, sister and parent.

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

## 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, financial position and prospects. 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. In line with the rules of the SGX-ST Listing Manual, the Board provides a negative assurance statement to the shareholders in respect of the interim financial statements.

The Management understands its role in providing all members of the Board with the management accounts and such explanation and information on a regular basis and as the Board may require from time to time to enable the Board to make a balanced and informed assessment of the Group’s performance, financial position and prospects.

# CORPORATE GOVERNANCE REPORT

## Risk Management and Internal Controls

**Principle 11: The Board is responsible for the governance of risk. The Board should ensure that Management maintains a sound system of risk management and internal controls to safeguard shareholders' interests and the company's assets, and should determine the nature and extent of the significant risks which the Board is willing to take in achieving its strategic objectives.**

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 Board oversees the Management in the design, implementation and monitoring of the risk management and internal control systems, and reviews the adequacy and effectiveness of such systems at least annually.

The external auditors and internal auditors conduct annual reviews of the effectiveness of the Group's key internal controls, including financial, operational and compliance controls, and risk management. Any material non-compliance or lapses in internal controls, together with recommendations for improvement, are reported to the AC and the Board. The timely and proper implementation of all required corrective, preventive or improvement measures are closely monitored.

The Board has received assurance from the CEO and the Financial Controller (a) that the financial records have been properly maintained and the financial statements give a true and fair view of the Company's operations and finances, and (b) regarding the effectiveness of the Company's risk management and internal control systems.

Based on the various internal controls put in place by the Group, the work performed and reports submitted by the external auditors and internal auditors of the Group and the reviews carried out by the Board and the AC, the Board, with the concurrence of the AC, is of the opinion that the internal controls of the Group, including financial, operational, compliance and information technology controls, and risk management systems, were adequate and effective as at 30 June 2014.

## Audit Committee

**Principle 12: The Board should establish an Audit Committee ("AC") with written terms of reference which clearly set out its authority and duties.**

The AC comprises the following members:-

Ng Weng Sui Harry (Chairman)  
Phua Sian Chin  
Lim Yeow Hua @ Lim You Qin

The chairman of the AC, Mr Ng Weng Sui Harry, is the lead independent director, while Mr Phua Sian Chin and Mr Lim Yeow Hua @ Lim You Qin are independent directors. All AC members have accounting or related financial management qualification to discharge their responsibilities as members of the committee.

The key terms of reference of the AC are as follows:-

- to review the audit plans of the external auditors and internal auditors, including the results of the external and internal auditors' review and evaluation of the Group's system of internal controls;

# CORPORATE GOVERNANCE REPORT

- to 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 relevant financial reporting standards, concerns and issues arising from their audits including any matters which the auditors may wish to discuss in the absence of Management, where necessary, before submission to the Board for approval;
- to review the periodic consolidated financial statements comprising the profit and loss statements and the balance sheets and such other information required by the SGX-ST Listing Manual, before submission to the Board for approval;
- to review and discuss with the external and internal auditors 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;
- to review the co-operation given by the Management to the external auditors;
- to review the independence of the external auditors annually;
- to make recommendations to the Board on the proposals to the shareholders on the appointment, re-appointment and removal of the external auditors, and approve the remuneration and terms of engagement of the external auditors;
- to review and/or ratify any interested person transactions falling within the scope of Chapter 9 of the SGX-ST Listing Manual;
- to review potential conflicts of interests (if any);
- to review the procedures by which employees of the Group and any other persons may, in confidence, report to the Chairman of the AC, possible improprieties in matters of financial reporting or other matters and ensuring that there are arrangements in place for such concerns to be raised and independently investigated, and for appropriate follow-up action to be taken;
- to ensure that the internal audit function is adequately resourced and has appropriate standing within the Group, and review the adequacy and effectiveness of the internal audit function at least annually;
- to review and report to the Board at least annually the adequacy and effectiveness of the Company's internal controls, including financial, operational, compliance and information technology controls, and risk management;
- to review the scope and results of the external 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 maintain objectivity;
- to approve internal control procedures and arrangements for all interested person transactions; and
- to 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.

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.

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

# CORPORATE GOVERNANCE REPORT

The external auditors update the AC on any changes in accounting standards impacting the financial statements of the Group before an audit commences.

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. During FY2014, the fees paid by the Company to the external auditors for audit and non-audit services amounted to S\$268,400 and S\$79,200, respectively. The AC has undertaken a review of all non-audit services provided to the Company by the external auditors and they would not, in the AC's opinion, affect the independence of the external auditors. As such, the AC has recommended to the Board that RSM Chio Lim LLP be nominated for re-appointment as external auditors at the forthcoming AGM.

The Company has complied with Rules 712 and 716 of the SGX-ST Listing Manual in relation to its external auditors.

## Internal Audit

**Principle 13: The company should establish an effective internal audit function that is adequately resourced and independent of the activities it audits.**

The Board recognises the importance of maintaining a system of internal controls to safeguard the shareholders' investments and the Group's assets. The Company outsourced the internal audit function to a professional firm to review the Company's internal control processes in FY2014. The internal auditors report primarily to the AC Chairman and administratively to the CEO. 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.

## SHAREHOLDER RIGHTS AND RESPONSIBILITIES

### Shareholder Rights

**Principle 14: Companies should treat all shareholders fairly and equitably, and should recognise, protect and facilitate the exercise of shareholders' rights, and continually review and update such governance arrangements.**

The Company strives for timeliness and consistency in its disclosures to shareholders. It is the Company's policy to keep all shareholders informed of developments or changes that will have a material impact on the Company's share price, through announcements via SGXNet. Such announcements are communicated on an immediate basis, or as soon as possible where immediate disclosure is not practicable.

Shareholders are informed of general meetings through notices published in the newspapers, through reports or circulars sent to all shareholders and via SGXNet. The Company encourages shareholders' participation during the general meetings. Shareholders are able to engage the Board and the Management on the Group's business activities, financial performance and other business-related matters during the general meetings. Resolutions are passed through a process of voting and shareholders are entitled to vote in accordance with established voting rules and procedures.

# CORPORATE GOVERNANCE REPORT

## Communication with Shareholders

### **Principle 15: Companies should actively engage their shareholders and put in place an investor relations policy to promote regular, effective and fair communication with shareholders.**

The Company has appointed investor relations consultants to facilitate communication with shareholders, analysts and investors. The Company's quarterly and full year results announcements, corporate presentations and press releases are issued via SGXNet. Shareholders have access to information on the Group via the Company's website. The Company discloses all material information on a timely basis to all shareholders.

Where appropriate, the Company would hold investor road shows for investors to seek a better understanding of the Group's business.

The Company does not have a formal dividend policy. The form, frequency and amount of dividends will depend on the Group's earnings, financial position, results of operations, capital needs, plans for expansion, and other factors as the Board may deem appropriate.

## Conduct of Shareholder Meetings

### **Principle 16: Companies should encourage greater shareholder participation at general meetings of shareholders, 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. Minutes of general meetings, including relevant substantial comments or queries from shareholders relating to the agenda of the meeting and responses from the Board or the Management, are available to shareholders upon their request.

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.

## RISK MANAGEMENT

Pursuant to the SGX-ST Listing Manual Rule 1207(4)(b)(iv), the Group is continually reviewing and improving its business and operational activities to take into account the risk management perspective. This includes reviewing management and manpower resources and updating work flows, processes and procedures to meet the current and future market conditions. The Group has also considered the various financial risks and management, details of which can be found in the Annual Report.

# CORPORATE GOVERNANCE REPORT

## 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.

## INTERESTED PERSON TRANSACTIONS

The Company is required to comply with the requisite rules under Chapter 9 of the Listing Manual 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 Listing Manual 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 FY2014 or if not then subsisting, entered into since the end of the financial year ended 30 June 2013.

The aggregate value of interested person transactions during FY2014 is as follows:-

Name of interested person	Aggregate value of all interested person transactions during FY2014 (excluding transactions less than S\$100,000 and transaction conducted under shareholders' mandate pursuant to Rule 920) (S\$'000)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000) (S\$'000)
Oxley Construction Pte. Ltd. for construction of property development projects and construction of showflats	-	29,013

# FINANCIAL CONTENTS

28	Directors' Report
31	Statement by Directors
32	Independent Auditors' Report
34	Consolidated Statement of Profit or Loss and Other Comprehensive Income
35	Statements of Financial Position
36	Statements of Changes in Equity
38	Consolidated Statement of Cash Flows
39	Notes to the Financial Statements



# 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 2014.

## 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  
 Phua Sian Chin  
 Lim Yeow Hua @ Lim You Qin (Appointed on 30 April 2014)

## 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 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, Chapter 50 (the "Act") except as follows:

Name of directors and company in which interest are held	At beginning of the reporting year	At end of the reporting year	As 21 July 2014
<u>Parent company –</u>			
<u>Bullish Investment Pte. Ltd.</u>			
		<u>Number of ordinary shares of no par value</u>	
		<u>Direct Interest</u>	
Ching Chiat Kwong	451,920,000	451,920,000	451,920,000
Low See Ching	307,470,000	307,470,000	307,470,000
<u>The Company</u>			
		<u>Direct Interest</u>	
Ching Chiat Kwong	352,675,510	360,020,510	360,020,510
Low See Ching	226,351,191	233,677,191	233,677,191
Ng Weng Sui Harry	250,000	350,000	350,000
		<u>Deemed Interest</u>	
Ching Chiat Kwong	1,503,592,200	1,503,592,200	1,503,592,200
Low See Ching	1,503,592,200	1,503,592,200	1,503,592,200

By virtue of section 7 of the Act, 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 Act 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. Share Options

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

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.

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

## 6. Independent Auditors

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

## 7. 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 Lim Yeow Hua @ Lim You Qin (Independent Director)

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

- Reviewed with the independent external auditors their audit plan;
- Reviewed with the independent external auditors their evaluation of the Company's internal accounting controls relevant to their statutory audit, and their report on the financial statements and the assistance given by the management to them;
- Reviewed with the internal auditors the scope and results of the internal audit procedures (including those relating to financial, operational and compliance controls and risk management) and the assistance given by the management to the internal auditors;
- Reviewed the financial statements of the Group and the Company prior to their submission to the directors of the Company for adoption; and
- Reviewed the interested person transactions (as defined in Chapter 9 of the Singapore Exchange Securities Trading Limited's Listing Manual).

# DIRECTORS' REPORT

## 7. Audit Committee (Cont'd)

Other functions performed by the audit committee are described in the report on corporate governance included in the annual report of the Company. 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 next annual general meeting of the Company.

## 8. Directors' Opinion on the Adequacy of Internal Controls

Based on the internal controls established and maintained by the Company, work performed by the internal and external auditors, and reviews performed by management, other committees of the board and the board, the audit committee and the board are of the opinion that Company's internal controls, addressing financial, operational and compliance risks, are adequate as at the end of the reporting year 30 June 2014.

## 9. 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 22 August 2014, 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 Directors

Ching Chiat Kwong  
Director

Low See Ching  
Director

19 September 2014

# STATEMENT BY DIRECTORS

In the opinion of the directors,

- (a) the accompanying consolidated statement of profit or loss and other 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 2014 and of the results 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 Directors

Ching Chiat Kwong  
Director

Low See Ching  
Director

19 September 2014

# **INDEPENDENT AUDITORS' REPORT**

## **to the Members of OXLEY HOLDINGS LIMITED (Registration No: 201005612G)**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of Oxley Holdings Limited (the "Company") and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 30 June 2014, and the consolidated statement of profit or loss and other 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 Financial Statements**

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Singapore Companies Act, Chapter 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 profit or loss and other comprehensive income and statement of financial position and to maintain accountability of assets.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 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 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 2014 and of 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 those subsidiaries incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

RSM Chio Lim LLP  
Public Accountants and  
Chartered Accountants  
Singapore

19 September 2014

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

# CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

## Year Ended 30 June 2014

	Notes	Group	
		2014 \$'000	2013 \$'000
<b>Revenue</b>	5	1,074,116	457,693
Cost of Sales		(650,740)	(319,256)
<b>Gross Profit</b>		423,376	138,437
<b><u>Other Items of Income</u></b>			
Other Income	6	4,941	7,755
Interest Income	7	1,341	47
Other Credits	8	25,354	436
<b><u>Other Items of Expense</u></b>			
Marketing and Distribution Costs		(6,545)	(6,119)
Administrative Expenses	10	(28,378)	(9,389)
Other Charges	8	(21,517)	(525)
Finance Costs	11	(32,743)	(8,452)
Share of Profit from Equity-Accounted Joint Ventures		11,538	543
<b>Profit Before Tax</b>		377,367	122,733
Income Tax Expense	12	(70,501)	(18,830)
<b>Profit Net of Tax</b>		306,866	103,903
<b><u>Other Comprehensive Income</u></b>			
Items that may be Reclassified Subsequently to Profit or Loss:			
Exchange Differences on Translating Foreign Operations, Net of Tax		86	5
<b>Other Comprehensive Income for the Year</b>		86	5
<b>Total Comprehensive Income</b>		306,952	103,908
Profit Attributable to Owners, Net of Tax		286,668	69,139
Profit Attributable to Non-Controlling Interests, Net of Tax		20,198	34,764
Profit Net of Tax		306,866	103,903
Total Comprehensive Income Attributable to Owners		286,751	69,144
Total Comprehensive Income Attributable to Non-Controlling Interests		20,201	34,764
Total Comprehensive Income		306,952	103,908
<b>Earnings Per Share</b>	13		
Earnings per Share Currency Unit		Cents	Cents
Basic		9.72	2.45
Diluted		9.72	2.45

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

# STATEMENTS OF FINANCIAL POSITION

As at 30 June 2014

	Notes	Group		Company	
		2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
<b>ASSETS</b>					
<b>Non-Current Assets</b>					
Plant and Equipment	15	1,380	68	59	68
Investment Properties	16	566,691	61,107	–	–
Investments in Joint Ventures	17	17,029	5,110	12,640	1,097
Investments in Subsidiaries	18	–	–	25,035	24,035
Deferred Tax Assets	12	2,604	4,988	–	–
<b>Total Non-Current Assets</b>		<b>587,704</b>	<b>71,273</b>	<b>37,734</b>	<b>25,200</b>
<b>Current Assets</b>					
Development Properties	19	1,355,239	1,293,471	–	–
Trade and Other Receivables	20	1,081,273	750,128	1,060,931	430,562
Other Assets	21	40,172	125,069	157	90
Cash and Cash Equivalents	22	359,920	436,460	32,302	53,410
<b>Total Current Assets</b>		<b>2,836,604</b>	<b>2,605,128</b>	<b>1,093,390</b>	<b>484,062</b>
<b>Total Assets</b>		<b>3,424,308</b>	<b>2,676,401</b>	<b>1,131,124</b>	<b>509,262</b>
<b>EQUITY AND LIABILITIES</b>					
<b>Equity Attributable to Owners</b>					
Share Capital	23	163,880	163,880	163,880	163,880
Foreign Currency Translation Reserve		88	5	–	–
Retained Earnings		246,474	74,786	145,159	3,499
<b>Equity Attributable to Owners</b>		<b>410,442</b>	<b>238,671</b>	<b>309,039</b>	<b>167,379</b>
Non-Controlling Interests		54,743	49,836	–	–
<b>Total Equity</b>		<b>465,185</b>	<b>288,507</b>	<b>309,039</b>	<b>167,379</b>
<b>Non-Current Liabilities</b>					
Other Financial Liabilities	24	1,991,037	1,173,192	664,169	146,929
Deferred Tax Liabilities	12	28,409	5,905	–	–
<b>Total Non-Current Liabilities</b>		<b>2,019,446</b>	<b>1,179,097</b>	<b>664,169</b>	<b>146,929</b>
<b>Current Liabilities</b>					
Income Tax Payable		56,529	26,065	–	–
Trade and Other Payables	25	264,848	234,100	157,916	194,954
Other Financial Liabilities	24	299,312	396,764	–	–
Other Liabilities	26	318,988	551,868	–	–
<b>Total Current Liabilities</b>		<b>939,677</b>	<b>1,208,797</b>	<b>157,916</b>	<b>194,954</b>
<b>Total Liabilities</b>		<b>2,959,123</b>	<b>2,387,894</b>	<b>822,085</b>	<b>341,883</b>
<b>Total Equity and Liabilities</b>		<b>3,424,308</b>	<b>2,676,401</b>	<b>1,131,124</b>	<b>509,262</b>

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

# STATEMENTS OF CHANGES IN EQUITY

## Year Ended 30 June 2014

	Total Equity \$'000	Attributable to Owners Sub-Total \$'000	Share Capital \$'000	Retained Earnings \$'000	Foreign Currency Translation Reserve \$'000	Non- Controlling Interests \$'000
<b>Group</b>						
<b>Current Year:</b>						
Opening Balance at 1 July 2013	288,507	238,671	163,880	74,786	5	49,836
<b>Movements in Equity:</b>						
Total Comprehensive Income for the Year	306,952	286,751	–	286,668	83	20,201
Dividends Paid (Note 14)	(130,280)	(114,980)	–	(114,980)	–	(15,300)
Capital Contribution by Non-Controlling Interests	6	–	–	–	–	6
<b>Closing Balance at 30 June 2014</b>	<b>465,185</b>	<b>410,442</b>	<b>163,880</b>	<b>246,474</b>	<b>88</b>	<b>54,743</b>
<b>Previous Year:</b>						
Opening Balance at 1 July 2012	154,507	140,230	118,445	21,785	–	14,277
<b>Movements in Equity:</b>						
Rights Issue, Net of Expenses (Note 23)	45,435	45,435	45,435	–	–	–
Total Comprehensive Income for the Year	103,908	69,144	–	69,139	5	34,764
Dividends Paid (Note 14)	(16,138)	(16,138)	–	(16,138)	–	–
Capital Contribution by Non-Controlling Interests	795	–	–	–	–	795
<b>Closing Balance at 30 June 2013</b>	<b>288,507</b>	<b>238,671</b>	<b>163,880</b>	<b>74,786</b>	<b>5</b>	<b>49,836</b>

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

# STATEMENTS OF CHANGES IN EQUITY

## Year Ended 30 June 2014

	<b>Total Equity \$'000</b>	<b>Share Capital \$'000</b>	<b>Retained Earnings \$'000</b>
<b>Company</b>			
<b>Current Year:</b>			
Opening Balance at 1 July 2013	167,379	163,880	3,499
<b>Movements in Equity:</b>			
Total Comprehensive Income for the Year	256,640	–	256,640
Dividends Paid (Note 14)	(114,980)	–	(114,980)
<b>Closing Balance at 30 June 2014</b>	<b>309,039</b>	<b>163,880</b>	<b>145,159</b>
<b>Previous Year:</b>			
Opening Balance at 1 July 2012	123,952	118,445	5,507
<b>Movements in Equity:</b>			
Rights Issue, Net of Expenses (Note 23)	45,435	45,435	–
Total Comprehensive Income for the Year	14,130	–	14,130
Dividends Paid (Note 14)	(16,138)	–	(16,138)
<b>Closing Balance at 30 June 2013</b>	<b>167,379</b>	<b>163,880</b>	<b>3,499</b>

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

# CONSOLIDATED STATEMENT OF CASH FLOWS

## Year Ended 30 June 2014

	Group	
	2014	2013
	\$'000	\$'000
<b>Cash Flows From Operating Activities</b>		
Profit Before Tax	377,367	122,733
Adjustments for:		
Interest Income	(1,341)	(47)
Interest Expense	32,743	8,452
Share of Profit from Equity-Accounted Joint Ventures	(11,538)	(543)
Depreciation of Plant and Equipment	173	55
Fair Value Losses on Financial Instruments	21,517	–
Net Effect of Exchange Rate Changes	10,145	5
Operating Cash Flows before Changes in Working Capital	429,066	130,655
Development Properties	(33,078)	(251,056)
Trade and Other Receivables	(302,569)	(389,887)
Other Assets	84,897	(91,032)
Trade and Other Payables	34,746	50,111
Other Liabilities	(235,622)	263,573
Cash Flows Used in Operations	(22,560)	(287,636)
Income Taxes Paid	(15,148)	(984)
Net Cash Flows Used in Operating Activities	(37,708)	(288,620)
<b>Cash Flows From Investing Activities</b>		
Purchase of Plant and Equipment	(1,481)	(40)
Investments in Joint Ventures	(532)	(4,013)
Acquisition of Investment Properties	(505,584)	(61,107)
Interest Received	1,341	47
Net Cash Flows Used in Investing Activities	(506,256)	(65,113)
<b>Cash Flows From Financing Activities</b>		
Dividends Paid to Equity Owners	(114,980)	(16,138)
Dividends Paid to Non-Controlling Interests	(15,300)	–
Capital Contribution by Non-Controlling Interests	6	795
Rights Issue, Net of Expenses	–	45,435
Repayment to Directors	–	(31,372)
Repayment to Shareholder	–	(5,359)
(Repayment to)/Advances from Non-Controlling Interests	(40,453)	40,737
Repayment of Bank Borrowings	(319,089)	(256,560)
Increase in Bank Borrowings	1,015,215	839,277
Interest Paid	(58,033)	(31,757)
Net Cash Flows From Financing Activities	467,366	585,058
<b>Net (Decrease)/Increase in Cash and Cash Equivalents</b>	(76,598)	231,325
Cash and Cash Equivalents, Consolidated Statement of Cash Flows, Beginning Balance	436,460	205,135
Effects of Exchange Rate Changes on the Balance Of Cash Held in Foreign Currency	58	–
<b>Cash and Cash Equivalents, Consolidated Statement of Cash Flows, Ending Balance (Note 22)</b>	359,920	436,460

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

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2014

## 1. General

The Company is incorporated in Singapore with limited liability. The financial statements are presented in Singapore dollars and they cover the Company (referred to as “parent”) and the 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 Singapore Exchange Securities Trading Limited.

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

The registered office is at 50 Raffles Place, #11-02 Singapore Land Tower, Singapore 048623. The Company is situated in Singapore.

## 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, Chapter 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. The accounting policies in FRSs need not be applied when the effect of applying them is immaterial. The disclosures required by FRSs need not be made if the information is immaterial. Other comprehensive income comprises items of income and expense (including reclassification adjustments) that are not recognised in the income statement, as required or permitted by FRS. Reclassification adjustments are amounts reclassified to profit or loss in the income statement in the current period that were recognised in other comprehensive income in the current or previous periods.

### Basis of Presentation

The consolidated financial statements 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. The consolidated financial statements are the financial statements of the Group in which the assets, liabilities, equity, income, expenses and cash flows of the parent and its subsidiaries are presented as those of a single economic entity and are prepared using uniform accounting policies for like transactions and other events in similar circumstances. All significant intragroup balances and transactions, including income, expenses, and cash flows are eliminated on consolidation. The consolidated financial statements include the income and expenses of a subsidiary from the date the entity gains control until the date when the entity ceases to control the subsidiary. Income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

Changes in the Group’s ownership interest in a subsidiary that do not result in the loss of control are accounted for within equity as transactions with owners in their capacity as owners. The carrying amounts of the Group’s and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. When the Group loses control of a subsidiary it derecognises the assets and liabilities and related equity components of the former subsidiary. Any gain or loss is recognised in profit or loss. Any investment retained in the former subsidiary is measured at its fair value at the date when control is lost and is subsequently accounted as available-for-sale financial assets in accordance with FRS 39.

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2014

## 2. Summary of Significant Accounting Policies (Cont'd)

### Basis of Presentation (Cont'd)

The Company's separate financial statements have been prepared on the same basis, and as permitted by the Companies Act, Chapter 50, the Company's separate statement of profit or loss and other comprehensive income is not presented.

### 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 this note to the financial statements, where applicable.

### 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 and rebates.

For residential and mixed development properties under progressive payment schemes in Singapore, whereby the legal terms in the sales contracts result in the continuous transfer of work-in-progress to the purchasers, revenue and cost are recognised using the stage of completion method. The amounts brought into the financial statements are the results attributable to each sale contracts signed, but only to the extent that they relate to the stage of completion as certified by the independent architects or quantity surveyors for the individual units sold.

For all other instances of residential and mixed development properties and industrial and commercial development properties, the revenue and cost are recognised using the completion of construction method, when the development is completed. Developments are considered complete upon the issue of temporary occupation permits ("TOP").

When losses are expected on the properties, full provision is made in the financial statements after adequate consideration has been made for estimated costs to completion.

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 a defined contribution retirement benefit plan 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 (such as the Central Provident Fund in Singapore, a government managed defined contribution 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 2014

### 2. Summary of Significant Accounting Policies (Cont'd)

#### 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. Tax expense (tax income) is the aggregate amount included in the determination of profit or loss for the reporting year in respect of current tax 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 and in joint ventures 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 measurement 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.

#### Translation of Financial Statements of Other Entities

Each entity in the Group determines the appropriate functional currency as it reflects the primary economic environment in which the relevant reporting entity operates. In translating the financial statements of such an entity for incorporation in the consolidated financial statements in the presentation currency the assets and liabilities denominated in other currencies are translated at end of the reporting year rates of exchange and the income and expense items for each statement presenting profit or loss and other comprehensive income are translated at average rates of exchange for the reporting year. The resulting translation adjustments (if any) are recognised in other comprehensive income and accumulated in a separate component of equity until the disposal of that relevant reporting entity.

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2014

## 2. Summary of Significant Accounting Policies (Cont'd)

### Borrowing Costs

Borrowing costs are interest and other costs incurred in connection with the borrowing of funds. The interest expense is calculated using the effective interest rate method. Borrowing costs are recognised as an expense in the period in which they are incurred except that borrowing costs 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.

### 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 – 20% to 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 measured 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.

### Investment Property

Investment property is property owned or held under a finance lease to earn rentals or for capital appreciation or both, rather than for use in the production or supply of goods or services or for administrative purposes or sale in the ordinary course of business. It includes an investment property in the course of construction. After initial recognition at cost including transaction costs the cost model is used to measure the investment property using the treatment for plant and equipment, that is, at cost less any accumulated depreciation and any accumulated impairment losses. An investment property that meets the criteria to be classified as held for sale is carried at the lower of carrying amount and fair value. For disclosure purposes, the fair values are determined periodically on a systematic basis by external independent valuers having an appropriate recognised professional qualification and recent experience in the location and category of the property being valued.

Until construction or development is complete a property is classified as investment property if the units are to be held for investments and the units held for resale are classified as completed units for resale or as inventories.

# NOTES TO THE FINANCIAL STATEMENTS

## 30 June 2014

### 2. Summary of Significant Accounting Policies (Cont'd)

#### Operating Leases

Whether an arrangement is, or contains, a lease, it is based on the substance of the arrangement at the inception date, that is, whether (a) fulfilment of the arrangement is dependent on the use of a specific asset or assets (the asset); and (b) the arrangement conveys a right to use the asset. 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. Initial direct cost incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

#### Segment Reporting

The reporting entity discloses financial and descriptive information about its consolidated 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 the 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 reporting entity. 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 accounted for at cost 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 carrying value and the net book value of the investment in a subsidiary are not necessarily indicative of the amounts that would be realised in a current market.

# NOTES TO THE FINANCIAL STATEMENTS

## 30 June 2014

### 2. Summary of Significant Accounting Policies (Cont'd)

#### Joint Ventures

A joint venture is a contractual arrangement with other parties to undertake an economic activity that is subject to joint control. In the consolidated financial statements, the accounting for investment in a joint venture is on the equity method. The carrying value and the net book value of the investment in the joint venture are not necessarily indicative of the amounts that would be realised in a current market exchange. The reporting entity discontinues the use of this method from the date that it loses joint control over the joint venture 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 joint venture is measured at its fair value at the date that it ceases to be a joint venture.

Under the equity method the investment is initially recognised at cost and adjusted thereafter for the post-acquisition change in the investor's share of the investee's net assets. The investor's profit or loss includes its share of the investee's profit or loss and the investor's other comprehensive income includes its share of the investee's other comprehensive income. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Losses of a joint venture 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 reporting entity and a joint venture are recognised in the financial statements only to the extent of unrelated reporting entity's interests in the relevant joint venture.

In the Company's separate financial statements, an investment in joint venture is stated at cost less any allowance for impairment in value. Impairment loss recognised in profit or loss for a joint venture 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 carrying value and the net book value of a joint venture are not necessarily indicative of the amount that would be realised in a current market exchange.

#### Business Combinations

Business combinations are accounted for by applying the acquisition method. There were no acquisitions during the reporting year.

#### 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 and to the non-controlling interests. Total comprehensive income is attributed to the owners and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

#### 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 of disposal and its value in use. When the fair value less costs of disposal method is used, any available recent market transactions are taken into consideration.

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2014

## 2. Summary of Significant Accounting Policies (Cont'd)

### Impairment of Non-Financial Assets (Cont'd)

When the value in use method is adopted, in assessing the 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 measured, 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 (specific identification method) 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 and completion of construction method (see Note 2 on Revenue Recognition and Note 19).

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, measurement and derecognition:

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. Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is currently a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2014

## 2. Summary of Significant Accounting Policies (Cont'd)

### Financial Assets (Cont'd)

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.
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 and on demand deposits. 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.

### Hedging

The entity is exposed to currency and interest rate risks. The policy is to reduce currency and interest rate exposures through derivatives and other hedging instruments. From time to time, there may be borrowings and foreign exchange arrangements or interest rate swap contracts or similar instruments entered into as hedges against changes in interest rates, cash flows or the fair value of the financial assets and liabilities. The gain or loss from remeasuring these hedging or other arrangement instruments at fair value are recognised in profit or loss. The derivatives and other hedging instruments used are described below in the notes to the financial statements.

### Derivatives

Derivatives: All derivatives are initially recognised and subsequently carried at fair value. Certain derivatives are entered into in order to hedge some transactions and all the strict hedging criteria prescribed by FRS 39 are not met. In those cases, even though the transaction has its economic and business rationale, hedge accounting cannot be applied. As a result, changes in the fair value of those derivatives are recognised directly in profit or loss and the hedged item follows normal accounting policies.

# NOTES TO THE FINANCIAL STATEMENTS

## 30 June 2014

### 2. Summary of Significant Accounting Policies (Cont'd)

#### Financial Liabilities

Initial recognition, measurement and derecognition:

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: Liabilities are classified in this category when they are incurred principally for the purpose of selling or repurchasing in the near term (trading liabilities) or are derivatives (except for a derivative that is a designated and effective hedging instrument) or have been classified in this category because the conditions are met to use the "fair value option" and it is used. Financial guarantee contracts if significant 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. All changes in fair value relating to liabilities at fair value through profit or loss are charged to profit or loss as incurred.
2. Other financial liabilities: All liabilities, which have not been classified 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.

#### Fair Value Measurement

Fair value is taken to be the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (that is, an exit price). It is a market-based measurement, not an entity-specific measurement. When measuring fair value, management uses the assumptions that market participants would use when pricing the asset or liability under current market conditions, including assumptions about risk. The entity's intention to hold an asset or to settle or otherwise fulfil a liability is not taken into account as relevant when measuring fair value. In making the fair value measurement, management determines the following: (a) the particular asset or liability being measured (these are identified and disclosed in the relevant notes below); (b) for a non-financial asset, the highest and best use of the asset and whether the asset is used in combination with other assets or on a stand-alone basis; (c) the market in which an orderly transaction would take place for the asset or liability; and (d) the appropriate valuation techniques to use when measuring fair value. The valuation techniques used maximise the use of relevant observable inputs and minimise unobservable inputs. These inputs are consistent with the inputs a market participant may use when pricing the asset or liability.

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2014

## 2. Summary of Significant Accounting Policies (Cont'd)

### Fair Value Measurement (Cont'd)

The fair value measurements and related disclosures categorise the inputs to valuation techniques used to measure fair value by using a fair value hierarchy of three levels. These are recurring fair value measurements unless state otherwise in the relevant notes to the financial statements. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. Level 3 inputs are unobservable inputs for the asset or liability. The level is measured on the basis of the lowest level input that is significant to the fair value measurement in its entirety. Transfers between levels of the fair value hierarchy are deemed to have occurred at the beginning of the reporting year. If a financial instrument measured at fair value has a bid price and an ask price, the price within the bid-ask spread or mid-market pricing that is most representative of fair value in the circumstances is used to measure fair value regardless of where the input is categorised within the fair value hierarchy. If there is no market, or the markets available are not active, the fair value is established by using an acceptable valuation technique.

The carrying values of current financial instruments approximate their fair values due to the short-term maturity of these instruments and the disclosures of fair value are not made when the carrying amount of current financial instruments is a reasonable approximation of the 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 to the financial statements.

### 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. A provision is 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.

### 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 currently or 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.

# NOTES TO THE FINANCIAL STATEMENTS

## 30 June 2014

### 2. Summary of Significant Accounting Policies (Cont'd)

#### Critical Judgements, Assumptions and Estimation Uncertainties (Cont'd)

Recognition of revenue and expenses relating to development properties accounted on the stage of completion method:

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-based measurements 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.

Income taxes:

The Group has exposure to income taxes in numerous jurisdictions. Significant assumption is required in determining the provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the year in which such determination is made. The carrying amounts of taxation and deferred taxation are disclosed in the statements of financial position.

### 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:

The Company is a subsidiary of Bullish Investment Pte. Ltd., incorporated in Singapore that is also the Company's ultimate parent company. Related companies in these financial statements include the members of the parent company's group of companies. The ultimate controlling parties are Mr Ching Chiat Kwong and Mr Low See Ching.

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2014

## 3. Related Party Relationships and Transactions (Cont'd)

### 3.1 Related companies (Cont'd):

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 intercompany balances are unsecured without fixed repayment terms and interest unless stated otherwise. For any non-current balances and financial guarantees no interest or charge is imposed unless stated otherwise.

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 Related parties other than related companies:

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 related party balances are unsecured without fixed repayment terms and interest unless stated otherwise. For any non-current balances and financial guarantees no interest or charge is imposed unless stated otherwise.

Significant related party transactions:

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

<b>Group</b>	<b>Related parties <sup>(a)</sup></b>	
	<b>2014</b>	<b>2013</b>
	<b>\$'000</b>	<b>\$'000</b>
Purchase of goods and services for construction of development properties capitalised in development properties	(26,595)	(32,212)
Showroom building costs	(2,079)	(3,150)
Reimbursement of project technical officers' costs	(22)	(46)

<sup>(a)</sup> These are companies where a director, Mr Ching Chiat Kwong, is also a shareholder.

	<b>Directors</b>		<b>Shareholder</b>	
	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Interest expense	–	782	–	138

	<b>Non-Controlling Interests</b>	
	<b>2014</b>	<b>2013</b>
	<b>\$'000</b>	<b>\$'000</b>
Interest expense capitalised in development properties	4,268	3,671

	<b>Joint Ventures</b>	
	<b>2014</b>	<b>2013</b>
	<b>\$'000</b>	<b>\$'000</b>
Interest expense	54	–

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2014

## 3. Related Party Relationships and Transactions (Cont'd)

### 3.3 Key management compensation:

	Group	
	2014 \$'000	2013 \$'000
Salaries and other short-term employee benefits	19,355	5,076

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

Remuneration of directors of the Company	18,673	4,433
Fees to directors of the Company	218	220

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:

	Joint Ventures			
	Group		Company	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
<u>Other receivables/(other payables):</u>				
Balance at beginning of the year	19,050	17,270	19,050	17,270
Amounts paid out and settlement of liabilities on behalf of another party	28,755	4,900	3,153	4,900
Amounts received and settlement of liabilities on behalf of the Company	(56,240)	(3,120)	(55,503)	(3,120)
Interest expense	(54)	–	(54)	–
Balance at end of the year	(8,489)	19,050	(33,354)	19,050
Presented as:				
Other receivables (Note 20)	25,602	19,050	–	19,050
Other payables (Note 25)	(34,091)	–	(33,354)	–
Net	(8,489)	19,050	(33,354)	19,050

**NOTES TO THE FINANCIAL STATEMENTS****30 June 2014****3. Related Party Relationships and Transactions (Cont'd)**3.4 Other receivables from and other payables to related parties (Cont'd):

<b>Group</b>	<b>Non-Controlling Interests</b>	
	<b>2014</b>	<b>2013</b>
	<b>\$'000</b>	<b>\$'000</b>
<u>Other receivables/(other payables):</u>		
Balance at beginning of the year	(103,460)	(62,723)
Amounts paid out and settlement of liabilities on behalf of another party	69,797	33,017
Amounts received and settlement of liabilities on behalf of the Company	(25,411)	(70,083)
Interest expense	(4,268)	(3,671)
Balance at end of the year	<u>(63,342)</u>	<u>(103,460)</u>
Presented as:		
Other receivables (Note 20)	50,888	20,559
Other payables (Note 25)	(114,230)	(124,019)
Net	<u>(63,342)</u>	<u>(103,460)</u>
	<b>Subsidiaries</b>	
	<b>2014</b>	<b>2013</b>
	<b>\$'000</b>	<b>\$'000</b>
<u>Other receivables/(other payables):</u>		
Balance at beginning of the year	217,643	121,907
Amounts paid out and settlement of liabilities on behalf of another party	743,279	95,736
Balance at end of the year	<u>960,922</u>	<u>217,643</u>
Presented as:		
Other receivables (Note 20)	1,060,923	411,282
Other payables (Note 25)	(100,001)	(193,639)
Net	<u>960,922</u>	<u>217,643</u>

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2014

## 4. Financial Information by Operating Segments

### 4A. Information about Reportable Segment Profit or Loss, Assets and Liabilities

Disclosure of information about operating segments, products and services, the geographical areas, and the major customers are made as required by FRS 108 Operating Segments. This disclosure standard has no impact on the reported results or financial position of the reporting entity.

#### Business Segments

For management purposes, the Group is organised into business segments based on their products and services. The Group has two reportable operating segments as follows:

- Property Development
- Investment Properties

The Group's other business segment comprises investment holding which does not constitute a separate reportable segment.

Such a structural organisation is determined by the nature of risks and returns associated with each business segment and defines the management structure as well as the internal reporting system. It represents the basis on which the management reports the primary segment information. They are managed separately because each business requires different strategies.

Management monitors the operating results of its business segments separately for the purpose of making decisions about allocation of resources and assessment of performance of each segment.

The following tables illustrate the information about the reportable segment profit or loss, assets and liabilities.

### 4B. Profit or Loss from Continuing Operations and Reconciliations

	Property Development \$'000	Investment Properties \$'000	Others \$'000	Elimination \$'000	Group \$'000
<u>FY2014</u>					
<b>Segment Revenue</b>					
Sales to External Customers	1,074,116	–	–	–	1,074,116
Intersegment Revenue	–	–	272,385	(272,385)	–
Total Revenue	1,074,116	–	272,385	(272,385)	1,074,116
Segment Results	425,848	–	(7,100)	–	418,748
Share of Profit from Equity-Accounted Joint Ventures	11,538	–	–	–	11,538
Fair Value Losses on Financial Instruments	–	–	(21,517)	–	(21,517)
Interest Income	3,367	3	17,905	(19,934)	1,341
Interest Expense	(4,991)	–	(30,145)	2,393	(32,743)
Profit/(Loss) Before Tax	435,762	3	231,528	(289,926)	377,367
Income Tax Expense	(70,501)	–	–	–	(70,501)
Profit/(Loss) Net of Tax	365,261	3	231,528	(289,926)	306,866

# NOTES TO THE FINANCIAL STATEMENTS

## 30 June 2014

### 4. Financial Information by Operating Segments (Cont'd)

#### 4B. Profit or Loss from Continuing Operations and Reconciliations (Cont'd)

	Property Development \$'000	Investment Properties \$'000	Others \$'000	Elimination \$'000	Group \$'000
<u>FY2013</u>					
<b>Segment Revenue</b>					
Sales to External Customers	457,693	–	–	–	457,693
Intersegment Revenue	–	–	14,866	(14,866)	–
Total Revenue	457,693	–	14,866	(14,866)	457,693
<hr/>					
Segment Results	134,530	–	(3,935)	–	130,595
Share of Profit from Equity-Accounted Joint Ventures	543	–	–	–	543
Interest Income	47	–	–	–	47
Interest Expense	(6,103)	–	(2,349)	–	(8,452)
Profit/(Loss) Before Tax	129,017	–	8,582	(14,866)	122,733
Income Tax Expense	(18,830)	–	–	–	(18,830)
Profit/(Loss) Net of Tax	110,187	–	8,582	(14,866)	103,903

#### 4C. Assets and Reconciliations

<u>FY2014</u>					
Segment Assets	2,922,097	580,788	1,773,931	(1,869,537)	3,407,279
Investments in Joint Ventures	17,029	–	–	–	17,029
Total Assets	2,939,126	580,788	1,773,931	(1,869,537)	3,424,308
<hr/>					
<u>FY2013</u>					
Segment Assets	2,813,624	–	579,767	(722,100)	2,671,291
Investments in Joint Ventures	5,110	–	–	–	5,110
Total Assets	2,818,734	–	579,767	(722,100)	2,676,401

#### 4D. Liabilities and Reconciliations

<u>FY2014</u>					
Segment Liabilities	2,721,163	578,831	1,466,889	(1,807,760)	2,959,123
Unallocated Liabilities	–	–	–	–	–
Total Liabilities	2,721,163	578,831	1,466,889	(1,807,760)	2,959,123
<hr/>					
<u>FY2013</u>					
Segment Liabilities	2,569,495	–	429,733	(611,334)	2,387,894
Unallocated Liabilities	–	–	–	–	–
Total Liabilities	2,569,495	–	429,733	(611,334)	2,387,894

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2014

## 4. Financial Information by Operating Segments (Cont'd)

### 4E. Other Items and Reconciliations

	Property Development \$'000	Investment Properties \$'000	Others \$'000	Elimination \$'000	Group \$'000
<u>Depreciation Expense</u>					
FY2014	–	–	173	–	173
FY2013	–	–	55	–	55
<u>Additions to Plant and Equipment</u>					
FY2014	–	–	1,481	–	1,481
FY2013	–	–	40	–	40
<u>Additions to Investment Properties</u>					
FY2014	–	505,584	–	–	505,584
FY2013	–	61,107	–	–	61,107

### 4F. Geographical Information

The Group operates in four main geographical areas, namely Singapore, United Kingdom, Cambodia and Malaysia.

The main areas of operations undertaken by the Group in each country are as follows:

- Singapore – property development, investment properties and others.
- United Kingdom – property development.
- Cambodia – property development and investment properties.
- Malaysia – property development and investment properties.

Revenue and the non-current assets are attributed to countries by the geographical area in which the assets are located.

	Singapore \$'000	United Kingdom \$'000	Cambodia \$'000	Malaysia \$'000	Others \$'000	Elimination \$'000	Group \$'000
<u>FY2014</u>							
Segment Revenue	1,074,116	–	–	–	–	–	1,074,116
Non-Current Assets	569,795	–	551	329	–	–	570,675
Interest in Joint Ventures	12,640	–	–	3,890	499	–	17,029
Total Non-Current Assets	582,435	–	551	4,219	499	–	587,704
<u>FY2013</u>							
Segment Revenue	457,693	–	–	–	–	–	457,693
Non-Current Assets	66,163	–	–	–	–	–	66,163
Interest in Joint Ventures	1,097	–	–	4,013	–	–	5,110
Total Non-Current Assets	67,260	–	–	4,013	–	–	71,273

# NOTES TO THE FINANCIAL STATEMENTS

**30 June 2014****4. Financial Information by Operating Segments (Cont'd)****4G. Information about Major Customers**

There were no single external customers that had contributed more than ten percent to the Group's revenue.

**5. Revenue**

	<b>Group</b>	
	<b>2014</b>	<b>2013</b>
	<b>\$'000</b>	<b>\$'000</b>
Revenue from sale of development properties (recognised on completion of construction method)	711,930	214,905
Revenue from sale of development properties (recognised on stage of completion method)	362,186	242,788
Total revenue	<u>1,074,116</u>	<u>457,693</u>

**6. Other Income**

	<b>Group</b>	
	<b>2014</b>	<b>2013</b>
	<b>\$'000</b>	<b>\$'000</b>
Rental income	4,511	7,577
Other income	430	178
Total other income	<u>4,941</u>	<u>7,755</u>

**7. Interest Income**

	<b>Group</b>	
	<b>2014</b>	<b>2013</b>
	<b>\$'000</b>	<b>\$'000</b>
Interest income	1,341	47

**8. Other Credits and (Other Charges)**

	<b>Group</b>	
	<b>2014</b>	<b>2013</b>
	<b>\$'000</b>	<b>\$'000</b>
Customer deposits forfeited	854	436
Foreign exchange adjustment gains/(losses) (net)	24,500	(525)
Fair value loss arising on derivative not in a designated hedge accounting relationship	(21,517)	–
Net	<u>3,837</u>	<u>(89)</u>
Presented in Profit or Loss as:		
Other credits	25,354	436
Other charges	(21,517)	(525)
Net	<u>3,837</u>	<u>(89)</u>

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2014

## 9. Employee Benefits Expenses

	Group	
	2014 \$'000	2013 \$'000
Short-term employee benefits expense	20,690	5,519
Contribution to defined contribution plan	194	108
Total employee benefits expenses	20,884	5,627

## 10. Administrative Expenses

The major components include the following:

	Group	
	2014 \$'000	2013 \$'000
Donations	1,514	411
Employee benefits expenses (Note 9)	20,884	5,627
Professional fees	1,912	529
	1,912	529

## 11. Finance Costs

	Group	
	2014 \$'000	2013 \$'000
Interest expense	32,743	8,452
Interest expense capitalised as cost of development properties (Note 19)	32,956	23,305
Total finance costs	65,699	31,757

## 12. Income Tax

### 12A. Components of tax expense/(income) recognised in Profit or Loss includes:

	Group	
	2014 \$'000	2013 \$'000
<u>Current tax expense:</u>		
Current tax expense	46,237	22,739
Over adjustments in respect of prior periods	(624)	-
Subtotal	45,613	22,739
<u>Deferred tax expense/(income):</u>		
Deferred tax expense/(income)	28,707	(3,909)
Over adjustments in respect of prior periods	(3,819)	-
Subtotal	24,888	(3,909)
Total income tax expense	70,501	18,830

**NOTES TO THE FINANCIAL STATEMENTS****30 June 2014****12. Income Tax (Cont'd)****12A. Components of tax expense/(income) recognised in Profit or Loss includes (Cont'd):**

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% (2013: 17.0%) to profit or loss before income tax as a result of the following differences:

	<b>Group</b>	
	<b>2014</b>	<b>2013</b>
	<b>\$'000</b>	<b>\$'000</b>
Profit before tax	377,367	122,733
Less: Share of profit from equity-accounted joint ventures	(11,538)	(543)
	365,829	122,190
Income tax expense at the above rate	62,191	20,772
Not deductible/(not liable to tax) items	12,987	(1,813)
Exemptions	(234)	(129)
Over adjustments in respect of prior periods	(4,443)	–
Total income tax expense	70,501	18,830

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

**12B. Deferred tax expense/(income) recognised in Profit or Loss includes:**

	<b>Group</b>	
	<b>2014</b>	<b>2013</b>
	<b>\$'000</b>	<b>\$'000</b>
Tax loss carryforwards	3,430	(3,642)
Deferred tax on profits recognised for development properties based on stage of completion method	21,458	(267)
Total deferred income tax expense/(income) recognised in Profit or Loss	24,888	(3,909)

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

	<b>Group</b>		<b>Company</b>	
	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<u>From deferred tax assets/(liabilities) recognised in Profit or Loss:</u>				
Tax loss carryforwards	1,440	4,870	–	–
Profits recognised on development properties based on stage of completion method	(27,245)	(5,787)	–	–
Net balance	(25,805)	(917)	–	–
Presented in the statement of financial position as follows:				
Deferred tax assets	2,604	4,988	–	–
Deferred tax liabilities	(28,409)	(5,905)	–	–
Net balance	(25,805)	(917)	–	–

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2014

## 12. Income Tax (Cont'd)

### 12C. Deferred tax balance in the statements of financial position (Cont'd):

For the Singapore companies, 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.

Profits recognised for development properties in Singapore are taxed upon completion of the projects.

## 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 equity shares as follows:

	<b>Group</b>	
	<b>2014</b>	<b>2013</b>
	<b>\$'000</b>	<b>\$'000</b>
Net profit attributed to owners	286,668	69,139
	<b>'000</b>	<b>'000</b>
Weighted average number of equity shares	2,948,220	2,824,127

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

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

## 14. Dividends on Equity Shares

	<b>Rate per share</b>			
	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
<u>Dividend to owners of the Company</u>	<b>cents</b>	<b>cents</b>	<b>\$'000</b>	<b>\$'000</b>
Final tax exempted (one-tier) dividend paid in respect of previous reporting year	0.60	0.47	17,689	6,999
Interim exempt (one-tier) dividend paid	3.30	0.31	97,291	9,139
Total dividend paid in the year	3.90	0.78	114,980	16,138

In respect of the current reporting year, the directors propose that a final dividend of 0.18 cent per share with a total of \$5,307,000 be paid to shareholders of the Company 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 2014 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, if any.

# NOTES TO THE FINANCIAL STATEMENTS

## 30 June 2014

### 14. Dividends on Equity Shares (Cont'd)

#### Dividend to the Non-Controlling Interests

In respect of the current reporting year, an interim exempt (one-tier) dividend of \$15,300,000 was paid to the non-controlling interests of a subsidiary of the Group.

### 15. Plant and Equipment

#### Group

	<b>Total \$'000</b>
<u>Cost:</u>	
At 1 July 2012	179
Additions	40
At 30 June 2013	219
Additions	1,481
Foreign exchange adjustments	4
At 30 June 2014	1,704
<u>Accumulated depreciation:</u>	
At 1 July 2012	96
Depreciation for the year	55
At 30 June 2013	151
Depreciation for the year	173
At 30 June 2014	324
<u>Net book value:</u>	
At 1 July 2012	83
At 30 June 2013	68
At 30 June 2014	1,380

#### Company

	<b>Total \$'000</b>
<u>Cost:</u>	
At 1 July 2012	179
Additions	40
At 30 June 2013	219
Additions	42
At 30 June 2014	261
<u>Accumulated depreciation:</u>	
At 1 July 2012	96
Depreciation for the year	55
At 30 June 2013	151
Depreciation for the year	51
At 30 June 2014	202
<u>Net book value:</u>	
At 1 July 2012	83
At 30 June 2013	68
At 30 June 2014	59

The depreciation expense is charged under administrative expenses.

**NOTES TO THE FINANCIAL STATEMENTS**

30 June 2014

**16. Investment Properties**

	<b>Group</b>	
	<b>2014</b>	<b>2013</b>
	<b>\$'000</b>	<b>\$'000</b>
<u>At cost:</u>		
At beginning of the year	61,107	–
Additions	505,584	61,107
At end of the year	<u>566,691</u>	<u>61,107</u>
<u>Accumulated depreciation:</u>		
At beginning of the year	–	–
Depreciation for the year	–	–
At end of the year	<u>–</u>	<u>–</u>
<u>Net book value:</u>		
At beginning of the year	61,107	–
At end of the year	<u>566,691</u>	<u>61,107</u>

<b>Description/Location</b>	<b>Development Type</b>	<b>Tenure</b>	<b>Land Area (sq m)</b>
Space @ Tampines Plot 3, Tampines Industrial Crescent	Industrial	30 years leasehold from 10 December 2012	38,800
Novotel Singapore on Stevens / Ibis Singapore on Stevens 30 Stevens Road	Hotel	103 years leasehold from 18 July 2013	18,477

The investment properties are under construction as at the end of the reporting year. Henceforth, the fair value of the investment properties are not reliably determinable.

**17. Investments in Joint Ventures**

	<b>Group</b>		<b>Company</b>	
	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<u>Movements in carrying value:</u>				
At beginning of the year	5,110	554	1,097	554
Additions	532	4,013	–	–
Share of profit for the year	11,538	543	11,543	543
Foreign exchange adjustments	(151)	–	–	–
At end of the year	<u>17,029</u>	<u>5,110</u>	<u>12,640</u>	<u>1,097</u>
<u>Carrying value:</u>				
Unquoted equity shares at cost	5,045	4,513	500	500
Share of profit, net of dividends received	11,984	597	12,140	597
	<u>17,029</u>	<u>5,110</u>	<u>12,640</u>	<u>1,097</u>
Share of net book value of joint ventures	<u>14,240</u>	<u>3,303</u>	<u>12,640</u>	<u>1,097</u>

The Group has not recognised losses exceeding the amount of the investment in Oxley Diamond (Cambodia) Co., Ltd amounting to \$1,042,000 (2013: nil).

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2014

## 17. Investments in Joint Ventures (Cont'd)

The joint ventures held by the Company and the Group are listed below:

Name of joint ventures, country of incorporation, place of operations, principal activities and independent auditor	Percentage of equity held by the Group	
	2014 %	2013 %
<u>Held by the Company</u>		
Oxley-Lian Beng Pte. Ltd. <sup>(a)</sup>		
Singapore		
Property development		
RSM Chio Lim LLP	50	50
<u>Held through Oxley Emerald Sdn. Bhd.</u>		
Posh Properties Sdn. Bhd. <sup>(b) (f)</sup>		
Malaysia		
Property development		
Yeo & Associates	50	50
<u>Held through Oxley International Holdings Pte. Ltd.</u>		
Oxley Myanmar Pte Ltd <sup>(c) (f)</sup>		
Singapore (incorporated on 26 March 2014)		
Investment holding		
Deloitte & Touche LLP	50	–
<u>Held through Oxley China Pte. Ltd.</u>		
KAP Holdings (China) Pte Ltd <sup>(d) (f)</sup>		
Singapore (incorporated on 19 November 2013)		
Investment holding		
Deloitte & Touche LLP	50	–
<u>Held through Oxley Holdings (Cambodia) Co. Ltd</u>		
Oxley Diamond (Cambodia) Co., Ltd. <sup>(e) (f)</sup>		
Cambodia (incorporated on 10 July 2013)		
Property development		
Deloitte (Cambodia) Co. Ltd.	50	–

<sup>(a)</sup> Joint venture with Lian Beng Land Pte. Ltd., a wholly-owned subsidiary of Lian Beng Group Ltd, which is in the business of construction. Oxley-Lian Beng Pte. Ltd. is jointly controlled by both parties as a result of a contractual agreement involving sharing of control over strategic, financial and operating decisions related to Oxley-Lian Beng Pte. Ltd.

<sup>(b)</sup> Posh Properties Sdn. Bhd. is jointly controlled by its shareholders as a result of a shareholders agreement dated 11 June 2013, involving sharing of control over strategic, financial and operating decisions related to Posh Properties Sdn. Bhd.

<sup>(c)</sup> Oxley Myanmar Pte Ltd is jointly controlled by its shareholders as a result of a joint venture agreement dated 26 April 2014, involving sharing of control over strategic, financial and operating decisions related to Oxley Myanmar Pte Ltd. Also see Note 33.

<sup>(d)</sup> KAP Holdings (China) Pte Ltd. is jointly controlled by its shareholders as a result of a joint venture agreement dated 6 December 2013 and supplemental with further agreements dated 6 June 2014 and 6 August 2014, involving sharing of control over strategic, financial and operating decisions related to KAP Holdings (China) Pte Ltd.

<sup>(e)</sup> Oxley Diamond (Cambodia) Co., Ltd. is jointly controlled by its shareholders as a result of a joint venture agreement dated 15 July 2013, involving sharing of control over strategic, financial and operating decisions related to Oxley Diamond (Cambodia) Co., Ltd.

<sup>(f)</sup> Other independent auditors. Audited by firms of accountants other than member firms of RSM International of which RSM Chio Lim LLP in Singapore is a member. Their names are indicated above.

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2014

## 17. Investments in Joint Ventures (Cont'd)

The summary financial information of all the joint ventures, and the aggregated amounts (not the Group's share of these amounts) based on the financial statement of the joint ventures are as follow. These are not adjusted to reflect adjustments made by the Group when using equity method.

	Group		Company	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Current Assets	246,930	173,172	223,351	165,314
Non-current Assets	37,719	840	840	840
Current Liabilities	(67,976)	(48,414)	(10,719)	(44,968)
Non-current Liabilities	(188,193)	(118,993)	(188,193)	(118,993)
Revenue	79,969	–	79,969	–
Profit for the year	20,987	1,086	13,086	1,086
Share of the commitments - development expenditure contracted for development properties	32,368	745	32,368	745

## 18. Investments in Subsidiaries

	Company	
	2014 \$'000	2013 \$'000
<u>Movements during the year:</u>		
Cost at beginning of the year	24,035	20,825
Additions	1,000	3,210
Cost at end of the year	25,035	24,035
<u>Total cost comprising:</u>		
Unquoted equity shares at cost	25,035	24,035
Net book value of subsidiaries	217,919	161,386

The listing of and information on the subsidiaries are given in Note 36.

# NOTES TO THE FINANCIAL STATEMENTS

## 30 June 2014

### 19. Development Properties

	Group	
	2014 \$'000	2013 \$'000
<u>Properties in the course of development:</u>		
Aggregate amount of costs incurred on:		
Unsold development properties recognised on stage of completion method	150,023	410,174
Development properties recognised on completion of construction method	1,205,216	883,297
	1,355,239	1,293,471
Aggregate amount of costs incurred on sold development properties recognised on stage of completion method		
	1,274,859	848,703
Add: Attributable profit	199,275	103,202
Less: Progress payments received and receivable to date	(658,424)	(406,197)
Net amount due from customer at end of the year (Note 20)	815,710	545,708
Interest expense capitalised during the reporting year as cost of development properties (Note 11)		
	32,956	23,305

The rate of interest capitalised during the year is between 1.63% – 5.35% (2013: 1.63% – 3.25%) per annum.

The development properties are mortgaged to banks as securities for the credit facilities (Note 24).

The listing of and details of the development properties are given in Note 37.

### 20. Trade and Other Receivables

	Group		Company	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
<u>Trade receivables:</u>				
Outside parties	181,701	154,812	8	230
Unbilled revenue on completed properties	7,372	9,999	–	–
Unbilled revenue on properties under development (Note 19)	815,710	545,708	–	–
Subtotal	1,004,783	710,519	8	230
<u>Other receivables:</u>				
Non-controlling interests (Note 3)	50,888	20,559	–	–
Subsidiaries (Note 3)	–	–	1,060,923	411,282
Joint Ventures (Note 3)	25,602	19,050	–	19,050
Subtotal	76,490	39,609	1,060,923	430,332
Total trade and other receivables	1,081,287	750,128	1,060,931	430,562

### 21. Other Assets

	Group		Company	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Deposits and stamp duties paid for purchases of land	39,817	124,599	–	–
Deposits to secure services	355	470	157	90
	40,172	125,069	157	90

# NOTES TO THE FINANCIAL STATEMENTS

## 30 June 2014

### 22. Cash and Cash Equivalents

	Group		Company	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Not restricted in use	115,694	131,945	32,302	53,410
Project Accounts <sup>(a)</sup>	244,226	304,515	–	–
Cash at end of the year	<u>359,920</u>	<u>436,460</u>	<u>32,302</u>	<u>53,410</u>

The interest earning balances are not significant.

<sup>(a)</sup> 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.

### 23. Share Capital

<u>Group and Company</u>	Number of shares issued '000	Share capital \$'000
Ordinary shares of no par value:		
Balance at beginning of the year 1 July 2012	1,489,000	118,445
Subdivision of shares due to share split <sup>(a)</sup>	2,680,200	118,445
Rights issue <sup>(b)</sup>	268,020	45,563
Rights issue expenses	–	(128)
Balance at end of the year 30 June 2013 and 30 June 2014	<u>2,948,220</u>	<u>163,880</u>

The ordinary shares of no par value are fully paid, carry one vote each and have no right to fixed income. The Company is not subject to any externally imposed capital requirements.

Certain subsidiaries have loan facilities that require the respective subsidiary to have a minimum share capital of \$1 million before the loans were granted to the respective subsidiaries.

<sup>(a)</sup> On 7 November 2012, the Company issued 1,191,200,000 ordinary shares of no par value by way of a share split of every ten (10) ordinary shares into eighteen (18) ordinary shares. There are no monetary values involved in the books of the Company.

<sup>(b)</sup> On 11 December 2012, the Company issued 268,020,000 ordinary shares of no par value by way of an issue of rights shares of 1 for every 10 ordinary shares held. The rights shares were issued at \$0.17 per share.

#### 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 share registrars frequently on substantial share interests showing the non-free float to ensure continuing compliance with the 10% limit throughout the reporting year.

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2014

## 23. Share Capital (Cont'd)

### Capital management (Cont'd):

The management does not set a target level of gearing but uses capital opportunistically to support its business and to add value for shareholders. The key discipline adopted is to widen the margin between the return on capital employed and the cost of that capital.

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).

	Group		Company	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
<u>Net debt:</u>				
All current and non-current borrowings	2,268,832	1,569,956	642,652	146,929
Less: cash and cash equivalents	(359,920)	(436,460)	(32,302)	(53,410)
	<u>1,908,912</u>	<u>1,133,496</u>	<u>610,350</u>	<u>93,519</u>
<u>Adjusted capital:</u>				
Total equity	<u>465,185</u>	<u>288,507</u>	<u>309,039</u>	<u>167,379</u>
Debt-to-adjusted capital ratio	<u>410%</u>	<u>393%</u>	<u>198%</u>	<u>56%</u>

The change as shown by the increase in the Group's and Company's debt-to-adjusted capital ratio for the current reporting year resulted from increase in new debts. 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.

## 24. Other Financial Liabilities

	Group		Company	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
<u>Non-current:</u>				
<u>Financial instruments with floating interest rates</u>				
Bank loans (secured) (Note 24A)	1,326,868	1,026,263	-	-
<u>Financial instruments with fixed interest rates</u>				
Fixed rate notes (Note 24B)	650,000	150,000	650,000	150,000
Less: Unamortised transaction costs	(7,348)	(3,071)	(7,348)	(3,071)
Derivative financial instrument (Note 27)	21,517	-	21,517	-
Subtotal - Non-current	<u>1,991,037</u>	<u>1,173,192</u>	<u>664,169</u>	<u>146,929</u>
<u>Current:</u>				
<u>Financial instruments with floating interest rates</u>				
Bank loans (secured) (Note 24A)	299,312	396,764	-	-
Subtotal - Current	<u>299,312</u>	<u>396,764</u>	<u>-</u>	<u>-</u>
Total	<u>2,290,349</u>	<u>1,569,956</u>	<u>664,169</u>	<u>146,929</u>

The non-current portion is repayable as follows:

Due within 2 to 5 years	1,991,037	1,173,192	664,169	146,929
Total Non-current portion	<u>1,991,037</u>	<u>1,173,192</u>	<u>664,169</u>	<u>146,929</u>

# NOTES TO THE FINANCIAL STATEMENTS

## 30 June 2014

### 24. Other Financial Liabilities (Cont'd)

The range of floating interest rates paid were as follows:

	Group		Company	
	2014	2013	2014	2013
Bank loans (secured)	1.63% – 5.35%	1.63% – 3.25%	–	–

The range of fixed interest rates paid were as follows:

Fixed rate notes	4.75% – 5.10%	5.10%	4.75% – 5.10%	5.10%
------------------	------------------	-------	------------------	-------

The weighted effective interest rates paid were as follows:

Fixed rate notes	5.14% – 5.68%	5.68%	5.14% – 5.68%	5.68%
------------------	------------------	-------	------------------	-------

#### 24A. Bank loans (secured)

The bank loans bear interest at:

- 1.25% to 2.00% (2013: 1.25% to 2.00%) per annum above the bank's cost of funds or 1.50% to 2.00% (2013: 1.50% 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
- 1.50% to 1.75% (2013: 1.50% to 1.75%) 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; or
- 0.75% to 1.25% (2013: 0.75%) per annum above certain finance company's base rate; or
- 1.65% to 1.88% (2013: 1.65% to 1.88%) per annum over weighted average of the bank's cost of fund, for an interest period of one, two or three months.

The repayment terms of the bank loans are in one lump sum ranging from 30 to 70 months (2013: 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 fair value of the bank loans are a reasonable approximation of the carrying amount due to their short term nature or that they are floating rate instruments that are frequently re-priced to market interest rates.

# NOTES TO THE FINANCIAL STATEMENTS

## 30 June 2014

### 24. Other Financial Liabilities (Cont'd)

#### 24A. Bank loans (secured) (Cont'd)

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 19;
- (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;
- (e) Deed of subordination of shareholder and related companies' loan; and
- (f) Compliance with certain covenants.

#### 24B. Fixed rate notes (unsecured)

On 6 May 2013 and 15 November 2013, the Company established the \$300,000,000 Multicurrency Medium Term Note Programme and \$500,000,000 Multicurrency Medium Term Note Programme respectively (collectively known as "Programme").

On 6 September 2013, the limit for the \$300,000,000 Multicurrency Medium Term Note Programme has been increased to \$500,000,000. This Programme provides for the following: That the Company may subject to compliance with all relevant laws, regulations and directives, from time to time issue notes in series or tranches. Each series or tranche of notes may be issued in various currencies and tenor, and may bear fixed, floating, variable or hybrid rates of interest. Notes may be issued at par or at a discount, or premium to par. The Company need to observe certain financial covenants.

The total facility drawn down as at 30 June 2014 under the Programme is \$650,000,000, consisting of:

1. \$150,000,000 5.10% notes due 2017. The \$150,000,000 notes were issued on 16 May 2013 and will mature on 16 May 2017 and bear a fixed interest rate of 5.10% per annum payable semi-annually in arrears.
2. \$125,000,000 4.75% notes due 2018. The \$125,000,000 notes were issued on 11 July 2013 and will mature on 11 July 2018 and bear a fixed interest rate of 4.75% per annum payable semi-annually in arrears.
3. \$135,000,000 4.75% notes due 2015. The \$135,000,000 notes were issued on 23 September 2013 and will mature on 23 September 2015 and bear a fixed interest rate of 4.75% per annum payable semi-annually in arrears.
4. \$90,000,000 4.75% notes due 2015. The \$90,000,000 notes were issued on 6 November 2013 and will mature on 23 September 2015 and bear a fixed interest rate of 4.75% per annum payable semi-annually in arrears.

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2014

## 24. Other Financial Liabilities (Cont'd)

### 24B. Fixed rate notes (unsecured) (Cont'd)

5. \$100,000,000 5.10% notes due 2016. The \$100,000,000 notes were issued on 5 December 2013 and will mature on 5 December 2016 and bear a fixed interest rate of 5.10% per annum payable semi-annually in arrears.
6. \$50,000,000 5.10% notes due 2016. The \$50,000,000 notes were issued on 21 February 2014 and will mature on 5 December 2016 and bear a fixed interest rate of 5.10% per annum payable semi-annually in arrears.

The fair value of the fixed rate notes (Level 1) is \$652,308,000 (2013: \$149,961,000).

## 25. Trade and Other Payables

	Group		Company	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
<u>Trade payables:</u>				
Outside parties and accrued liabilities	109,424	103,407	24,561	1,315
Related parties (Note 3)	7,103	6,242	–	–
Subtotal	116,527	109,649	24,561	1,315
<u>Other payables:</u>				
Rental deposits	–	432	–	–
Subsidiaries (Note 3)	–	–	100,001	193,639
Joint Ventures (Note 3)	34,091	–	33,354	–
Non-Controlling Interests (Note 3) <sup>(a)</sup>	114,230	124,019	–	–
Subtotal	148,321	124,451	133,355	193,639
Total trade and other payables	264,848	234,100	157,916	194,954

<sup>(a)</sup> Advances from non-controlling interests to finance the purchases of development properties.

## 26. Other Liabilities

	Group	
	2014 \$'000	2013 \$'000
Progress payments received and receivable	318,988	551,868

This pertains to progress payments received and receivable to date from industrial and commercial development properties. The revenues of which are recognised on the delivery of the properties. Also see Note 19.

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2014

## 27. Derivative Financial Instruments

The table below summarises the fair value of derivatives engaged into at the end of year. All derivatives are not designated as hedging instruments.

	<b>Group and Company</b>	
	<b>2014</b>	<b>2013</b>
	<b>\$'000</b>	<b>\$'000</b>
<u>Liabilities – Derivatives with negative fair values:</u>		
Currency swap	21,517	–

The movements during the year were as follows:

Balance at beginning of year	–	–
Losses recognised in Profit or Loss under other charges	21,517	–
Total net balance at end of the year (Note 24)	21,517	–

The maximum exposure to credit risk at the reporting date is the fair value of derivative liabilities.

These include the gross amount of all notional values for contracts that have not yet been settled or cancelled. The amount of notional value outstanding is not necessarily a measure or indication of market risk, as the exposure of certain contracts may be offset by that of other contracts.

			<b>Principal</b>		<b>Fair Value</b>	
			<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
	<b>Maturity date</b>	<b>Reference currency</b>	<b>'000</b>	<b>'000</b>	<b>\$'000</b>	<b>\$'000</b>
Currency swap	20 December 2016	GBP	163,900	–	21,517	–

The purpose of these contracts is to mitigate the fluctuations of expected sales denominated in the non-functional currencies. As a matter of principle, the entity does not enter into derivative contracts for speculative purposes.

The currency swap contract is not traded in an active market. As a result, its fair values is based on valuation techniques currently consistent with generally accepted valuation methodologies for pricing financial instruments, and incorporate all factors and assumptions that knowledgeable, willing market participants would consider in setting the price (Level 2).

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2014

## 28. Financial Instruments: Information on Financial Risks

### 28A. 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	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
<u>Financial assets:</u>				
Cash and cash equivalents	359,920	436,460	32,302	53,410
Loans and receivables	1,081,273	750,128	1,060,931	430,562
At end of the year	1,441,193	1,186,588	1,093,233	483,972
<u>Financial liabilities:</u>				
Other financial liabilities measured at amortised cost	2,268,832	1,569,956	642,652	146,929
Derivative financial instruments at fair value	21,517	–	21,517	–
Trade and other payables measured at amortised cost	264,848	234,100	157,916	194,954
At end of the year	2,555,197	1,804,056	822,085	341,883

Further quantitative disclosures are included throughout these financial statements.

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

### 28B. 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. 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 have 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.

The Group and the Company are exposed to currency and interest rate risks. There are no arrangements to manage such risk exposures through derivatives and other hedging instruments.

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2014

## 28. Financial Instruments: Information on Financial Risks (Cont'd)

### 28C. Fair Values of Financial Instruments

The analyses of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 are disclosed in the relevant notes to the financial statements. These include both the significant financial instruments stated at amortised cost and at fair value in the statements of financial position. The carrying values of current financial instruments approximate their fair values due to the short-term maturity of these instruments and the disclosures of fair value are not made when the carrying amount of current financial instruments is a reasonable approximation of the fair value.

### 28D. 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 assets; the maximum amount the entity could have to pay if the guarantee is called on; and the full amount of any payable commitments 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 acceptable as it would receive at least 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 22 discloses the maturity of the cash and cash equivalents balances.

As at the end of reporting year, there were no amounts that were impaired.

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

### 28E. Liquidity Risk – Financial Liabilities Maturity Analysis

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

	<b>Less than 1 year \$'000</b>	<b>1 – 5 years \$'000</b>	<b>Total \$'000</b>
<u>Group</u>			
<u>Non-derivative financial liabilities</u>			
<u>2014:</u>			
Gross borrowings commitments	369,637	2,076,091	2,445,728
Trade and other payables	264,848	–	264,848
At end of the year	<u>634,485</u>	<u>2,076,091</u>	<u>2,710,576</u>
<u>2013:</u>			
Gross borrowings commitments	416,229	1,256,203	1,672,432
Trade and other payables	234,100	–	234,100
At end of the year	<u>650,329</u>	<u>1,256,203</u>	<u>1,906,532</u>

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2014

**28. Financial Instruments: Information on Financial Risks (Cont'd)****28E. Liquidity Risk – Financial Liabilities Maturity Analysis (Cont'd)**

	<b>Less than 1 year \$'000</b>	<b>1 – 5 years \$'000</b>	<b>Total \$'000</b>
<u>Company</u>			
<u>Non-derivative financial liabilities:</u>			
<u>2014:</u>			
Gross borrowing commitments	31,925	697,117	729,042
Trade and other payables	157,916	–	157,916
At end of the year	<u>189,841</u>	<u>697,117</u>	<u>886,958</u>
<u>2013:</u>			
Gross borrowing commitments	7,650	172,313	179,963
Trade and other payables	194,954	–	194,954
At end of the year	<u>202,604</u>	<u>172,313</u>	<u>374,917</u>

The undiscounted amounts on the borrowings with fixed and floating rates are determined by reference to the conditions existing at the reporting date.

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

<u>Group and Company</u>			
<u>Derivative financial liabilities:</u>			
<u>2014:</u>			
Currency swap	3,276	353,854	357,130
At end of the year	<u>3,276</u>	<u>353,854</u>	<u>357,130</u>

There are no derivative financial instruments in the reporting year 2013.

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.

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2014

## 28. Financial Instruments: Information on Financial Risks (Cont'd)

### 28E. Liquidity Risk – Financial Liabilities Maturity Analysis (Cont'd)

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 to be payable. The following table shows the maturity analysis of the contingent liabilities from financial guarantees:

Company	Less than 1 year \$'000	1 – 5 years \$'000	Total \$'000
<u>2014:</u>			
Bank guarantee in favour of joint ventures (Note 3)	–	94,097	94,097
Bank guarantee in favour of subsidiaries (Note 3)	275,960	1,038,793	1,314,753
	<u>275,960</u>	<u>1,132,890</u>	<u>1,408,850</u>
<u>2013:</u>			
Bank guarantee in favour of joint ventures (Note 3)	–	71,850	71,850
Bank guarantee in favour of subsidiaries (Note 3)	396,406	1,070,199	1,466,605
	<u>396,406</u>	<u>1,142,049</u>	<u>1,538,455</u>

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 (2013: 30 days). The other payables are with short-term durations.

The classification of the financial assets is shown in the statements of financial position as they may be available to meet liquidity needs and no further analysis is deemed necessary.

	Group	
	2014 \$'000	2013 \$'000
<u>Bank facilities:</u>		
Undrawn borrowing facilities	<u>566,696</u>	<u>290,564</u>

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.

### 28F. Interest Rate Risk

The interest rate risk exposure is mainly from changes in fixed rate and floating interest rates and it mainly concerns financial liabilities which are both fixed and floating rates. The interest from financial assets including cash balances is not significant. The following table analyses the breakdown of the significant financial instruments (excluding financial derivatives) by type of interest rate:

	Group		Company	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
<u>Financial liabilities:</u>				
Floating rates	1,626,180	1,423,027	–	–
Fixed rates	642,652	146,929	642,652	146,929
Total at end of the year	<u>2,268,832</u>	<u>1,569,956</u>	<u>642,652</u>	<u>146,929</u>

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2014

## 28. Financial Instruments: Information on Financial Risks (Cont'd)

### 28F. Interest Rate Risk (Cont'd)

The floating rate debt instruments are with interest rates that are re-set at regular intervals. The interest rates are disclosed in the respective notes.

Sensitivity analysis:

	Group	
	2014	2013
	\$'000	\$'000
<u>Financial liabilities:</u>		
A hypothetical variation in interest rates by 10 basis points with all other variables held constant, would have an increase / decrease in the amount of interest expense capitalised in development properties for the year by	1,352	1,098
A hypothetical variation in interest rates by 10 basis points with all other variables held constant, would have an increase / decrease in pre-tax profit for the year by	249	325

The analysis has been performed for fixed interest rate and floating interest rate over a year for 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).

### 28G. Foreign Currency Risk

The Group transacts business in various foreign currencies, including Singapore Dollar and Great Britain Pound therefore is exposed to foreign exchange risk.

At the end of the reporting period, the carrying amounts of monetary assets and monetary liabilities denominated in currencies other than the respective group entities' functional currencies are as follows:

	Group	
	2014	2013
	\$'000	\$'000
<u>Financial assets</u>		
Singapore Dollar	8	–
Great Britain Pound	462,434	–
<u>Financial liabilities</u>		
Singapore Dollar	166,791	–

# NOTES TO THE FINANCIAL STATEMENTS

**30 June 2014****28. Financial Instruments: Information on Financial Risks (Cont'd)****28G. Foreign Currency Risk (Cont'd)**

Sensitivity analysis:

The following table details the sensitivity to a 10% increase and decrease in the relevant foreign currencies against the functional currency of each Group entity. 10% is the sensitivity rate used when relevant foreign currency risk internally to key management personnel and represents management's assessment of the possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates.

If the relevant foreign currency weakens by 10% against the functional currency of each Group entity, profit or loss will increase / (decrease) by:

	<b>Group</b>	
	<b>2014</b>	<b>2013</b>
	<b>\$'000</b>	<b>\$'000</b>
Singapore Dollar	16,678	–
Great Britain Pound	(46,243)	–
	<hr/>	<hr/>

If the relevant foreign currency strengthens by 10% against the functional currency of each group entity, the effect on profit or loss will be vice-versa. The analysis above has been carried out on the basis that there are no hedged transactions.

The Group maintains a natural hedge, whenever possible, by borrowing in the currency of the country in which its property or investment is located or by borrowing in currencies that match the future revenue stream to be generated from its investments. The Group also enters into cross currency swaps to hedge the foreign exchange risk of its loans denominated in foreign currency.

The net fair value loss of the cross currency swaps as at 30 June 2014 was \$21,517,000 (2013: nil) (Note 27).

**29. 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:

	<b>Group</b>	
	<b>2014</b>	<b>2013</b>
	<b>\$'000</b>	<b>\$'000</b>
Development expenditure contracted for development properties <sup>(a)</sup>	527,259	436,517
Commitment to purchase properties (Note 21)	210,893	384,559
	<hr/>	<hr/>

<sup>(a)</sup> The development expenditure includes contracts with a related party amounting to \$544,000 (2013: \$24,741,000).

# NOTES TO THE FINANCIAL STATEMENTS

## 30 June 2014

### 30. 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:

	<b>Group</b>	
	<b>2014</b>	<b>2013</b>
	<b>\$'000</b>	<b>\$'000</b>
Not later than one year	1,816	347
Later than one year and not later than five years	3,432	1,041
	<hr/>	<hr/>
Rental expense for the year	632	229
	<hr/>	<hr/>

Operating lease payments are for rentals payable for office premises. The leases from the owners range from three to four years, commencing from July 2013 and February 2014. The lease rental terms are negotiated for an average term of three years and rentals are subject to an escalation clause.

### 31. Operating Lease Income Commitments

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

	<b>Group</b>	
	<b>2014</b>	<b>2013</b>
	<b>\$'000</b>	<b>\$'000</b>
Not later than one year	457	3,961
Later than one year and not later than five years	125	1
	<hr/>	<hr/>
Rental income for the year	4,511	7,577
	<hr/>	<hr/>

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 2014

## 32. 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	
	2014 \$'000	2013 \$'000
Audit fees to the independent auditors of the Company	268	270
Audit fees to other independent auditors	196	–
Other fees to the Company's independent auditors	79	85
Other fees to other independent auditors	95	–

## 33. Events after the End of the Reporting Year

Subsequent to the end of the reporting year, the Company's wholly-owned subsidiary, Oxley Malaysia Pte. Ltd. ("Oxley Malaysia"), has terminated the proposed acquisition of the entire issued and paid-up share capital of TCK Capital Sdn. Bhd. ("TCK"). TCK's proposed purchase of the piece of land held under PN No. Hakmilik 39183 for Lot 754, Seksyen 56, Bandar and Daerah Kuala Lumpur situated at Jalan Hang Tuah, Kuala Lumpur has been cancelled by the Malaysian government. The deposit of RM 8 million has been fully refunded to Oxley Malaysia.

Subsequent to the end of the reporting year, the Company's wholly-owned subsidiary, Oxley International Holdings Pte Ltd, acquired an aggregate of 500,000 ordinary shares, constituting 50% of the issued share capital of Oxley Myanmar Pte Ltd. Prior to the aforesaid acquisition, the Group held 50% of the issued share capital of Oxley Myanmar Pte Ltd. Consequently, Oxley Myanmar Pte Ltd became a wholly-owned subsidiary of the Group. Oxley Myanmar Pte Ltd has no significant assets and liabilities at the date of acquisition.

## 34. Changes and Adoption of Financial Reporting Standards

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

FRS No.	Title
FRS 1	Amendment to FRS 1 Presentation of Financial Statements (Annual Improvements)
FRS 16	Amendment to FRS 16 Property, Plant and Equipment (Annual Improvements)
FRS 19	Employee Benefits (Revised)
FRS 32	Amendment to FRS 32 Financial instruments: Presentation (Annual Improvements)
FRS 36	Amendments to FRS 36: Recoverable Amount Disclosures for Non-Financial Assets (relating to goodwill) (early adoption) (*)
FRS 107	Amendments to FRS 32 and 107 titled Offsetting Financial Assets and Financial Liabilities
FRS 113	Fair Value Measurements
INT FRS 120	Stripping Costs in the Production Phase of a Surface Mine (*)

(\*) Not relevant to the entity.

# NOTES TO THE FINANCIAL STATEMENTS

## 30 June 2014

### 35. 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.

FRS No.	Title	Effective date for periods beginning on or after
FRS 27	Separate Financial Statements (Revised)	1 Jan 2014
FRS 28	Investments in Associates and Joint Ventures (Revised)	1 Jan 2014
FRS 36	Amendments to FRS 36: Recoverable Amount Disclosures for Non-Financial Assets (relating to goodwill) (*)	1 Jan 2014
FRS 32	Amendments to FRS 39: Novation of Derivatives and Continuation of Hedge Accounting	1 Jan 2014
FRS 110	Consolidated Financial Statements	1 Jan 2014
FRS 111	Joint Arrangements	1 Jan 2014
FRS 112	Disclosure of Interests in Other Entities	1 Jan 2014
FRS 110	Amendments to FRS 110, FRS 111 and FRS 112	1 Jan 2014
INT FRS 121	Levies (*)	1 Jan 2014

(\*) Not relevant to the entity.

### 36. Listing of and Information on Subsidiaries

The listing of and information on the subsidiaries are given below:

Name of subsidiaries and principal activities	Cost in Books of Company		Effective Percentage of Equity Held by Group	
	2014 \$'000	2013 \$'000	2014 %	2013 %
<u>Held by the Company</u>				
Action Property Pte. Ltd. <sup>(e) (i)</sup> Property development	510	510	51	51
Ascend Assets Pte. Ltd. <sup>(e) (i)</sup> Property development	910	910	100	100
Berri Pte. Ltd. <sup>(e) (i) (k) (l)</sup> Property development	– <sup>(a)</sup>	– <sup>(a)</sup>	100	100
Galaxy Land Pte. Ltd. <sup>(e) (i)</sup> Property development	1,308	1,308	100	100
Hume Homes Pte. Ltd. <sup>(e) (i)</sup> Property development	1,173	1,173	100	100

# NOTES TO THE FINANCIAL STATEMENTS

## 30 June 2014

### 36. Listing of and Information on Subsidiaries (Cont'd)

Name of subsidiaries and principal activities	Cost in Books of Company		Effective Percentage of Equity Held by Group	
	2014 \$'000	2013 \$'000	2014 %	2013 %
<u>Held by the Company (Cont'd)</u>				
Maison Pte. Ltd. <sup>(e) (i) (k) (l)</sup> Property development	– <sup>(a)</sup>	– <sup>(a)</sup>	100	100
Oxley Ascend Capital Pte. Ltd. <sup>(e) (i)</sup> Property development	833	833	100	100
Oxley Ascend Realty Pte. Ltd. <sup>(e) (i)</sup> Property development	550	550	55	55
Oxley Assets Pte. Ltd. <sup>(e) (i)</sup> Property development	994	994	100	100
Oxley Bliss Pte. Ltd. <sup>(e) (i)</sup> Investment property	700	700	70	70
Oxley Blossom Pte. Ltd. <sup>(e) (i)</sup> Property development	1,000	1,000	100	100
Oxley Bright Pte. Ltd. <sup>(e) (i) (k) (l)</sup> Property development	– <sup>(a)</sup>	– <sup>(a)</sup>	100	100
Oxley Concept Pte. Ltd. <sup>(e) (i)</sup> Property development	596	596	60	60
Oxley Connections Pte. Ltd. <sup>(e) (i)</sup> Investment holding	2,600	2,600	52	52
Oxley Consortium Pte. Ltd. <sup>(e) (i)</sup> Property development	1,000	1,000	100	100
Oxley Fort Pte. Ltd. <sup>(e) (i)</sup> Property development	1,000	1,000	100	100
Oxley Gem Pte. Ltd. <sup>(e) (i)</sup> Investment property	1,000	– <sup>(a)</sup>	100	100
Oxley Global Pte. Ltd. <sup>(e) (i)</sup> Property development	1,000	1,000	100	100
Oxley International Holdings Pte. Ltd. <sup>(e) (i) (l)</sup> Investment holding	– <sup>(a)</sup>	– <sup>(a)</sup>	100	100

**NOTES TO THE FINANCIAL STATEMENTS**

30 June 2014

**36. Listing of and Information on Subsidiaries (Cont'd)**

Name of subsidiaries and principal activities	Cost in Books of Company		Effective Percentage of Equity Held by Group	
	2014 \$'000	2013 \$'000	2014 %	2013 %
<u>Held by the Company (Cont'd)</u>				
Oxley Module Pte. Ltd. <sup>(e) (f)</sup> Property development	656	656	66	66
Oxley Mosaic Pte. Ltd. <sup>(e) (f)</sup> Property development	1,000	1,000	100	100
Oxley Niche Pte. Ltd. <sup>(e) (f)</sup> Property development	1,000	1,000	100	100
Oxley Rise Pte. Ltd. <sup>(e) (f) (g)</sup> Property development	1,000	1,000	100	100
Oxley Rising Pte. Ltd. <sup>(e) (f) (g)</sup> Property development	– <sup>(a)</sup>	– <sup>(a)</sup>	100	100
Oxley Sanctuary Pte. Ltd. <sup>(e) (f)</sup> Property development	550	550	55	55
Oxley Sims Pte. Ltd. <sup>(e) (f)</sup> Property development	1,000	1,000	100	100
Oxley Sparkle Pte. Ltd. <sup>(e) (f) (k) (l)</sup> Property development	– <sup>(a)</sup>	– <sup>(a)</sup>	100	100
Oxley Star Pte. Ltd. <sup>(e) (f)</sup> Property development	671	671	67.5	67.5
Oxley Vibes Pte. Ltd. <sup>(e) (f)</sup> Property development	900	900	90	90
Oxley Vibrant Pte. Ltd. <sup>(e) (f)</sup> Property development	1,000	1,000	100	100
Oxley Vista Pte. Ltd. <sup>(e) (f)</sup> Property development	550	550	55	55
Oxley Viva Pte. Ltd. <sup>(e) (f)</sup> Property development	550	550	55	55
Oxley Wealth Pte. Ltd. <sup>(e) (f)</sup> Property development	434	434	51	51
Oxley YCK Pte. Ltd. <sup>(e) (f) (g)</sup> Property development	550	550	55	55

# NOTES TO THE FINANCIAL STATEMENTS

## 30 June 2014

### 36. Listing of and Information on Subsidiaries (Cont'd)

Name of subsidiaries and principal activities	Cost in Books of Company		Effective Percentage of Equity Held by Group	
	2014 \$'000	2013 \$'000	2014 %	2013 %
<u>Held by the Company (Cont'd)</u>				
Oxley Zest Pte. Ltd. <sup>(e) (i) (k) (l)</sup> Property development	– <sup>(a)</sup>	– <sup>(a)</sup>	100	100
Totality Pte. Ltd. <sup>(e) (i) (k) (l)</sup> Property development	– <sup>(a)</sup>	– <sup>(a)</sup>	100	100
<u>Held through Oxley Connections Pte. Ltd.</u>				
Orchard Suites Residence Pte. Ltd. <sup>(e) (i)</sup> Property development	–	–	52	52
<u>Held through Oxley International Holdings Pte. Ltd.</u>				
Oxley Cambodia Pte. Ltd. <sup>(e) (i) (l)</sup> Investment holding	–	–	100	100
Oxley Malaysia Pte. Ltd. <sup>(e) (i) (l)</sup> Investment holding	–	–	100	100
Oxley London Pte. Ltd. <sup>(c) (e) (i)</sup> (Formerly known as Oxley Changi Pte. Ltd.) Investment holding	–	–	100	100
Oxley China Pte. Ltd. <sup>(c) (e) (i) (l)</sup> (Formerly known as Oxley Shine Pte. Ltd.) Investment holding	–	–	100	100
<u>Held through Oxley Cambodia Pte. Ltd.</u>				
Oxley Holdings (Cambodia) Co., Ltd. <sup>(f) (i) (l)</sup> Investment holding	–	–	100	100
<u>Held through Oxley Holdings (Cambodia) Co., Ltd.</u>				
Oxley-Worldbridge (Cambodia) Co., Ltd. <sup>(f) (i) (l)</sup> Property development	–	–	49 <sup>(d)</sup>	49 <sup>(d)</sup>
Oxley Emerald (Cambodia) Co., Ltd. <sup>(f) (i) (l)</sup> Property development Incorporated on 9 July 2013	–	–	75	–
Oxley Gem (Cambodia) Co., Ltd. <sup>(f) (i) (l)</sup> Property development Incorporated on 10 July 2013	–	–	75	–
Oxley Sapphire (Cambodia) Co., Ltd. <sup>(f) (i) (l)</sup> Property development Incorporated on 10 July 2013	–	–	75	–

**NOTES TO THE FINANCIAL STATEMENTS**

30 June 2014

**36. Listing of and Information on Subsidiaries (Cont'd)**

Name of subsidiaries and principal activities	Cost in Books of Company		Effective Percentage of Equity Held by Group	
	2014 \$'000	2013 \$'000	2014 %	2013 %
<u>Held through Oxley Malaysia Pte. Ltd.</u>				
Oxley Holdings (Malaysia) Sdn. Bhd. <sup>(a) (i) (ii)</sup> Investment holding	–	–	100	100
<u>Held through Oxley Holdings (Malaysia) Sdn. Bhd.</u>				
Oxley Diamond Sdn. Bhd. <sup>(a) (i)</sup> Property development	–	–	100	100
Oxley Emerald Sdn. Bhd. <sup>(a) (i) (ii)</sup> Property development	–	–	100	100
Oxley Gem Sdn. Bhd. <sup>(a) (i) (ii)</sup> Property development	–	–	100	100
Oxley Ruby Sdn. Bhd. <sup>(a) (i)</sup> Property development	–	–	100	100
Oxley Sapphire Sdn. Bhd. <sup>(a) (i)</sup> Property development	–	–	100	100
Oxley Star Sdn. Bhd. <sup>(a) (i) (ii)</sup> Property development	–	–	100	100
Oxley Zest Sdn Bhd <sup>(a) (i) (ii)</sup> Property development Incorporated on 8 July 2013	–	–	100	–
Oxley Rising Sdn Bhd <sup>(a) (i) (ii)</sup> Property development Incorporated on 8 July 2013	–	–	100	–
Oxley Mosaic Sdn Bhd <sup>(a) (i) (ii)</sup> Property development Incorporated on 8 July 2013	–	–	100	–
Oxley Treasure Sdn Bhd <sup>(a) (i) (ii)</sup> Property development Incorporated on 8 July 2013	–	–	100	–
Stellar Treasure Sdn Bhd <sup>(b) (a) (i)</sup> Property development Incorporated on 30 April 2014	–	–	100	–
Oxley World Sdn Bhd <sup>(b) (a) (i)</sup> Property development Incorporated on 5 May 2014	–	–	100	–

# NOTES TO THE FINANCIAL STATEMENTS

## 30 June 2014

### 36. Listing of and Information on Subsidiaries (Cont'd)

Name of subsidiaries and principal activities	Cost in Books of Company		Effective Percentage of Equity Held by Group	
	2014 \$'000	2013 \$'000	2014 %	2013 %
<u>Held through Oxley Holdings (Malaysia) Sdn. Bhd. (Cont'd)</u>				
Oxley Concept Sdn Bhd <sup>(b) (g) (l)</sup> Property development Incorporated on 6 May 2014	–	–	100	–
Oxley Jade Sdn Bhd <sup>(b) (g) (l)</sup> Property development Incorporated on 5 May 2014	–	–	100	–
Oxley Development Sdn Bhd <sup>(b) (g) (l)</sup> Property development Incorporated on 6 May 2014	–	–	100	–
Oxley Land Sdn Bhd <sup>(b) (g) (l)</sup> Property development Incorporated on 27 May 2014	–	–	100	–
Oxley Realty Sdn Bhd <sup>(b) (g) (l)</sup> Property development Incorporated on 5 May 2014	–	–	100	–
Boulevard Channel Sdn Bhd <sup>(b) (g) (l)</sup> Property development Incorporated on 15 May 2014	–	–	100	–
<u>Held through Oxley London Pte. Ltd.</u>				
Oxley Wharf Limited <sup>(h) (i)</sup> Investment holding Incorporated on 25 October 2013	–	–	100	–
Oxley Wharf Property 1 Limited <sup>(h) (i) (j)</sup> Property development Incorporated on 27 November 2013	–	–	100	–
Oxley Wharf Property 2 Limited <sup>(h) (i) (j)</sup> Property development Incorporated on 18 November 2013	–	–	100	–
Oxley Wharf Property 3 Limited <sup>(h) (i) (j)</sup> Property development Incorporated on 18 November 2013	–	–	100	–
Oxley Wharf Property 4 Limited <sup>(h) (i) (j)</sup> Property development Incorporated on 18 November 2013	–	–	100	–

# NOTES TO THE FINANCIAL STATEMENTS

## 30 June 2014

### 36. Listing of and Information on Subsidiaries (Cont'd)

Name of subsidiaries and principal activities	Cost in Books of Company		Effective Percentage of Equity Held by Group	
	2014 \$'000	2013 \$'000	2014 %	2013 %
<u>Held through Oxley London Pte. Ltd. (Cont'd)</u>				
Oxley Wharf Property 5 Limited <sup>(h) (k) (l)</sup> Property development Incorporated on 18 November 2013	–	–	100	–
Oxley Wharf Property 6 Limited <sup>(h) (k) (l)</sup> Property development Incorporated on 18 November 2013	–	–	100	–
Oxley Wharf Property 7 Limited <sup>(h) (k) (l)</sup> Property development Incorporated on 18 November 2013	–	–	100	–

(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 2014 are used for the purpose of consolidation.

(c) In 2013, the investment of the subsidiary is held by the Company. In 2014, the investment is transferred to one of its subsidiary – Oxley International Holdings Pte. Ltd.

(d) The entity is consolidated because although the Group does not own, directly or indirectly through subsidiaries, more than half of the voting power of the entity, it is able to govern the financial and operating policies of the investee by virtue of an agreement with the other shareholders of the investee.

(e) Incorporated in Singapore.

(f) Incorporated in Cambodia.

(g) Incorporated in Malaysia.

(h) Incorporated in United Kingdom.

(i) Audited by RSM Chio Lim LLP, a member of RSM International.

(j) Audited by various member firms of Deloitte Touche Tohmatsu Limited.

(k) The entity is dormant during the reporting year.

(l) The Company has given an undertaking of continuing financial support to these subsidiaries. This undertaking is provided by the Company without charge.

As is required by Rule 716 of the Listing Manual of The Singapore Exchange Securities Trading Limited the audit committee and the board of directors of the Company have satisfied themselves that the appointment of different auditors for certain of its overseas subsidiaries would not compromise the standard and effectiveness of the audit of the Group.

# NOTES TO THE FINANCIAL STATEMENTS

## 30 June 2014

### 37. Listing of and information on Development Properties

The listing of and information on the development properties are given below:

Project Name (where available)/ Location	Description	Tenure	Approximate Area (sq m)		Percentage of Completion at 30 June 2014	Interest Held by the Group	Expected Completion Date
			Land Area	Gross Floor Area			
<u>Singapore</u>							
<u>Mixed Developments</u>							
Suites@Katong 263 Tanjong Katong Road, Singapore	4-storey development with attic, mechanised car park and communal facilities	Freehold	1,040	2,797	100%	51%	Completed
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	100%	100%	Completed
Loft@Rangoon 113 Rangoon Road, Singapore	5-storey development with attic, swimming pool and mechanised car park	Freehold	458	1,453	100%	100%	Completed
RV Point 229 River Valley Road, Singapore	8-storey development, mechanised car park and communal facilities	999-year leasehold from 1 July 1841	507	2,038	98%	100%	2014
Viva Vista 3 South Buona Vista Road, Singapore	5-storey development with attic and mechanised car park	Freehold	3,626	9,013	100%	100%	2014 <sup>(d)</sup>
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	98%	66%	2014
Oxley Edge 308 River Valley Road, Singapore	4-storey development with attic, mechanised car park, and swimming pool	Freehold	1,121	3,226	18%	100%	2015
Vibes@Kovan 93 Kovan Road, Singapore	5-storey development with attic, mechanised car park, swimming pool and communal facilities	Freehold	723	2,157	100%	100%	2014 <sup>(d)</sup>
The Promenade @ Pelikat 183 Jalan Pelikat, Singapore	3-storey development with attic and 3 levels of basement, swimming pool, carpark and communal facilities	Freehold	6,462	19,490	42%	90%	2015

# NOTES TO THE FINANCIAL STATEMENTS

## 30 June 2014

### 37. Listing of and information on Development Properties (Cont'd)

Project Name (where available)/ Location	Description	Tenure	Approximate Area (sq m)		Percentage of Completion at 30 June 2014	Interest Held by the Group	Expected Completion Date
			Land Area	Gross Floor Area			
<u>Singapore (Cont'd)</u>							
<u>Mixed Developments (Cont'd)</u>							
Floraview, Floravista and Floraville 2 to 20 Cactus Road, Singapore	4-storey shop flat with attic, shops /restaurant, basement carpark, residential flats and ancillary facilities And 4-storey apartment with attic, basement car park and ancillary facilities	Freehold	8,249	12,434	2%	55%	2016
NEWest 100 to 230 West Coast Way, Singapore	12-storey shop flat development with shops, residential flats, car park and ancillary facilities	956-year leasehold from 27 May 1928	15,298	25,149	13%	55%	2016
339, 339A, 339B, 339C Joo Chiat Road, Singapore	5-storey development with residential flats, attic and commercial units <sup>(a)</sup>	Freehold	593	897	Has not commenced construction	100%	2015 <sup>(b)</sup>
KAP & KAP Residences 11 King Albert Park, Singapore	7-storey development with commercial podium, residential blocks and basement carparks	Freehold	5,535	17,161	Has not commenced construction	55%	2016
The Rise@Oxley Oxley Rise Road, Singapore	10-storey development with commercial podium, residential flats and basement carparks	Freehold	2,381	10,712	Has not commenced construction	100%	2017
<u>Residential Developments</u>							
Loft@Holland 151 Holland Road, Singapore	5-storey development with attic, mechanised car park and swimming pool	Freehold	1,124	1,580	100%	67.5%	Completed
Loft@Stevens 68 Stevens Road, Singapore	5-storey development with attic, mechanised car park, swimming pool and communal facilities	Freehold	1,298	1,889	100%	60%	Completed
Vibes@Upper Serangoon 488 Upper Serangoon Road, Singapore	5-storey development with attic, mechanised car park, swimming pool and gym	Freehold	997	3,052	76%	100%	2014
Presto@Upper Serangoon 524 Upper Serangoon Road, Singapore	5-storey development with attic, mechanised car park, swimming pool and gym	Freehold	585	1,820	87%	100%	2014

# NOTES TO THE FINANCIAL STATEMENTS

## 30 June 2014

### 37. Listing of and information on Development Properties (Cont'd)

Project Name (where available)/ Location	Description	Tenure	Approximate Area (sq m)		Percentage of Completion at 30 June 2014	Interest Held by the Group	Expected Completion Date
			Land Area	Gross Floor Area			
<u>Singapore (Cont'd)</u>							
<u>Residential Developments (Cont'd)</u>							
Devonshire Residences 55 Devonshire Road, Singapore	25-storey development, mechanised car park, swimming pool and communal facilities	Freehold	1,245	3,836	73%	52%	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	94%	100%	2014
<u>Industrial Developments</u>							
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	100%	100%	Completed
Eco-tech@ Sunview Sunview Road, Singapore	9-storey light industrial factory, carpark and ancillary facilities	30-year leasehold from 25 January 2013	28,173	70,432	33%	51%	2015
Oxley Bizhub 2 62 Ubi Road 1, Singapore	11-storey multiple-user development, car park and ancillary facilities	60-year leasehold from 10 June 2011	12,378	30,942	100%	55%	Completed
Arcsphere 124 Lorong 23 Geylang, Singapore	10-storey multiple-user development and car park	Freehold	1,011	2,529	100%	100%	Completed
The Commerze@ Irving 1 Irving Place, Singapore	9-storey multiple user development, car park and ancillary facilities	60-year leasehold from 26 September 2011	3,353	11,730	100%	55%	Completed
<u>Commercial Developments</u>							
Oxley Tower 138 Robinson Road, Singapore	32-storey development and car park	Freehold	1,490	16,839	13%	100%	2016
Robinson Square 144 Robinson Road, Singapore	20-storey development and mechanised car park	Freehold	422	4,755	68%	100%	2014
The Flow 66 East Coast Road, Singapore	8-storey commercial development with basement and mechanised car park	Freehold	2,058	6,530	Has not commenced construction	100%	2016

# NOTES TO THE FINANCIAL STATEMENTS

## 30 June 2014

### 37. Listing of and information on Development Properties (Cont'd)

Project Name (where available)/ Location	Description	Tenure	Approximate Area (sq m)		Percentage of Completion at 30 June 2014	Interest Held by the Group	Expected Completion Date
			Land Area	Gross Floor Area			
<u>Cambodia</u>							
<u>Mixed Developments</u>							
The Garage Street #84, Phum #13, Sangkat Srah Chork, Khan Daun Penh, Phnom Penh, Cambodia	Mixed retail, hotel & residential development	Freehold	8,921	– <sup>(a)</sup>	Has not commenced construction	75%	– <sup>(b)</sup>
Land Near Naga Village 14, Sangkat Tonle Bassac, Khan Chamkamor, Phnom Penh, Cambodia	– <sup>(a)</sup>	Freehold	12,609	– <sup>(a)</sup>	Has not commenced construction	75%	– <sup>(b)</sup>
<u>Residential Development</u>							
Mekong River Land National Road, Village 14, Sangkat Tonle Bas 401, Kalei Takoy Village, Sangkat Vel Sbov Commune, Khan Mean Chey, Phnom Penh, Cambodia	– <sup>(a)</sup>	Freehold	37,689	– <sup>(a)</sup>	Has not commenced construction	75%	– <sup>(b)</sup>
<u>Malaysia</u>							
<u>Mixed Developments</u>							
Penang Mukim 18, Daerah Timor Laut, Penang, Malaysia	– <sup>(a)</sup>	Freehold	119,876	– <sup>(a)</sup>	Has not commenced construction	70%	– <sup>(b)</sup>
KLCC (Oxley Tower), Lot 99, Section 0058 Mukim Bandar, Kuala Lumpur, Daerah Kuala Lumpur, Malaysia	– <sup>(a)</sup>	Freehold	12,586	– <sup>(a)</sup>	Has not commenced construction	100%	– <sup>(b)</sup>
Plot B3 & B5 Iskandar, Johor, Malaysia	– <sup>(a)</sup>	99 years	17,280	– <sup>(a)</sup>	Has not commenced construction	100%	– <sup>(b)</sup>

# NOTES TO THE FINANCIAL STATEMENTS

## 30 June 2014

### 37. Listing of and information on Development Properties (Cont'd)

Project Name (where available)/ Location	Description	Tenure	Approximate Area (sq m)		Percentage of Completion at 30 June 2014	Interest Held by the Group	Expected Completion Date
			Land Area	Gross Floor Area			
<u>Malaysia (Cont'd)</u>							
<u>Mixed Developments (Cont'd)</u>							
Lot 904, Bt 6 Jalan Damansara, Mukim Sungei Buloh, Daerah Petaling, Negeri Selangor, Malaysia	– (a)	Freehold	20,234	– (a)	Has not commenced construction	100%	– (b)
Lot 754, Seksyen 56, Jalan Hang Tuah, Kuala Lumpur	– (e)	99 years	19,158	– (e)	Has not commenced construction	100%	– (b)
<u>Residential Development</u>							
Lot 347, GM 269 Bandar Ulu Kelang, Daerah Gombak, Negeri Selangor, Malaysia	– (a)	Freehold	61,588	– (a)	Has not commenced construction	70%	– (b)
<u>London</u>							
<u>Mixed Development</u>							
Royal Wharf North Woolwich Road, London, United Kingdom	Township development	Freehold & Leasehold	149,734	363,000	– (f)	100%	2016 (c)

(a) The plans for these projects are subject to modification.

(b) These projects are yet to be launched.

(c) The target completion date is for Royal Wharf Phase 1 only which was launched in March 2014.

(d) The projects achieved TOP subsequent to the end of the reporting year 2014.

(e) The plan for this project was terminated subsequent to the end of the reporting year (see Note 33).

(f) Percentage of completion for Royal Wharf Phase 1 only at 30 June 2014 is less than one percent.

# STATISTICS OF SHAREHOLDINGS

(As at 19 September 2014)

Issued and paid-up capital	:	\$166,258,989.49
Number of shares	:	2,948,219,971
Class of shares	:	Ordinary shares
Voting rights	:	One vote per share

The Company does not hold any treasury shares.

## DISTRIBUTION OF SHAREHOLDINGS

(As recorded in the Register of Members and Depository Register as at 19 September 2014)

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	% OF SHAREHOLDERS	NO. OF SHARES	% OF SHAREHOLDINGS
1 – 999	28	1.98	3,035	0.00
1,000 – 10,000	505	35.69	3,558,520	0.12
10,001 – 1,000,000	833	58.87	70,748,328	2.40
1,000,001 and above	49	3.46	2,873,910,088	97.48
<b>TOTAL</b>	<b>1,415</b>	<b>100.00</b>	<b>2,948,219,971</b>	<b>100.00</b>

## SUBSTANTIAL SHAREHOLDERS

(As recorded in the Register of Substantial Shareholders as at 19 September 2014)

	Direct Interest		Deemed Interest	
	No. of Shares	%	No. of Shares	%
Bullish Investment Pte. Ltd. <sup>(1), (2)</sup>	1,503,592,200	51.00	-	-
Ching Chiat Kwong <sup>(1)</sup>	360,020,510	12.21	1,503,592,200	51.00
Low See Ching (Liu Shijin) <sup>(2)</sup>	233,969,191	7.94	1,503,592,200	51.00
Tee Wee Sien (Zheng Weixian)	355,802,964	12.07	-	-

### Notes:

- (1) Ching Chiat Kwong is deemed to have an interest in the 1,503,592,200 shares held by Bullish Investment Pte. Ltd. by virtue of Section 7 of the Companies Act (Chapter 50) (the "Act").
- (2) Low See Ching (Liu Shijin) is deemed to have an interest in the 1,503,592,200 shares held by Bullish Investment Pte. Ltd. by virtue of Section 7 of the Act.

# STATISTICS OF SHAREHOLDINGS

## (As at 19 September 2014)

### TWENTY LARGEST SHAREHOLDERS

(As at 19 September 2014)

NO.	NAME	NO. OF SHARES	%
1	BULLISH INVESTMENT PTE LTD	1,388,752,200	47.10
2	MAYBANK NOMINEES (SINGAPORE) PRIVATE LIMITED	291,380,000	9.88
3	HONG LEONG FINANCE NOMINEES PTE LTD	259,054,000	8.79
4	DBS NOMINEES (PRIVATE) LIMITED	192,805,000	6.54
5	BANK OF SINGAPORE NOMINEES PTE. LTD.	187,783,420	6.37
6	TEE WEE SIEN (ZHENG WEIXIAN)	65,622,964	2.23
7	CITIBANK NOMINEES SINGAPORE PTE LTD	59,814,606	2.03
8	UNITED OVERSEAS BANK NOMINEES (PRIVATE) LIMITED	57,720,014	1.96
9	THE BANK OF EAST ASIA (NOMINEES) PRIVATE LIMITED	50,000,000	1.70
10	CHING CHIAT KWONG	44,163,090	1.50
11	SBS NOMINEES PRIVATE LIMITED	31,680,000	1.07
12	DB NOMINEES (SINGAPORE) PTE LTD	30,624,000	1.04
13	TAN AH SENG	24,994,000	0.85
14	OCBC SECURITIES PRIVATE LIMITED	22,175,050	0.75
15	TAN YONG HOA	20,587,108	0.70
16	CHAN YEOK PHENG	20,012,000	0.68
17	UOB KAY HIAN PRIVATE LIMITED	14,258,600	0.48
18	MAYBANK KIM ENG SECURITIES PTE. LTD.	10,482,401	0.36
19	LIM WAN LOOI	9,905,000	0.34
20	LOW SEE CHING (LIU SHIJIN)	8,627,191	0.29
	<b>TOTAL</b>	<b>2,790,440,644</b>	<b>94.66</b>

### SHARES HELD BY PUBLIC

Based on the information provided to the Company as at 19 September 2014, approximately 16.59% of the issued ordinary shares of the Company was held in the hands of the public as defined in the Listing Manual of the Singapore Exchange Securities Trading Limited. Accordingly, Rule 723 of the Listing Manual has been complied with.

# APPENDIX

## 9 October 2014

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 Monday, 27 October 2014 at 10.30 am at the Raffles Lounge (Level 2) of 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.

The SGX-ST takes no responsibility for the accuracy of any statements or opinions made or reports contained in this Appendix.

## 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

## 9 October 2014

### DEFINITIONS

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

#### Companies within our Group

<i>"Company" or "Oxley Holdings"</i>	:	Oxley Holdings Limited
<i>"Group"</i>	:	The Company and its subsidiaries

#### Other Companies and Organisations

<i>"Oxley Construction" or "Mandated Interested Person"</i>	:	Oxley Construction Pte Ltd
<i>"SGX-ST"</i>	:	Singapore Exchange Securities Trading Limited

#### General

<i>"Act" or "Companies Act"</i>	:	The Companies Act (Chapter 50) of Singapore as amended, supplemented or modified from time to time
<i>"AGM"</i>	:	Annual general meeting to be held on Monday, 27 October 2014 at 10.30 am at the Raffles Lounge (Level 2) of Raffles Country Club at 450 Jalan Ahmad Ibrahim, Singapore 639932
<i>"Associate"</i>	:	<p>(a) In relation to any director, chief executive officer, substantial shareholder or controlling shareholder (being an individual) means:-</p> <ul style="list-style-type: none"> <li>(i) his immediate family (being his spouse, child, adopted child, step-child, sibling and parent);</li> <li>(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</li> <li>(iii) any company in which he and his immediate family together (directly or indirectly) have an interest of 30% or more</li> </ul> <p>(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</p>
<i>"Audit Committee"</i>	:	The audit committee of the Company

# APPENDIX

## 9 October 2014

<i>“Controlling Shareholder”</i>	:	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
<i>“Directors”</i>	:	The directors of the Company
<i>“Latest Practicable Date”</i>	:	19 September 2014, being the latest practicable date prior to the printing of this Appendix
<i>“Listing Manual”</i>	:	The Listing Manual of the SGX-ST, as may be amended, varied or supplemented from time to time
<i>“Shareholders”</i>	:	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
<i>“Shareholders’ Mandate”</i>	:	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 Listing Manual, as further described in this Appendix
<i>“Shares”</i>	:	Ordinary shares in the capital of the Company
<i>“Substantial Shareholder”</i>	:	A person who has an interest in voting shares of the Company the total votes attached to which is not less than 5% of the total votes attached to all the voting shares in the Company

### Currencies, Units and Others

<i>“S\$” or “\$” and “cents”</i>	:	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

## 9 October 2014

### 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 Listing Manual. 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 Listing Manual, 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.

At the last annual general meeting held on 14 October 2013, the Shareholders approved the renewal of the Shareholders’ Mandate (as described below). 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. Accordingly, the Directors propose that the Shareholders’ Mandate be renewed at the AGM to be held on 27 October 2014, 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.

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. The Mandated Interested Person has also been providing building and construction services to the Group since the listing of the Company. The Mandated Interested Person 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

# APPENDIX

## 9 October 2014

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 Listing Manual.

### 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 Persons 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 Listing Manual.

### 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 Financial Controller, 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.

The Group has implemented 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 Financial Controller, 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

# APPENDIX

## 9 October 2014

- (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 Financial Controller, as the case may be. In the event that the Financial Controller 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 Lim Yeow Hua @ Lim You Qin) 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 14 October 2013 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.

# APPENDIX

## 9 October 2014

### 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	%
<b>Directors</b>				
Ching Chiat Kwong <sup>(1)</sup>	360,020,510	12.21	1,503,592,200	51.00
Low See Ching <sup>(2)</sup>	233,969,191	7.94	1,503,592,200	51.00
Ng Weng Sui Harry	350,000	0.01	-	-
Phua Sian Chin	-	-	-	-
Lim Yeow Hua @ Lim You Qin	-	-	-	-
<b>Substantial Shareholders (other than Directors)</b>				
Bullish Investment Pte. Ltd. <sup>(1), (2)</sup>	1,503,592,200	51.00	-	-
Tee Wee Sien	355,802,964	12.07	-	-

#### Notes:

<sup>(1)</sup> Ching Chiat Kwong is deemed to have an interest in the 1,503,592,200 shares held by Bullish Investment Pte. Ltd. by virtue of section 7 of the Companies Act.

<sup>(2)</sup> Low See Ching is deemed to have an interest in the 1,503,592,200 shares held by Bullish Investment Pte. Ltd. by virtue of section 7 of the Companies Act.

### 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 Low See Ching, Mr Ng Weng Sui Harry, Mr Phua Sian Chin and Mr Lim Yeow Hua @ Lim You Qin, 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 2014 of the Company, will be held on Monday, 27 October 2014 at 10.30 am at the Raffles Lounge (Level 2) of 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.

# APPENDIX

## 9 October 2014

### 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 after making all reasonable enquiries that, to the best of their knowledge and belief, this Appendix constitutes full and true disclosure of all material facts about the renewal of the Shareholders' Mandate, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Appendix misleading. Where information in this Appendix has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Appendix in its proper form and context.

# 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 Raffles Country Club at 450 Jalan Ahmad Ibrahim, Singapore 639932 on Monday, 27 October 2014 at 10.30 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 2014 together with the Directors’ Report, Statement by Directors and Independent Auditors’ Report.

### Resolution 2

2. To declare a final one-tier tax exempt dividend of 0.18 Singapore cent per ordinary share for the financial year ended 30 June 2014.

### Resolution 3

3. To re-elect Mr Ching Chiat Kwong who is retiring pursuant to Article 104 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 Phua Sian Chin who is retiring pursuant to Article 104 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(8) of the Listing Manual of the Singapore Exchange Securities Trading Limited.*

### Resolution 5

5. To re-elect Mr Lim Yeow Hua @ Lim You Qin who is retiring pursuant to Article 114 of the Articles and who, being eligible, offers himself for re-election as a Director.

*Mr Lim Yeow Hua @ Lim You Qin 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(8) of the Listing Manual of the Singapore Exchange Securities Trading Limited.*

### Resolution 6

6. To approve the payment of Directors’ fees of S\$218,333 for the financial year ended 30 June 2014. [FY2013: S\$210,000]

### Resolution 7

7. To approve the payment of Directors’ fees of S\$260,000 for the financial year ending 30 June 2015, to be paid quarterly in arrears.

### 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 and the Listing Manual of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"), authority be and is hereby given to the Directors of the Company to:-

- (A) (i) allot and issue shares in the capital of the Company ("**Shares**") whether by way of rights, bonus or otherwise; and/or
- (ii) make or grant offers, agreements or options (collectively, "**Instruments**") that might or would require Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible 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 50% of the total number of issued Shares (excluding treasury shares) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below) ("**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 20% 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 any convertible securities;
- (ii) new Shares arising from the exercise of share options or vesting of share awards which are 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 Listing Manual of the SGX-ST; and
- (iii) any subsequent bonus issue, consolidation or sub-division of Shares;
- (3) in exercising the authority conferred by this Resolution, the Directors shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the 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)]

# NOTICE OF ANNUAL GENERAL MEETING

## 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 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 2014 (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

OOI CHEE ENG  
Company Secretary

Singapore  
9 October 2014

# 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 50% of the total number of issued shares (excluding treasury shares) in the capital of the Company, with a sub-limit of 20% 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 the exercise of share options or vesting of share awards which are 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 Listing Manual of the SGX-ST, 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 2014). 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.

# 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) \_\_\_\_\_ (NRIC/Passport/Registration No.)

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 Raffles Country Club at 450 Jalan Ahmad Ibrahim, Singapore 639932 on Monday, 27 October 2014 at 10.30 am, 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
	<b>Ordinary Business</b>		
1.	Audited accounts for financial year ended 30 June 2014		
2.	Payment of final one-tier tax exempt dividend		
3.	Re-election of Mr Ching Chiat Kwong as a Director		
4.	Re-election of Mr Phua Sian Chin as a Director		
5.	Re-election of Mr Lim Yeow Hua @ Lim You Qin as a Director		
6.	Payment of Directors' fees of S\$218,333 for financial year ended 30 June 2014		
7.	Payment of Directors' fees of S\$260,000 for financial year ending 30 June 2015		
8.	Re-appointment of RSM Chio Lim LLP as auditors		
	<b>Special Business</b>		
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 \_\_\_\_\_ 2014

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.





**OXLEY HOLDINGS LIMITED**

50 Raffles Place, #11-02 Singapore Land Tower, Singapore 048623  
Tel: 6438 0202 Fax: 6438 2020  
[www.oxley.com.sg](http://www.oxley.com.sg)

Co. Reg. No. 201005612G