



OXLEY HOLDINGS LIMITED

ANNUAL REPORT

2019

Oxley Tower, KL



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*Note: All perspectives of Oxley's development properties shown in this report are artists' impressions.*

# CORPORATE PROFILE

Oxley Holdings Limited (“Oxley” or the “Group”) is an international property group incorporated in 2010 and headquartered in Singapore. Oxley specialises in the development of quality residential, commercial, industrial and hospitality projects. These developments are typically located in choice areas that are easily accessible. Most of its projects incorporate retail elements, as well as lifestyle features and facilities.

Oxley is listed on the Main Board of the SGX-ST (SGX: 5UX) and has a market capitalisation of approximately \$1.3 billion as at 19 September 2019. Since its incorporation, Oxley has launched a portfolio of 44 projects, of which 30 projects have been completed.

Oxley has a strong reputation in market foresight, execution, marketing and sales, which is evident in its project track record in Singapore in the past years. The Group has launched and sold more than 2,410 residential and commercial units in Singapore since April 2018. In the hospitality space, the Group owns the 254-room Novotel Singapore on Stevens and 518-room Mercure Singapore on Stevens which are located in a lush urban paradise just minutes away from the iconic Orchard Road shopping belt and Botanic Gardens, a UNESCO World Heritage Site.

Oxley holds approximately a 19% stake in Singapore-listed United Engineers Limited and more than 10% stake in Aspen (Group) Holdings Limited, a Malaysian-based property group listed on Catalist in Singapore.

Building on this strong foundation, Oxley has also made remarkable progress in expanding its footprint overseas.

Currently the Group has overseas business presence across 10 geographical markets namely the United Kingdom (the “UK”), Ireland, Cyprus, Cambodia, Malaysia, Myanmar, Indonesia, China, Vietnam and Australia. Its overseas flagship projects include Royal Wharf, a waterfront township development in London, The Peak and The Bridge, two mixed-use developments in Phnom Penh, Cambodia, and Dublin Landings, one of the largest mixed-use developments in the business district of Dublin, Ireland. The Group has acquired Deanston Wharf, a site adjacent to Royal Wharf, which is to be developed into a mixed-use developments. Additionally, the Group has expanded into Vietnam and is launching a 270-unit residential development in Ho Chi Minh City for sale towards the end of Year 2019. Closer to home, Oxley and its partners have entered into a conditional sale and purchase agreement to acquire 29 acres of freehold land to be developed into a mixed-use developments in Penang, Malaysia.

In May 2018, an Irish statutory corporation appointed Oxley as a partner for the redevelopment of a site at the core city centre in Dublin - Connolly Station site. The design and planning works has been completed while the construction works and the sales launch is expected to commence in the coming months. The development may comprise 680 residential units, a hotel building as well as retail and office space.

Oxley also holds a 20% stake in Galliard (Group) Limited, a leading integrated property group in the UK, and a 40% stake in Pindan Group Pty Ltd, an integrated property group based in Western Australia.



# CORPORATE PROFILE

豪利控股有限公司（「豪利」或「集团」）成立于2010年，总部设在新加坡，是一家国际化房地产集团。集团专注于优质住宅，商业，工业和酒店地产项目的开发。集团的开发项目多位于交通便利的优质地段，且大多配有零售单位，以及别具一格的休闲娱乐设施。

豪利集团于新加坡证券交易所主板上市（新交所代码：5UX），截至2019年9月19日，集团市值约为13亿新元。公司成立以来，豪利推出了44个项目，其中30个项目已竣工。

豪利对于市场的展望，运行与行销方面皆享有盛誉，这些都体现在近年来集团在新加坡进行的开发项目中。自2018年4月以来，集团在新加坡推出并销售了2,410多个住宅和商业单位。在酒店业务方面，集团拥有的254间客房的新加坡史蒂芬路（Stevens）诺富特酒店（Novotel）和拥有518间客房的史蒂芬路新加坡美居酒店（Mercure），坐落在郁郁葱葱的城市天堂，距离标志性的乌节路购物区和联合国教科文组织世界遗产植物园都仅有几分钟的路程。

集团持有新加坡上市公司联合工程有限公司（United Engineers Limited）约19%的股权，集团还持有Aspen集团控股有限公司的超过10%的股权，后者是一家在新加坡凯利板上市的马来西亚房地产集团。

豪利在房地产业拥有扎实的基础，这促使集团在拓展海外业务方面也取得了显著的成果。集团目前在十个海外地区拥有业务，分别为英国，爱尔兰，柬埔寨，马来西亚，缅甸，印度尼西亚，塞浦路斯，中国，越南及澳洲。集团在海外的旗舰项目包括皇家码头（Royal Wharf）- 位于伦敦水滨城镇的开发项目，The Peak和The Bridge - 位于柬埔寨金边的两个综合开发项目，以及都柏林码头（Dublin Landings）- 爱尔兰都柏林商业区最大的综合开发项目之一。集团完成了对迪恩斯顿码头（Deanston Wharf）项目地块的购买，该地块毗邻皇家码头，将会被打造成为一个综合性开发项目。此外，集团已扩展至越南，并将于2019年底在胡志明市推出270个单位的住宅开发项目。更接近家乡，豪利及其合作伙伴签订了附带条约的买卖协议，收购了位于马来西亚檳城的29英亩的永久业权土地，用于开发综合性项目。

2018年5月，一家爱尔兰法定机构任命豪利集团为重建位于都柏林城镇中心的一个地块 - 康诺利站（Connolly Station）的合作伙伴。项目的设计及规划已完成，而建筑工程及开售将于接下来几个月开始。该项目可包括680个住宅单位，一座酒店以及零售和办公单位。

豪利还持有英国领先的综合房地产集团Galliard (Group) Limited的20%股权，以及位于西澳大利亚的综合房地产集团Pindan Group Pty Ltd 40%的股权。



# CORPORATE INFORMATION

## DIRECTORS

Ching Chiat Kwong  
*Executive Chairman and CEO*

Low See Ching  
*Executive Director and Deputy CEO*

Shawn Ching Wei Hung  
*Executive Director and Group General Manager*

Ng Weng Sui Harry  
*Lead Independent Director*

Phua Sian Chin  
*Independent Director*

Lim Yeow Hua @ Lim You Qin  
*Independent Director*

## COMPANY SECRETARY

Chan Yean Chun

## REGISTERED OFFICE

138 Robinson Road  
#30-01 Oxley Tower  
Singapore 068906

## SHARE REGISTRAR

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

## EXTERNAL AUDITOR

RSM Chio Lim LLP  
8 Wilkie Road #03-08  
Wilkie Edge  
Singapore 228095  
Partner-in-charge: Chan Weng Keen  
(Public Accountant and Chartered Accountant  
Singapore)  
(Effective from reporting year ended 30 June 2016)

## INTERNAL AUDITOR

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

## PRINCIPAL BANKERS

Bank of China  
Deutsche Bank AG  
Hong Leong Finance Limited  
Malayan Banking Berhad  
Oversea-Chinese Banking Corporation Limited  
The Hongkong and Shanghai Banking Corporation  
Limited



# OUR PRESENCE

### IRELAND

- 01** FINANCIAL DISTRICT DEVELOPMENT  
Dublin Landings
- 01** UPCOMING DEVELOPMENT PROPERTY  
Connolly Station

### UNITED KINGDOM

- 01** TOWNSHIP DEVELOPMENT  
Royal Wharf
- 01** UPCOMING DEVELOPMENT PROPERTY  
Deanston Wharf
- 20%** INVESTMENT  
Galliard (Group) Limited

### MYANMAR

- 01** TRANSIT-ORIENTED DEVELOPMENT  
Yangon Central Railway Station



### CYPRUS

- 01** UPCOMING WATERFRONT DEVELOPMENT  
Limassol Oxley Cyprus Development

### MALAYSIA

- 01** DEVELOPMENT PROPERTY  
Oxley Towers Kuala Lumpur City Centre
- 02** UPCOMING HOTELS  
Jumeirah Kuala Lumpur Hotel  
SO Sofitel Kuala Lumpur Hotel
- 06** UPCOMING DEVELOPMENT PROPERTIES  
Beverly  
Medini  
Pepper Hill  
Robson  
Section16  
Paya Terubong

(1) 82.35% of interest was transferred to the buyer in June 2019.

## CAMBODIA

- 03** DEVELOPMENT PROPERTIES  
The Bridge  
The Palms  
The Peak
- 01** UPCOMING HOTEL  
Shangri-La Hotel
- 01** UPCOMING DEVELOPMENT PROPERTY  
The Garage

## CHINA

- 01** TOWNSHIP DEVELOPMENT  
Sino-Singapore Health City  
中新健康城

## VIETNAM

- 01** UPCOMING DEVELOPMENT PROPERTY  
Mozac

## SINGAPORE

- 10** DEVELOPMENT PROPERTIES  
Affinity at Serangoon  
Mayfair Gardens/ Mayfair Modern  
Riverfront Residences  
Sea Pavilion Residences  
Sixteen35 Residences  
The Addition  
The Verandah Residences  
Kent Ridge Hill Residences  
1953  
INSPACE
- 01** UPCOMING DEVELOPMENT PROPERTY  
Parkwood Residences
- 02** INVESTMENT PROPERTIES  
30 Raffles Place<sup>(1)</sup>  
Space @ Tampines
- 02** HOTELS  
Novotel Singapore on Stevens  
Mercure Singapore on Stevens
- 19%** INVESTMENT  
United Engineers Limited
- 10%** INVESTMENT  
Aspen (Group) Holdings Limited

## INDONESIA

- 01** PROPERTY MANAGEMENT  
Oxley Convention City

## AUSTRALIA

- 40%** INVESTMENT  
Pindan Group Pty Ltd

# CHAIRMAN'S STATEMENT



## Dear Shareholders,

On behalf of the Board of Oxley Holdings Limited (the "Company", and together with its subsidiaries, the "Group"), I am pleased to present our Annual Report for the financial year ended 30 June 2019 ("FY2019").

For FY2019, the Group achieved revenue of \$686 million and net profit after tax of \$138 million. Cash and cash equivalents increased to \$474 million and the Group's gearing ratio declined from 2.17X at the end of the financial year ended 30 June 2018 ("FY2018") to 2.06X at the end of FY2019, attributable mainly to the sale of shares in a subsidiary. As the Group reduces borrowings using proceeds from sales of development and investment properties, the gearing ratio is expected to decline.

During the financial year, the Group sold the shares in Oxley Beryl Pte. Ltd., the owner of the property at 30 Raffles Place, for \$1.025 billion. The Group continues the strong momentum on the sales of Singapore development properties, achieving cumulative sales of \$2.7 billion and 2,410 units as of end-August 2019, representing 61% of total available units.

In November 2018, the sale of a commercial building at Dublin Landings was completed for a gross proceed of Euro 107 million. In the overseas market, 2 commercial buildings and 2 blocks of residential buildings at Dublin Landings, Ireland were contracted to be sold for gross proceeds of Euro 204 million and Euro 155 million respectively. The commercial buildings are expected to be completed and delivered to the buyer towards the end of Year 2019 while the completion of the sale of the residential development will take place progressively from November 2019 to June 2020.

The past year has been rewarding for Oxley, The Group has made significant progress in the sale of the Singapore development properties, constructions of the development and investment properties and realising the values of the investment properties. The Group's hotels on Stevens Road had a full year of operation and has achieved positive operating results on the back of strong tourist arrivals and corporate demand for meeting facilities. The Group has also embarked on new projects overseas in the quest to position the Group for the next phase of growth.

## FINANCIAL HIGHLIGHTS

For FY2019, operating profit before finance costs and share of results from associates and joint ventures

# CHAIRMAN'S STATEMENT



increased 3% to \$274 million, primarily due to higher revenue and gross margins from the Singapore development projects, full year of operating profit contribution from the Group's hotels on Stevens Road and fair value gains from revaluation of the investment properties on 30 Raffles Place and in Dublin.

Net profit after tax of \$138 million was however lower than the net profit for FY2018 by 51% due to lower total revenue and higher finance costs, partially offset by higher fair value gains on investment properties. Earnings per share was 3.42 Singapore cents for FY2019, compared to 7.27 Singapore cents for FY2018.

The Group's shareholders' fund increased from \$1.4 billion as at 30 June 2018 to \$1.5 billion as at 30 June 2019. Net asset per ordinary share of 36.21 Singapore cents as at 30 June 2019 was comparable with the previous year.

The Board is recommending a final dividend of 0.68 Singapore cent per share. Together with an interim dividend of 0.32 Singapore cent per share paid in May 2019, total dividend is 1 Singapore cent per share for FY2019.

## OPERATIONAL REVIEW

In Singapore, the Group has launched 10 development projects since April 2018. The response received from buyers has been overwhelming despite the cooling

measures implemented in July 2018. To date, the Group has sold more than 2,410 units or 61% of the units in the pipeline translating into a total secured sale of \$2.7 billion. Notably, two of the projects - The Verandah Residences and Sea Pavilion Residences are 100% sold. Barring unforeseen circumstances, the Group estimates cumulative sales to reach 70% of the total units by end of 2019 and projects to be fully sold by end of year 2020.

During the financial year, the Group entered into a sale and purchase agreement to dispose of its entire interest in Oxley Beryl Pte. Ltd., owner of the investment property at 30 Raffles Place, previously known as Chevron House, for \$1.025 billion. On 7 June 2019, the Group transferred 82.35% of the shares in Oxley Beryl Pte Ltd to the purchaser and currently hold the residual 17.65%. The share transfer is expected to be fully completed in FY2020 upon completion of the asset divestment and enhancement works.

In the hospitality sector, our 254-room Novotel Singapore on Stevens and 518-room Mercure Singapore on Stevens had a full year of operation in FY2019. Revenue per available room for the two hotels rose by 29% over FY2018 while revenue and gross operating profit increased 113% and 277% respectively. With the continuous infrastructure investments by the Singapore government including the completion of Jewel Changi Airport, commencement of construction of Changi Airport Terminal 5, and the expansion of the tourist

# CHAIRMAN'S STATEMENT

attractions including the gaming and non-gaming areas at the integrated resorts, the hospitality sector is expected to stay buoyant and will propel the performances of our hotels.

## INTERNATIONAL MARKETS

Oxley has business operations in 10 countries outside Singapore. In London, United Kingdom, Oxley has a large presence in the residential market. More than 90% of the 3,385 units at Royal Wharf have been sold and construction works and the handover of units to purchasers will be substantially completed by end of Year 2020. During the financial year, the Group expanded our presence in the United Kingdom by completing the purchase of the Deanston Wharf site. Deanston Wharf is situated adjacent to Royal Wharf and is an integral part of a thriving new riverside district with good access to local amenities and connectivity to central London. The new development will comprise 769 residential homes and 1,200 square metres of retail and commercial space. The initial development works have begun and the project is expected to be launched for sale in FY2020.

In Dublin, Ireland, significant progress was achieved at the Dublin Landings development during the financial year. 2 commercial buildings were contracted to be sold to the Central Bank of Ireland for Euro 204 million while the residential buildings would be sold to Greystar Europe Holdings Limited for Euro 155 million. The Group

expects the construction works and handover to the purchasers to be completed by FY2020 and 79.5% and 84.0% of the sale proceeds would be received from Central Bank of Ireland and Greystar Europe Holdings Limited, respectively.

In FY2018, Oxley announced securing an agreement with C oras Iompair  ireann, a statutory corporation of the Ireland government to develop the site of approximately 2 hectares at Connolly Station. Connolly Station is one of the most accessible and central locations in Dublin City Centre with approximately 30,000 commuter volume per day. During the financial year, the design and planning works were completed while the construction works and initial sales launch will commence in FY2020. Subject to planning consent by the Dublin City Council, the development may comprise 680 residential units, a hotel building as well as retail and office space.

In Phnom Penh, Cambodia, following the completion and hand-over of The Bridge project in FY2018, The Peak project is currently under construction and the retail mall is expected to commence operation in FY2020. CapitaLand Retail Management Pte Ltd has been appointed to manage the retail mall. In addition to the retail space, The Peak development includes residential and soho units and collectively, the development is 87% sold, barring unforeseen circumstances, the development is expected to be fully sold at completion which is targeted for the end of Year 2020.



# CHAIRMAN'S STATEMENT

In Vietnam, the development planning has begun for our maiden residential project in Ho Chi Minh City. The Thao Dien residential project, Mozac, comprising 270 residential units and 300 square metres of retail space will be launched for sale towards the end of Year 2019. The macroeconomic environment in Vietnam is positive with a huge population, growing middle class, and expanding foreign direct investments by companies tapping on the relatively inexpensive labour and companies looking for an alternative manufacturing location in view of volatile China-US trade relations.

In June 2019, Oxley, together with Aspen (Group) Holdings Limited entered into a conditional sale and purchase agreement to acquire 29 acres of freehold land in Paya Terubong, Penang in Malaysia. The proposed mixed-use development to be built on the site is expected to comprise residential towers, service apartments, retail space and a community centre, and is strategically located in a mature township with a population of 400,000.

## LOOKING FORWARD

The growth prospects for Singapore economy are expected to be sluggish with global trade uncertainty. Notwithstanding the challenging external factors, a low interest rate environment in addition to a relatively stable Singapore dollar and Singapore's safe haven status for long-term investments are expected to keep the property sales volume strong. Higher sales volume was achieved in recent months compared to the same period last year. However, the residential supply pipeline may cap any significant price increases.

The tourism sector is expected to stay resilient and the hotels' occupancy has continued to reach new heights, attributable to the continuing investments in tourism infrastructure and Singapore's attractiveness as a location for business meetings and easy accessibility with strong connectivity from other parts of the world.

In London, uncertainties over Brexit will continue to weigh on property prices and demand for residential

and commercial properties. We will monitor the situation closely and adjust our strategy for the sales and marketing of the units at Royal Wharf and plans for new projects in London.

In Dublin, the Group has achieved success at the development in Dublin Landings and remains confident of the property market outlook due to Ireland's pro-business environment and it being an attractive location for businesses looking for alternative to London.

In the Indochina region, the Group's The Peak project in Cambodia is close to 90% sold and the Group is working on completing the project and delivering the units to the buyers in the next financial year. The Group will continue to tap on the strong potential in the region through investments in new projects in Cambodia and Vietnam.

Year 2020 is the Company's 10th anniversary since the Company was incorporated and listed on the Singapore Exchange. The last 10 years have been remarkable for the Group as the Group evolved from a Singapore residential developer to an international real estate developer in the residential, commercial, hospitality and industrial space. We will continue to explore business opportunities across different property sectors and geographical markets to drive growth and expand our property portfolio.

## ACKNOWLEDGEMENT

I would like to express my heartfelt appreciation to the management and staff for their commitment and relentless hard work during the past year, and my Board members for their invaluable advice and contribution. I would also like to thank our shareholders, business associates and customers for their continuing support. We will continue to strive for growth and excellence.

## CHING CHIAT KWONG

Executive Chairman and CEO  
October 2019

# CHAIRMAN'S STATEMENT

亲爱的股东们：

我谨代表豪利控股有限公司（「公司」及其附属公司「集团」）董事会，呈报集团截止2019年6月30日（「2019财年」）的年度报告。

截至2019财年，集团实现营收6.86亿新元，税后净利润1.38亿新元。集团的现金及现金等价物增加至4.74亿新元，资产负债率从截至2018年6月30日的财年（「2018财年」）的2.17倍下降至2019财年末的2.06倍，主要是由于集团出售了一间子公司的股份。集团通过使用开发和投资地产销售所得款项来减少债务，预计资产负债率会下降。

本年度，集团以10.25亿新元的价格出售了Oxley Beryl 私人有限公司的股份，后者拥有位于莱佛士坊30号地产的产权。集团继续保持了新加坡发展项目销售的强劲势头，截至2019年8月底，集团已累计售出2,410个单位，占可售单位的61%，实现累计销售额27亿新元。

在2018年11月，都柏林码头其中一栋商业楼完成交付，金额为1.07亿欧元。在海外市场，集团已签署合同，出售了位于爱尔兰都柏林码头（Dublin Landings）的2栋商业楼和2栋住宅楼，售价分别为2.04亿欧元和1.55亿欧元。预计商业楼将在2019年底前完工并交付给买方，而住宅楼的销售将在2019年11月至2020年6月间逐步完成。

过去的一年中豪利收获颇丰，集团在新加坡发展项目的销售，发展和投资项目的建设，以及实现投资地产价值方面都取得了重大进展。集团位于史蒂芬路的酒店实现全年运营，在游客增多和企业对会议设施需求增强的带动下，酒店取得了优异的经营业绩。集团亦已开展新的海外项目，以实现集团下一阶段的增长。

## 财务摘要

截至2019财年，除去融资成本和联营及合营企业的影响，集团经营利润增加3%至2.74亿新元，主要得益于新加坡发展项目的营收和毛利率的增加，集团位于史蒂芬路的酒店的全年盈利，以及位于莱佛士坊30号和都柏林码头投资地产重估的公允价值收益。

税后净利润较2018财年下降了51%，达1.38亿新元，主要是由于总收入减少和较高的财务费用，部分被投资地产公允价值的增加所抵消。2019财年集团每股收益为3.42新加坡分，而2018财年每股收益为7.27新加坡分。

集团的股东权益从2018年6月30日的14亿新元增加至2019年6月30日的15亿新元。截至2019年6月30日，集团每股净资产为36.21新加坡分，与去年相当。

董事会建议派发每股0.68新加坡分的末期股息。

连同已于2019年5月支付的0.32新加坡分的中期股息，2019财年的股息共计为每股1新加坡分。

## 营运回顾

在新加坡，自2018年4月以来，集团已推出10个发展项目。尽管2018年7月实施了降温措施，但买家的需求依然强劲。到目前为止，集团已售出超过2,410个单位，为现有总量的61%，确保了超过27亿新元的销售额。值得注意的是，其中的两个项目--The Verandah Residences和Sea Pavilion Residences 已全额售罄。除非出现不可预见的情况，预计集团的累计销售将于2019年底达到总量的70%，并于2020年底全部售出。

本年度，集团签订了出售Oxley Beryl 私人有限公司的全部权益的协议，后者拥有位于莱佛士坊30号地产的产权，即之前的其士大厦，其企业估值为10.25亿新元。在2019年6月7日，集团已将Oxley Beryl 私人有限公司82.35%的股份转让给买家，集团目前拥有余下的17.65%。在完成部分出售和扩建工程后，预计股权出售将在2020财年全面完成。

酒店业务方面，集团拥有的254间客房的新加坡史蒂文路诺富特酒店和拥有518间客房的史蒂文路新加坡美居酒店实现2019财年全年运营。两间酒店的可用客房每间收入比2018财年增长29%，同时酒店收入和经营利润额分别增长113%和277%。随着新加坡政府对星耀樟宜（JEWEL Changi Airport），樟宜机场5号航站



# CHAIRMAN'S STATEMENT

楼 (Changi Airport Terminal 5), 博彩及非博彩的综合度假村等旅游景点和基础设施的巨额投资, 我们相信本地的酒店业将继续蓬勃发展, 并持续推动集团酒店的业绩。

## 国际市场

集团已在新加坡以外的10个海外地区市场开展业务。在英国伦敦, 豪利在住宅开发市场拥有很大份额。皇家码头项目 (Royal Wharf) 的3, 385个单位中, 超过90%已售出, 绝大部分建设和交房工作将在2020年底前完成。

本年度, 集团完成了对于迪恩斯顿码头 (Deanston Wharf) 项目地块的购买, 扩大了在英国的业务。迪恩斯顿码头毗邻皇家码头 (Royal Wharf), 是繁华的新河滨区的一部分, 交通方便并连接伦敦市中心。此项新开发项目将包括769个住宅单位和1, 200平方米的零售和商业区域。集团已开展初期的开发工作, 预计该项目将于2020财年启动销售。

在爱尔兰都柏林, 都柏林码头项目在这一年取得了重大进展。2栋商业楼以2.04亿欧元的价格出售给爱尔兰中央银行, 而住宅楼将以1.55亿欧元的价格出售给Greystar 欧洲控股。预期项目将于2020财年完工并移交买家, 集团将从爱尔兰中央银行和Greystar 欧洲控股分别收到79.5%及84.0%的交易款项。

2018财年, 豪利宣布与爱尔兰政府的法定公司C6ras Iompair Éireann达成协议, 在康诺利车站 (Connolly Station) 开发占地约2公顷的土地。康诺利车站是都柏林市中心最便利最核心的地点之一, 每天通勤量约为30,000人次。本年度, 项目的设计及规划已完成, 而建筑工程及开售将于2020财年开始。该项目可包括680个住宅单位, 一座酒店以及零售和办公单位, 最终方案以都柏林市议会规划为准。

在柬埔寨金边, 在The Bridge项目于2018财年完成并交付后, The Peak项目目前正在建设中, 零售商场预计将于2020财年投入运营。嘉德置地零售管理私人有限公司 (CapitaLand Retail Management Pte Ltd) 已被任命管理零售商场。除零售部分外, The Peak开发项目还包括住宅和SOHO单位。该项目目前已售出87%, 除非出现不可预见的情况, 项目将在2020年完工并全部售出。

在越南, 集团在胡志明市的首个住宅项目的开发计划已经开始。Thao Dien住宅项目Mozac将包括270个住宅单元和300平方米的零售部分, 销售工作将在2019年底开始。越南的宏观经济环境向好, 人口众多, 中产阶级不断壮大, 外国直接投资扩大, 一些外资青睐越南相对廉价的劳动力, 另一些考虑到中美贸易关系不稳定, 将越南作为可选的生产制造基地。

2019年6月, 豪利与Aspen集团控股有限公司签订了附带条约的买卖协议, 收购马来西亚槟城Paya Terubong

的29英亩永久业权土地。拟建的综合性开发项目预计将包括住宅楼, 服务式公寓, 零售部分和社区活动中心, 项目位置具有战略意义, 地处拥有40万人口的发达城镇。

## 展望未来

由于全球贸易的不确定性, 新加坡经济的增长前景预计将会减缓。尽管外部因素充满挑战, 但低利率的环境, 相对稳定的新元, 加之新加坡是长期投资的避险选择, 预计地产销售将保持强劲的势态。与去年同期相比, 近几个月实现了地产销量有所提高。然而, 持续的住宅供应可能会限制价格的上涨。

预计新加坡旅游业会表现张力, 酒店的入住率将再创高峰, 原因在于旅游基础设施的持续投资, 以及新加坡作为商务会议地点, 可以连通世界其他地区的强大优势。

在伦敦, 英国退欧的不确定性将继续拖累房地产价格, 以及对住宅和商业物业的需求。集团将密切关注, 并适时调整皇家码头项目的营销策略, 以及在伦敦开展新项目的相关计划。

在都柏林, 集团在都柏林码头项目取得了成功。爱尔兰拥有友好的商业环境, 对于寻找地理位置可以替代伦敦的企业来讲, 这里极具吸引力, 集团仍对当地的房地产市场前景充满信心。

在中南半岛地区, 集团在柬埔寨的The Peak项目已售出近90%, 集团正在加快工程进度, 并努力在下一个财年实现交付。集团将继续通过投资柬埔寨及越南的新项目, 挖掘该地区的强大潜力。

2020年是公司成立以及在新加坡交易所上市的10周年。过去的10年对集团来说意义重大, 因为集团从一个新加坡的住宅地产开发商进化成为一个拥有住宅, 商业, 酒店和工业项目的国际房地产开发商。集团将继续探索不同地产类型和不同地域市场的商机, 以推动增长和扩大集团的地产投资组合。

## 致谢

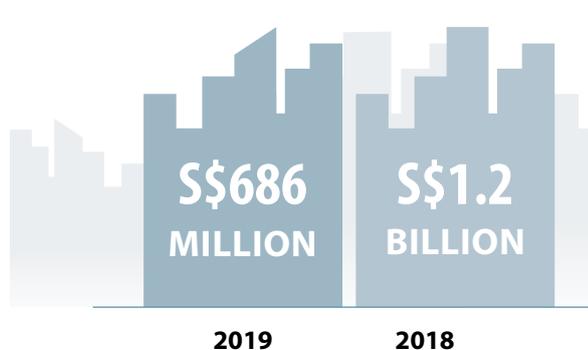
在此, 我衷心地感谢豪利集团管理团队和全体员工, 感谢他们在这一年中不懈的努力, 感谢豪利集团董事会成员提供的宝贵建议和贡献。此外, 我还要感谢各位股东, 合作伙伴和相关人士对豪利集团一直以来的信任和支持。我们将继续为集团的业务增长和卓越发展努力奋斗。

## 陈积光

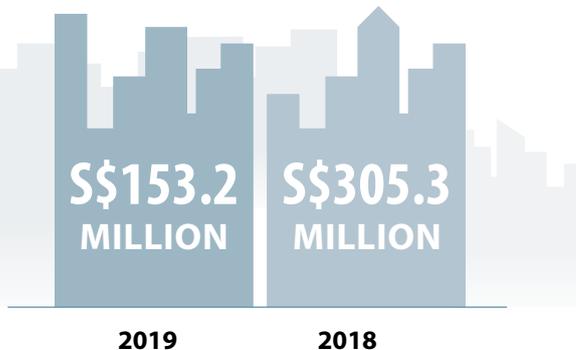
执行董事兼首席执行官  
2019年10月

# FINANCIAL HIGHLIGHTS

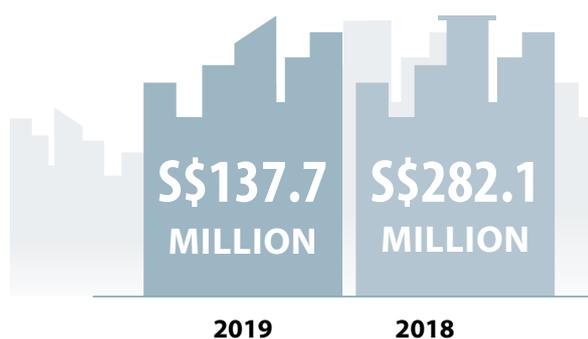
## REVENUE



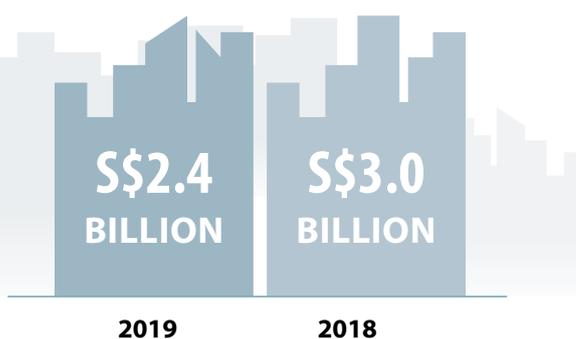
## PROFIT BEFORE TAX



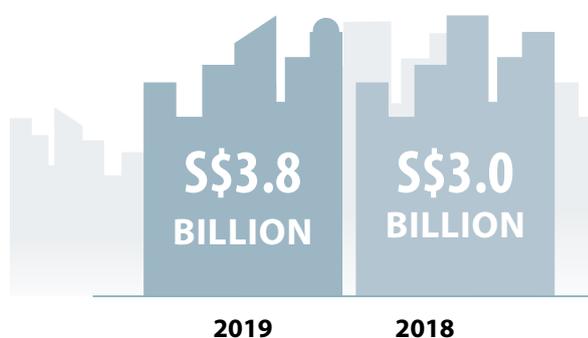
## PROFIT NET OF TAX



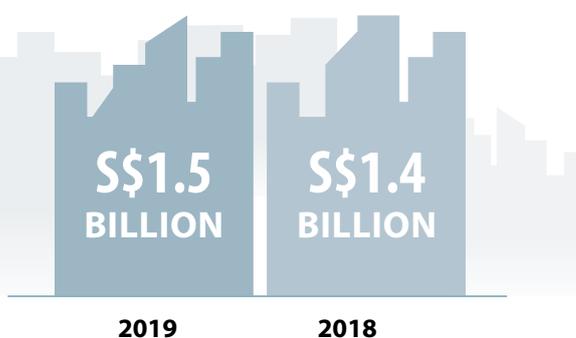
## NON CURRENT ASSETS



## CURRENT ASSETS



## TOTAL EQUITY



# FINANCIAL HIGHLIGHTS

## CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	<b>2019</b> <b>\$'000</b>	<b>2018</b> <b>\$'000</b>
Revenue	686,068	1,188,613
Profit Before Tax	153,165	305,339
Income Tax Expense	(15,494)	(23,216)
Profit Net of Tax	137,671	282,123
Profit for the year attributable to:		
Owners of the Company	139,786	285,028
Non-Controlling Interests	(2,115)	(2,905)

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Non-Current Assets	2,375,825	3,021,768
Current Assets	3,818,094	2,973,720
Non-Current Liabilities	2,307,501	3,278,612
Current Liabilities	2,381,548	1,239,860
Net Assets	1,504,870	1,477,016
Equity Attributable to Owners of the Company	1,500,270	1,435,734
Non-Controlling Interests	4,600	41,282
Total Equity	1,504,870	1,477,016

# BOARD OF DIRECTORS



*From left to right: Phua Sian Chin, Shawn Ching Wei Hung, Ching Chiat Kwong, Low See Ching, Ng Weng Sui Harry, Lim Yeow Hua @ Lim You Qin*

## **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 formulation of corporate strategies, charting future growth plans and driving overall performance of the Group.

Mr Ching possesses 20 years of property industry experience. Prior to establishing the Group, he invested in, developed and successfully launched 13 residential projects in various parts of Singapore. His keen business acumen and astute ability to identify market trends and business opportunities have enabled him to lead the Group's expansion into 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 sits on the boards of Galliard (Group) Ltd, Pindan Group Pty Ltd and Aspen (Group) Holdings Limited. Mr Ching received the 2017 Real Estate Personality of the Year awards at

PropertyGuru Asia Property Awards (Singapore) and EdgeProp Singapore Excellence Awards 2017. Mr Ching is also an active supporter of programmes that benefit the elderly and socially disadvantaged. He sits on the boards of THK Nursing Home Limited and Ren Ci Hospital.

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

## **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 the operation of the Group including sales and marketing, project development, business development and financial management. Mr Low also assists the CEO in charting and executing the strategic plans for the Group. Between 2005 and 2009, Mr Low invested in, developed and launched five property development projects in

# BOARD OF DIRECTORS

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, Galliard (Group) Limited and Pindan Group Pty Ltd. 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 strategic growth and operational activities of Hafary Group, including sales and marketing and procurement activities.

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

## SHAWN CHING WEI HUNG

*Executive Director and Group General Manager*

Mr Shawn Ching Wei Hung was appointed Executive Director and Group General Manager on 15 November 2018. Mr Ching is responsible for the general operations and administration of the Group.

Mr Ching graduated from the University of Buckingham with a Bachelor degree in Business and Management with First Class Honours. He achieved the best performance in the School of Business examinations. Thereafter, he went on to obtain a Master of Science degree in Sustainable Urban Development from the University of Oxford.

Mr Ching sits on the Board of Regents of Harris Manchester College, University of Oxford.

## 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 has more than 30 years of experience in accounting, finance and audit. He also sits on the boards of a number of listed companies as the independent director and chairman of the audit committees.

He is a Fellow Member 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.

## 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 37 years of experience in accounting and corporate finance.

He was the Chief Financial Officer of a company listed on the Hong Kong Stock Exchange for 8 years and Regional Financial Controller for multinational corporations in the Asia-Pacific region for more than 10 years. He was also the group finance 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 Member of the Institute of Singapore Chartered Accountants, a Fellow of CPA Australia, a Fellow of the Association of Chartered Certified Accountants (UK), and a member of the Singapore Institute of Directors.

## LIM YEOW HUA @ LIM YOU QIN

*Independent Director*

Mr Lim Yeow Hua @ Lim You Qin is our Independent Director and was appointed to the Board on 30 April 2014.

Mr Lim is a chartered accountant and accredited tax advisor (Income Tax and GST). He has more than 30 years of experience in the accounting, tax, financial services and investment banking industries.

He currently sits on board as Independent Director and Audit Committee Chairman of a number of companies listed on the Singapore Exchange (SGX).

Mr Lim is a Fellow Member of the Institute of Singapore Chartered Accountants and an Accredited Tax Advisor (Income Tax & GST) of the Singapore Institute of Accredited Tax Professionals. He is also a Full Member of the Singapore Institute of Directors.

He holds a Bachelor Degree in Accountancy and MBA degree from the National University of Singapore.

# KEY MANAGEMENT

## CHAN YEAN CHUN

*Chief Financial Officer*

Ms Chan Yeon Chun joined Oxley in 2018 as Chief Financial Officer. She leads the Group's finance and secretarial departments. Before joining the Group, she was the Vice President of Finance at Pan Pacific Hotels Group for 8 years. Prior to that, she was an auditor with PricewaterhouseCoopers in Singapore, followed by corporate finance and banking experiences with Avaya Inc and BNP Paribas Fortis in the United States.

Ms Chan holds a Bachelor of Accountancy (First Class Honours) degree from Nanyang Technological University and a Master of Business Administration degree (Distinction) from Cornell University. She is a member of the Institute of Singapore Chartered Accountants.

## LIM YING JIE, EUGENE

*Marketing & Sales Director*

Mr Lim Ying Jie, Eugene joined Oxley in February 2016 as Marketing & Sales Director. He is responsible for the marketing & Sales of local and overseas projects for the Group. Mr Lim possesses more than 10 years of experience in marketing and sales of residential and commercial projects. Prior to joining Oxley, Mr Lim was with WingTai Property Management where his last position was Assistant General Manager (Marketing & Sales). Mr Lim was also with Knight Frank (Singapore) for 4 years where he rose from the rank of Senior Manager to Director, Head of Project Marketing and successfully launched more than 35 projects during this period. Before Knight Frank, Mr Lim was with HSR International, a real estate agency for 4 years where he recruited and trained a team of 250 agents focusing on new home sales. He holds a degree in Business Management from University of London.



**From left to right:** Lim Ying Jie Eugene, Eddie Lim Chee Chong, Chan Yeon Chun, Lee Ping Hui Colin, John Ong Pee Hock

# KEY MANAGEMENT

## **EDDIE LIM CHEE CHONG**

*Executive Director, Oxley Malaysia*

Mr Lim Chee Chong, Eddie is the Executive Director of Oxley Holdings (Malaysia) Sdn Bhd, in addition to leading project development in the region and overseeing hotel operation in Singapore. Prior to Oxley, Mr Lim was a Project Director with Fragrance Realty Pte Ltd and the Chief Executive Officer of Global Premium Hotels Limited (GPHL) where he was responsible for the operation, strategic growth and business development. Mr Lim spearheaded the launch of GPHL's premium hotel brand known as Parc Sovereign Hotel. Before GPHL, Mr Lim was with Fragrance Group Limited where he rose through the ranks from a Director of Property Development to Executive Director, responsible for the development of residential, commercial and hotel projects.

Mr Lim holds a Master of Business Administration degree from Arcadia University and a Bachelor degree in Engineering from Nanyang Technology University.

## **LEE PING HUI, COLIN**

*General Manager for Indochina Market*

Mr Lee Ping Hui, Colin joined Oxley in April 2018 as General Manager for the Group's operations in Indochina. He leads and oversees development and construction of the projects in Indochina and central procurement of the Group.

He held numerous positions from Senior Project Manager, Construction Manager, Senior Principal to General Director at global multidisciplinary consultancy firms, Senior Manager in Google Taiwan and Director of Energy and Chemical Business in EPCM environment.

Mr Lee has more than 30 years of experience in project management and construction of hotel, residential and commercial developments, mega-sized data centres, cleanrooms, petrochemical plants, waste water treatment plants, airport and institutions.

Mr Lee holds a Master of Business & Technology degree from University of New South Wales and a Bachelor of Engineering (Honours) from the Royal Melbourne Institute of Technology University. He is a registered Professional Engineer in Singapore with a EMA licence, a Chartered Engineer registered with the Engineering council in the UK and also holds a Class A Professional Engineer licence in Vietnam.

## **ONG PEE HOCK, JOHN**

*Project Director*

Mr Ong Pee Hock, John joined Oxley in February 2013 as a Senior Project Manager and is currently a Project Director of the Group. He is responsible for the overall project management of the Singapore projects. Mr Ong has over 20 years of experience in project management of residential, industrial, commercial and hospitality projects, local and overseas. Prior to joining Oxley, he spent ten years with LCD Property Management Pte Ltd, where he rose from the rank of a Project Manager to Assistant General Manager (Projects). Mr Ong had worked in the local and overseas operation in UAE, Vietnam, Thailand and China.

Mr Ong holds a Diploma in Building Services Engineering and is a qualified Fire Safety Manager.

# KEY MANAGEMENT

## CAROL NG SUAT KHENG

*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.

## MR. KEVIN BOSSINO

*General Manager, Novotel & Mercure Singapore on Stevens*

Mr Kevin Bossino is the General Manager of Novotel & Mercure Singapore on Stevens. He is also Vice President of Operations for Midscale and Economy brands at AccorHotels in Singapore. Mr Bossino has over 30 years of experience in the hospitality industry. He has worked with a variety of iconic hotels around the world including The Rock Hotel in Gibraltar, the Bauer Hotel in Venice, The Connaught in London, The Savoy, London Hotel, La Manga Club Resort, Spain and Grand Hyatt Hong Kong. Mr Bossino played an instrumental role in opening various Century International Hotels (subsequently acquired by AccorHotels) in Hong Kong, Indonesia, Vietnam and the Philippines.



**From left to right:** Carol Ng Suat Kheng, Lim Thean Huat, Chua Lee Na, Lindsay Tan Chew Guek, Mr. Kevin Bossino, Victor Ong Soon Lee

# KEY MANAGEMENT

In 2005, Mr Bossino moved to Singapore, where he led the Grand Mercure Roxy followed by Novotel Singapore Clarke Quay as Area General Manager. In 2015, he joined AccorHotels Asia Pacific Head Office as Vice President of Operations, Singapore and Operations Standards Food & Beverages and Luxury & Upscale Brands, Asia Pacific.

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## **CHUA LEE NA** *Senior Project Manager*

Ms Chua Lee Na joined Oxley in November 2014 as a Project Manager and rose to the rank of Senior Project Manager. She is responsible for project management in Singapore from the conceptualisation stage to the completion and handover of the development. Prior to joining Oxley, she spent 6 years with World Class Land Pte Ltd and Axis Architects Pte Ltd as a Project Manager involved in various types of residential, commercial and hospitality projects.

Ms Chua holds a Master of Science degree in Project Management from National University of Singapore.

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## **LINDSAY TAN CHEW GUEK** *Quantity Survey Manager*

Ms Tan Chew Guek, Lindsay joined Oxley in May 2010 as Quantity Surveyor Manager. Ms Tan leads the Group's quality control and procurement teams. Prior to joining Oxley, Ms Tan was a quantity surveyor at Oxley Construction Pte Ltd, where she oversaw the tendering and contracting process and actively monitored the cost and payment process for the projects.

Ms Tan holds a Diploma in Civil and Structural Engineering from Singapore Polytechnic.

## **LIM THEAN HUAT** *Senior Project Manager*

Mr Lim Thean Huat joined Oxley in September 2017 as Senior Project Manager. He is responsible for the project management of the Group's hotels in Cambodia, Malaysia and Cyprus. Mr Lim has over 30 years of experience in project management for public listed companies in residential, commercial and hospitality projects, local and overseas. Prior to joining Oxley, he spent fifteen years with Lum Chang Holdings Limited, where he rose through the ranks from a Project Engineer to Senior Project Manager. At the hotel division of Lum Chang, Mr Lim also held the position of Senior Vice President (Technical Service) and worked on projects in the United Kingdom, China, Thailand, Vietnam and Laos.

Mr Lim holds a Bachelor of Engineering (Honours) degree from National University of Singapore and a Graduate Diploma in Business Administration from Singapore Institute of Management.

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## **VICTOR, ONG SOON LEE** *Senior Project Manager*

Mr Ong Soon Lee, Victor joined Oxley in September 2011 as Project Manager and rose to the rank of Senior Project Manager. He is responsible for the Group's development in Indochina. He possesses more than 15 years of project management experience. Prior to joining Oxley, he was with Kingsmen Projects, where he was responsible for the retail fitting-out programmes for international brands. He was involved in the Changi Airport Terminal 3 interior fit-out project while under the employment of the Civil Aviation Authority of Singapore.

Mr Ong holds a Bachelor of Science (Building) degree from National University of Singapore.

# DEVELOPMENT PROPERTIES

## SINGAPORE PROJECTS



### Riverfront Residences

Oxley, together with its joint-venture partners (KSH Development Pte. Ltd., SLB Development Ltd and Apricot Capital Pte. Ltd.), acquired a privatised Housing and Urban Development Company (HUDC) estate, Rio Casa at 350 Hougang Avenue 7 through a collective sale. The project was rebranded as Riverfront Residences and was launched in July 2018. Met with overwhelming response, more than 440 units were sold on the day of the launch. Oxley has a 35% stake in this project.

The site has a land area of 36,811 sqm. It will be developed into 1,472 residential units, comprising 9 blocks of 17-storey apartments, 21 strata-landed houses and 6 commercial shops. More than 1,110 units have been sold as at 19 September 2019.



### Sixteen 35 Residences

Sitting on top of the historical Huang Shi Zong Hui (Singapore), Sixteen 35 residences comprises of 60 apartments and is located at the epic centre of the rising Paya Lebar Central commercial hub. It is on the city fringe and is less than 10 minutes' drive from the central business district. Launched in 2018, the development is substantially sold.



### Affinity at Serangoon

Oxley, together with its joint-venture partners (Unique Invesco Pte. Ltd., LBD (Serangoon) Pte. Ltd. and Apricot Capital Pte. Ltd.), acquired a privatised HUDC estate at Serangoon North Avenue 1 through a collective sale.

With a land size of 27,584 sqm, Oxley is developing the site into 1,052 private residential apartments and strata landed houses, and 5 commercial shops. There is a wide range of amenities in close proximity. The new development is renamed as Affinity @Serangoon and was successfully launched in June 2018. Oxley has a 40% stake in this project. More than 580 units have been sold as at 19 September 2019.

# DEVELOPMENT PROPERTIES

## SINGAPORE PROJECTS



### Kent Ridge Hills Residences

Situated next to the Kent Ridge Park and surrounded by landed properties and low-rise apartments, residents at Kent Ridge Hill Residences enjoy an exclusive, luxurious and serene lifestyle.

The site sits on a land area of 29,659 sqm. The project is expected to house 548 units, comprising 1 to 3 bedroom apartments, 3 to 5 bedroom penthouses and 50 strata landed houses. The project was launched in November 2018 and more than 230 units have been sold as at 19 September 2019.



### Mayfair Gardens/Mayfair Modern

Mayfair Gardens and Mayfair Modern, a unique luxury residential project located along Dunearn Road in Bukit Timah, is situated in a private residential enclave of bungalows, landed homes and condominiums. The site is 300 metres away from the King Albert Park MRT station. Residents can commute to the central business district and the Orchard Road shopping belt in 15 minutes.

The 19,368 sqm land will house 386 units. The project was launched in September 2018 and more than 200 units have been sold as at 19 September 2019.

# DEVELOPMENT PROPERTIES

## SINGAPORE PROJECTS



### The Verandah Residences

Located at the junction of Pasir Panjang Road and South Buona Vista Road, The Verandah Residences' design is inspired by the black and white bungalows from Pasir Panjang's colonial past and attracted buyers with its close proximity to MRT stations, major shopping malls, a wide range of food and beverage choices, as well as parks and recreation facilities, such as The Southern Ridges and Kent Ridge Park.

The freehold development comprises 167 apartments in four blocks of 5-storey buildings, and 3 strata landed houses. Oxley achieved 100% sales at The Verandah Residences within three months from its official launch.



### 1953

1953 is a freehold, mixed-use development on 1 Balestier Road. It has a unique collection of 6 conservation shophouses and a modern 6-storey residential block annexure. 1953 stands beautifully with a conserved façade and contains 72 units including 58 apartments and 14 strata commercial units. The project was launched in March 2019 and more than 35 units have been sold as at 19 September 2019.



### The Addition

The Addition is an exclusive 26-unit development on Meyappa Chettiar Road. Crafted on this plot of land is an 8-storey tower block with no more than 4 units on each level. The development comprises of 2 and 3-bedroom apartments. Residents will get to enjoy facilities such as a designer pool, an indoor gym, playground, and BBQ pits. As of 19 September 2019, the development is close to 100% sold.

# DEVELOPMENT PROPERTIES

## SINGAPORE PROJECTS

### Inspace

INSPACE, a prime strata-titled freehold B1 space complete with recreational facilities and social amenities is located in District 19 with close proximity to malls and eateries.

The 84-unit development is built around 4 uniquely designed layouts that allow maximum flexibility for the businesses. The property is developed by SLB-Oxley (NIR) Pte Ltd, a joint venture between Oxley and SLB. As of 19 September 2019, 7 units in the development were sold.



### Parkwood Residences

Nestled within the landed enclave of Kovan, Parkwood Residences is the celebration of a modern luxurious lifestyle with contemporary lavishness and exclusive living and offers a classic and timeless design quality.

The site sits on a land area of 1,313 sqm. The project is expected to house 18 residential units, comprising of 3 bedroom apartments & 4 to 5 bedroom penthouses.



### Sea Pavilion

Sea Pavilion Residences is a 24-unit freehold development, located on 494 Upper East Coast Road in the heart of District 16.

The boutique oceanfront development offers 1 to 3 bedroom units and penthouses, and is a haven of serenity nestled in a greenery landscape. Launched in 2018, the development is fully sold.



# DEVELOPMENT PROPERTIES

## INTERNATIONAL PROJECTS

### Royal Wharf

*London, United Kingdom*

Royal Wharf is a 394,026 sqm waterfront development by the River Thames in East London. With approximately 500 metres of direct south-facing river frontage, Royal Wharf offers high-quality waterside living with stunning panoramic views. The development comprises 3,385 apartments and townhouses, and approximately 11,000 sqm of commercial area comprising office, retail and F&B spaces. With over 45% of designated open spaces and play areas, the development also features a riverside park linking the Royal Wharf Pier, Royal Wharf Amphitheatre and Riverside Walk.

The development is in close proximity to the future 14-ha Asian Business Park and boasts outstanding transport links with quick access to central London via the Docklands Light Rail. Since commencement of construction in early 2014, the Group has been progressively handing over completed units to the buyers and targets to complete the entire project by Year 2020.

More than 94% or 3,170 units have been sold and more than 2,400 homes have been handed over to the owners as at 19 September 2019.



FEATURING  
OVER  
**500m**  
OF RIVER  
FRONTAGE



**3,385**  
RESIDENTIAL  
UNITS

**94%**  
OF UNITS  
SOLD

### Deanston Wharf

*London, United Kingdom*

Deanston Wharf is adjacent to Oxley's flagship Royal Wharf London development. It is easily accessible from central London, close to amenities and overlooks the Lyle Park and River Thames. Deanston Wharf will deliver 769 new homes, 1,200 sqm of commercial floor space and a 170-metre long expansion to the adjoining Lyle Park.



**1,200sqm**  
OF RETAIL AND  
COMMERCIAL  
FLOORSPACE

**769**  
RESIDENTIAL  
UNITS

# DEVELOPMENT PROPERTIES

## INTERNATIONAL PROJECTS



### Dublin Landings *North Wall Quay, Ireland*

Dublin Landings is a unique and breathtaking development with striking architecture inspired by Ireland's coast and robust woodlands, integrating rugged landscape with contemporary architecture. Sitting on the North Bank, within Dublin's financial and technology district, Dublin Landings' eminent occupants include Central Bank of Ireland and is emerging as a new commercial heart of the Irish capital.

Situated along River Liffey, the development is well-connected and located between Dublin's international airport and historic centre. The development includes 65,000 sqm of flexible Grade A office and retail space spread across five office buildings. Oxley was granted the development rights in early 2010 and has since completed and sold 2 commercial buildings. 3 other commercial buildings and all residential blocks comprising 298 apartments are targeted to be completed and sold by Year 2020.

### Connolly *Connolly Station, Ireland*

Oxley has entered into an agreement with the Irish Government to develop a site at Connolly Station, Dublin 1 of approximately 2 hectares land area. Connolly Station is one of the most central and highly accessible location in Dublin City Centre with approximately 30,000 commuter volume per day.

Subject to planning consent by the Dublin City Council, the Connolly development will be a mixed-used development comprising residential units, a hotel block, office and retail space.

The project is expected to be launched for sale in early 2020.

APPROXIMATELY  
**2 hectares**  
LAND AREA

# DEVELOPMENT PROPERTIES

## INTERNATIONAL PROJECTS



### The Bridge *Phnom Penh, Cambodia*

The Bridge is a freehold development occupying a land area of 10,090 sqm and is located in the heart of Phnom Penh, Cambodia. This majestic development comprises two distinct tower blocks of residential and SOHO units interlinked by two sky bridges and a 5-storey retail podium. Standing proudly at 45 storeys, The Bridge offers a panoramic view of the city centre. 99% or more than 2,400 units in the development were sold as at 19 September 2019.



### The Peak *Phnom Penh, Cambodia*

The Peak is a freehold property with a land area of approximately 12,609 sqm located in the heart of Phnom Penh's prime district facing the Tonle Sap River. Rising 55 storeys into the sky, the development offers a whole new level of living bringing together the luxury residences, shops, restaurants, offices and the prestigious 300-bedroom Shangri-La Hotel.

This development comprises two 55-storey, 1,014-unit residential towers that are interlinked by a sky gym, a Shangri-La Hotel, office space and a 5-storey retail podium. The Peak adorned in stylish bronze-coloured architecture will add lustre and dominate the city's skyline. CapitaLand Retail Management Pte Ltd has been engaged to oversee asset planning, pre-opening and retail management for the mall with a net lettable area of approximately 24,000 sqm. Currently under construction, the mall is expected to commence operation in 2020.

72% of the retail units and nearly 100% of the residential units were sold while the office units have been completely sold as at 19 September 2019.

# DEVELOPMENT PROPERTIES

## INTERNATIONAL PROJECTS

### The Palms

#### *Phnom Penh, Cambodia*

The Palms is a freehold residential development spreading across a land area of approximately 37,689 sqm and a stone's throw away from the city. The development comprises 220 luxury resort homes with 24/7 high-tech security protection. It has the first man-made beach in Cambodia and comes with more than 60 facilities including an elegant clubhouse.

More than 65 units have been sold as at 19 September 2019.



### The Garage

#### *Phnom Penh, Cambodia*

The Garage is envisaged to be a mixed-use development comprising of hotel, serviced apartments and retail mall across a land area of approximately 8,921 sqm. It comes with excellent fittings and finishing, and proposes a fantastic lifestyle combination to live, work and play under the same building. It is situated in the heart of Cambodia's capital Phnom Penh, with easy access to the city's leading shopping malls, restaurants and entertainment complex. It is also situated close to Naga World Hotel, Central Business Park, International finance Centre and The Royal Palace.

APPROXIMATELY  
**8,921 sqm**  
LAND AREA



### Yangon Central Railways Station Area Comprehensive Development Project, *Yangon, Myanmar*

This will be a mixed-use development project comprising a new central transportation hub that integrates rail and mass transit, surrounded by amenities and commerce. The project will occupy a site area of 26 hectares, with an intended development gross floor area of 1.1 million sqm.

# DEVELOPMENT PROPERTIES

## INTERNATIONAL PROJECTS

### Mozac

#### *Ho Chi Minh City, Vietnam*

This will be a mixed-use development project occupying 4,117 sqm of land located in the center of Thao Dien, a district 2 neighborhood that boasts prestigious schools and excellent investment opportunities, and 15 minutes by car from Ho Chi Minh's central business district.

270  
APARTMENTS



### Sino-Singapore Health City

#### *Gaobeidian, China*

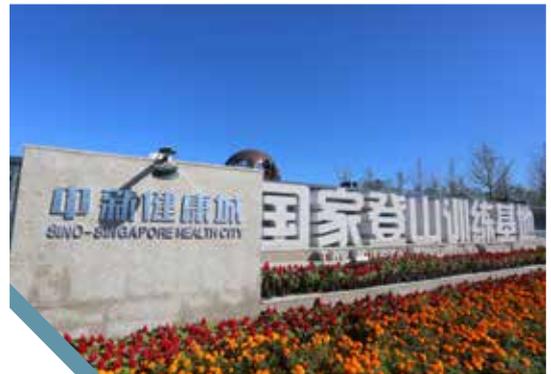
Oxley has a 27.5% stake in the Sino-Singapore Health City Project in Gaobeidian, Hebei Province, China. Gaobeidian is strategically located 40 km away from the Xiongan New Special Economic Zone ("Xiongan NSEZ") that the Chinese government announced in April 2017, next to the Beijing-Shijiazhuang Expressway (82 km from Beijing city), and on the Beijing-Shijiazhuang High-Speed rail route (30 minutes ride to Beijing). Following the success of China's two economic zones in the Pearl River Delta and Yangtze River Delta regions, Xiongan NSEZ is expected to become a world-class city cluster surrounding Beijing, with favourable regulatory framework and outstanding economic growth.

The project also introduces Singapore's new township concept for urbanization. The new urbanization involves a residential building area of approximately 1.6 million square meters, as well as F&B, entertainment, commerce, healthcare, education and other infrastructure. The first phase consists of 2,180 residential units with a gross floor area of approximately 340,000 square meters.

The development will be built on the China's National Mountain Training Base, to develop the Sports & Tourism industry. It will be a one-stop hub that provides a full suite of mountain climbing services, featuring the world's tallest man-made rock-climbing wall with a total size of 4,200 sqm, with 18 climbing routes and 20 competition/training routes. Ready to host national and world competitions, it is expected to attract tourists, sport broadcasters, rock climbing and other outdoor sport lovers with performances and sports commercial fairs.

APPROXIMATELY  
**2.5 million sqm**  
GROSS FLOOR AREA

**15,800**  
RESIDENTIAL UNITS



# DEVELOPMENT PROPERTIES

## INTERNATIONAL PROJECTS

### Limassol Oxley Cyprus Development *Limassol, Cyprus*

In June 2017, Oxley and its joint venture partner commenced the conceptual design process for the property situated on the eastern part of the Greater Limassol Area where all the major tourist developments are concentrated, and with an extensive coastal frontage on the Mediterranean Sea. The easily accessible mixed-use development is expected to comprise of a hotel and residential units with an estimated gross floor area of 65,481 sqm.



### Oxley Towers, Kuala Lumpur City Centre *Kuala Lumpur, Malaysia*

Oxley Towers is a freehold property covering a land area of approximately 12,554 sqm and is located in the middle of the Kuala Lumpur City Centre precinct. Sharing the same skyline with the iconic Petronas Twin Towers, the development is also within easy reach of the Maxis Tower and the Kuala Lumpur Convention Centre.

The development comprises two hotel towers with residences, an office tower and a retail podium linking all the three towers. The development will offer a 181-room Jumeirah Kuala Lumpur Hotel and 267-unit Jumeirah Living Kuala Lumpur Residences as well as a 207-room SO Sofitel Kuala Lumpur Hotel and 590-unit SO Sofitel Kuala Lumpur Residences set up respectively in each of the hotel towers upon completion.



# DEVELOPMENT PROPERTIES

## SINGAPORE

PROJECT	TENURE	NO. OF UNITS	APPROXIMATE	
			LAND AREA (SQM)	GFA (SQM)
<b>LAUNCHED</b>				
Affinity at Serangoon	Leasehold	1,052 residential; 5 commercial	27,584	77,235
Mayfair Gardens / Mayfair Modern	Leasehold	386 residential	19,368	27,115
Riverfront Residences	Leasehold	1,472 residential; 6 commercial	36,811	103,071
Sea Pavilion Residences	Freehold	24 residential	1,292	1,849
Sixteen35 Residences	Leasehold	60 residential	2,220	6,215
The Addition	Freehold	26 residential	898	2,075
The Verandah Residences	Freehold	170 residential	8,326	11,944
Kent Ridge Hill Residences	Leasehold	548 residential	29,659	45,675
1953	Freehold	58 residential; 14 commercial	1,667	5,399
INSPACE	Freehold	84 industrial	5,792	14,480
<b>PIPELINE</b>				
Parkwood Residences	Leasehold	18 residential	1,313	1,827

# DEVELOPMENT PROPERTIES INTERNATIONAL

PROJECT	LOCATION	TENURE	DEVELOPMENT TYPE	APPROXIMATE LAND AREA (SQM)	GFA (SQM)
<b>LAUNCHED</b>					
<b>CAMBODIA</b>					
The Bridge	Phnom Penh	Freehold	Mixed Residential and Commercial	10,090	150,399
The Peak	Phnom Penh	Freehold	Residential, Commercial, Hotel and Offices	12,609	208,750
The Palms	Phnom Penh	Freehold	Residential	37,689	65,592
<b>INDONESIA</b>					
Oxley Convention City	Batam	Leasehold	Mixed Residential and Commercial	23,500	208,373 <sup>#</sup>
<b>IRELAND</b>					
Dublin Landings	Dublin	Leasehold	Mixed Residential and Offices	23,500	96,330
<b>MALAYSIA</b>					
Oxley Towers Kuala Lumpur City Centre	Kuala Lumpur	Freehold	Residential, Commercial, Hotel and Office	12,554	175,979
<b>UNITED KINGDOM</b>					
Royal Wharf	London	Freehold	Township	160,389	394,026
<b>PIPELINE</b>					
<b>CAMBODIA</b>					
The Garage	Phnom Penh	Freehold	Mixed Residential and Commercial	8,921	-*
<b>CHINA</b>					
Sino-Singapore Health City (中新健康城)	Gaobeidian, Hebei Province	Leasehold	Mixed Residential and Commercial	5,300,000	2,000,000*
<b>CYPRUS</b>					
Limassol Oxley Cyprus Development	Limassol	Freehold	Residential and Hotel	102,637	65,481*
<b>IRELAND</b>					
Connolly Station	Connolly	Leasehold	Mixed Residential and Commercial	19,600	69,677*
<b>MALAYSIA</b>					
Beverly <sup>^</sup>	Selangor	Freehold	Residential	61,588	-*
Medini <sup>^</sup>	Johor	99 + 30 years	Mixed Residential and Commercial	17,300	-*
Pepper Hill <sup>^</sup>	Penang	Freehold	Residential	119,876	-*
Robson <sup>^</sup>	Kuala Lumpur	Freehold	Residential	7,710	-*
Section 16 <sup>^</sup>	Selangor	Freehold	Mixed Residential and Commercial	19,098	-*
Paya Terubong <sup>^</sup>	Penang	Freehold	Mixed Residential and Commercial	117,561	-*
<b>MYANMAR</b>					
Yangon Central Railway Station Area Comprehensive Development Project	Yangon	Leasehold	Transit Developer	257,464	1,091,319
<b>UNITED KINGDOM</b>					
Deanston Wharf	London	999 years leasehold	Mixed Residential and Commercial	22,830	79,033
<b>VIETNAM</b>					
Mozac	Thao Dien	Freehold**	Mixed Residential and Commercial	4,117	28,250

# Construction floor area is disclosed instead of GFA as a regulatory requirement in Indonesia.

<sup>^</sup> Project names are for identification purposes only.

\* Subject to modification.

\*\* For local buyers.

# INVESTMENT PROPERTIES AND HOTELS

## SINGAPORE



### 30 Raffles Place *(formerly known as Chevron House)*

Oxley acquired the property on 30 Raffles Place that has a site area of 2,778 sqm in March 2018. It is undergoing asset enhancement works and the refurbished property offers additional gross floor area of more than 3,000 sqm and net lettable area of more than 10,500 sqm, representing an increase of approximately 10% and 40% over the pre-refurbished property known as Chevron House. With significant frontage and a direct link from basement 1 into the Raffles Place underground network and MRT station, the property is one of the most recognisable commercial assets in Raffles Place.

In April 2019, the Group announced the sale of the shares in Oxley Beryl Pte Ltd, the company holding the property on 30 Raffles Place to a US-based real estate fund for an enterprise valuation of \$1.025 billion. In June 2019, the Group transferred 82.35% of the shares in Oxley Beryl Pte Ltd to the purchaser and the residual 17.65% shares is expected to be transferred in the first quarter of 2020 upon completion of asset divestment and enhancement works.



### Novotel Singapore on Stevens/Mercure Singapore on Stevens

Having commenced operations in late 2017, the 254-room Novotel Singapore on Stevens and 518-room Mercure Singapore on Stevens are Oxley's maiden foray into the hospitality business. Located in a lush urban paradise that is a stone's throw away from Orchard Road shopping belt and Botanic Gardens, an UNESCO site, the hotels cater to corporate functions and banquets with a capacity of up to 450 persons, and offer F&B amenities, a swimming pool, gym and other hotel facilities.

# INVESTMENT PROPERTIES AND HOTELS

## SINGAPORE



### Space@Tampines

Space@Tampines is a 3-storey and a 7-storey ramp-up B2 Clean industrial development built on a 30-year leasehold land. The property comprises 71 warehouse units and 1 canteen with an approximate gross floor area (GFA) of 65,893 sqm.

Space@Tampines is located at 18 Tampines Industrial Crescent at the intersection of Tampines Expressway (TPE) and Tampines Avenue 10 and is close to Changi, Loyang, Tampines and Seletar Industrial Estates. This ramp up property provides the ideal business space solution for companies under the category of Clean & Light and B2 Industries. It has LHN Space Resources Pte Ltd as its master tenant for Level 2 to Level 7 space since obtaining its TOP in June 2015. As at August 2017, tenants on Level 1 managed to secure a 2-year change of use approval from the URA to use the warehouse units as showrooms for furniture related trades.

## CAMBODIA

### Shangri-La Hotel *Phnom Penh, Cambodia*

The five-star luxury Shangri-La Hotel is the first in Phnom Penh, Cambodia. It is conveniently located near the capital city's main sightseeing attractions as well as Preah Sisowath Quay, a popular restaurant and nightlife district and a stone's throw away from the Diamond Island Convention and Exhibition Centre. The luxury hotel with approximately 300 rooms is expected to open in 2020. Hotel guests will get to enjoy a host of specialty shops, chic culinary restaurants and exciting entertainment at the retail mall next door.



# MERGERS AND ACQUISITIONS

## Aspen (Group) Holdings Limited, Malaysia

Since FY2018, Oxley owns approximately 10% stake in Aspen (Group) Holdings Limited (“AGH”). AGH is a company incorporated in Singapore and is listed on the Catalist of the SGX-ST. AGH, together with its subsidiaries (collectively, the “AGH Group”), is a property development group based in Malaysia focusing on developing affordable residential and mixed development properties at strategic locations, with quality infrastructure and amenities, and targeting middle-income mass market purchasers.



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## Galliard (Group) Limited, United Kingdom

In July 2015, Oxley completed the acquisition of a 20% stake in the enlarged share capital of Galliard (Group) Limited, a leading UK developer in the UK.

Founded in 1992 and with over 700 staff, Galliard is a property development, hospitality and management group overseeing mixed-use, residential, hotel and commercial projects across London and southern England. The Group has a £3.95 billion portfolio under construction which includes 6,905 homes and 341 hotel suites.

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## Pindan Group Pty Ltd, Australia

In December 2017, Oxley acquired a 40% stake in Pindan Group Pty Ltd (“Pindan”). Pindan, established in 1977, is a leading property development and construction company in Western Australia. Headquartered in Perth, with an annual turnover approximately A\$400 million. Pindan employs approximately 400 staff in regional West Australia, Brisbane and Sydney.

Over recent years Pindan has developed a wide range of projects and presently has significant number of projects in various stages of development.



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## United Engineers Limited, Singapore

Since FY2018, Oxley acquired approximately 19% of United Engineers Limited (“UEL”), one of Singapore’s pioneers in the real estate industry and a company listed on the Singapore Exchange. This provides an opportunity for Oxley to potentially gain access to a quality property portfolio.

UEL was founded in 1912 and is one of the most established companies in Singapore. In addition to manufacturing and distribution activities, UEL has extended to property rental and hospitality, and property development. In Singapore, UEL develops and owns iconic buildings such as UE Square, UE Bizhub Tower (Anson Road), and Rochester Mall.

# AWARDS & ACCOLADES

Oxley is honoured to have been lauded with these awards. These serve as a resounding affirmation and recognition of our longstanding commitment towards and realisation of our vision – an eminent property developer wielding our own signature brand name.

## 2017

- Winner 2017, Singapore Property Awards FIABCI-Singapore for Oxley Towers 2017
- The Edge Billiondollar Club 2017 - Oxley Holdings Limited, Most Profitable Company
- Best Office Architectural Design 2017 - Oxley Tower
- Best Hotel Architectural Design 2017 - Novotel on Stevens, Mercure on Stevens

## 2018 & 2019

- The Edge Billiondollar Club 2019 - Oxley Holdings Limited, Most Profitable Company
- The Edge Billiondollar Club 2018 - Oxley Holdings Limited, Most Profitable Company



Oxley Team members with the organizer. Oxley received "The Edge Billiondollar Club 2019 - Oxley Holdings Limited, Most Profitable Company" award in September 2019.

# CORPORATE SOCIAL RESPONSIBILITY

As part of our corporate values and culture, Oxley aims to enrich and improve individuals' lives and contribute to the community. We believe that corporate social responsibility is imperative to the Company's success. Oxley has been active in contributing back to society through the following activities:

## JULY 2018

Oxley donated \$10,000 towards The Enabling Fund Gala 2018 that raises awareness of the TODAY Enable Fund. The Fund provides assistance to persons with disabilities and iC2 Prehouse, and supports children and youth who are visually impaired.

## SEPTEMBER 2018

Oxley donated \$50,000 to Rainbow Centre, Singapore for charity golf. The fund will be used to improve the quality of life for persons with disabilities.

In September 2018, Oxley donated \$10,000 to the President's Challenge for Community Chest-supported programmes, which serve the needs of seniors, vulnerable families, people with intellectual disabilities and mental health patients. Oxley was conferred the platinum sponsor.

## OCTOBER 2018

In October 2018, Oxley donated \$105,000 for the SGX Bull Charity Run 2018. The annual run is dedicated to supporting the needs of underprivileged children and families, persons with disabilities, and the elderly. Oxley was conferred the preferred sponsor.

## MARCH 2019

In March 2019, Oxley donated \$200,000 for Ren Ci Hospital. Funds raised were channelled to help the needy and elderly patients of Ren Ci Hospital, and expand the services to cater to the growing needs of Singapore's ageing population.



Mr Ching Chiat Kwong, Chairman and CEO, presenting a donation cheque for \$100,000 to President Halimah Jacob and Mr Toh Soon Huat JP, BBM, PBM, PVPA, Executive Chairman of Sian Chay Board of Directors



Mr Low See Ching, Deputy CEO, receiving token from Mr. Loh Boon Chye, CEO at SGX and Mr. Chew Sutat, Executive Vice President, Head of Equities & Fixed Income and SGX Bull Charge Organising Chairman in May 2019.

## APRIL 2019

Oxley donated \$105,000 for the SGX Bull Charity Run 2019 in April 2019. The annual run is dedicated to supporting the needs of underprivileged children and families, persons with disabilities and the elderly. Oxley was conferred the preferred sponsor.

## MAY 2019

In May 2019, Oxley donated \$5,000 to the Roxy Foundation established within the Community Foundation of Singapore that focuses on children's welfare and elderly care within our community.

## JUNE 2019

In June 2019, Oxley donated \$12,000 to the NTUC-U Care Fund 2019. Funds raised were channelled to various assistance programme to help low-income members and their families. Oxley donated \$10,000 to Singapore Children's Society, which aims to protect and nurture children and youth of all races and regions in Singapore.

## JULY 2019

Oxley donated \$100,000 to Sian Chay Medical Institution. Funds raised were channelled to provide free Traditional Chinese Medicine (TCM) consultation, subsidized medicine, acupuncture treatment and tuina therapy for the community regardless of race and religion.

Oxley donated \$10,000 to Braddell Heights Community Club (CC), which aims to provide better facilities and common spaces for members of the public, so as to organise more community events to strengthen social cohesion and racial harmony.

# 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 dated 6 August 2018 (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 provision of the Code together with an explanation for such deviation.

## BOARD MATTERS

### The Board’s Conduct of Affairs

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

The Board comprises six directors, which include three 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, including ensuring that the required financial and human resources are available for the Group to meet its objectives;
- to approve matters such as corporate strategy and objectives, 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 review the Management’s performance;
- to set the Group’s values and standards and ensure that obligations to shareholders and other stakeholders are understood and met;
- 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. Any director facing a conflict of interests will recuse himself from discussions and decisions involving the issue of conflict.

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 the financial year ended 30 June 2019 ("FY2019") 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	4	4	1	1
Low See Ching	4	4	1	1
Shawn Ching Wei Hung <sup>(1)</sup>	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	4	4	1	1

**Note:**

- (1) Mr Shawn Ching Wei Hung was appointed as a director of the Company with effect from 15 November 2018. Prior to that date, he attended the meetings as an invitee.

Directors with multiple board representations will ensure that sufficient time and attention are given to the affairs of the Group.

The Company recognises that the flow of relevant, complete and accurate information on a timely basis is critical 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. The Board will have independent access to professional advice when required at the Company's expense, subject to the approval of the Executive Chairman.

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.

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.

# CORPORATE GOVERNANCE REPORT

## Board Composition and Guidance

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

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 and Executive Director
Shawn Ching Wei Hung	Executive Director and Group General Manager

### Non-Executive Directors

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

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

The independent directors make up half of the Board. As there is a strong independent element on the Board and given the size of the Board, the Board is of the view that it is not necessary or cost-effective to have non-executive or independent directors make up a majority of the Board.

The Board has adopted the Code’s criteria of an independent director in its review. An “independent” director is one who is independent in conduct, character and judgement, and has no relationship with the Company, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the directors’ independent business judgment in 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 an appropriate balance and diversity of skills, experience and industry knowledge, with core competencies in business, finance, 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. Led by the lead independent director, the independent directors meet without the presence of the Management, whenever deemed necessary and at least once a year. Where appropriate, the lead independent director provides feedback to the Executive Chairman after such meetings.

# CORPORATE GOVERNANCE REPORT

## Chairman and Chief Executive Officer

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

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 and Executive Director 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 communication with the Executive Chairman and CEO or Management are inappropriate or inadequate.

## Board Membership

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

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.

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 succession plans for directors, in particular, the Executive Chairman, the CEO and key management personnel;
- to develop the process and criteria for evaluation of the performance of the Board, the Board committees and directors;
- to review training and professional development programmes for the Board and its directors;

# CORPORATE GOVERNANCE REPORT

- 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;
- 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. 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.

The NC determines annually whether a director is independent, taking into consideration the disclosures by the directors or any relationships with the Company, its related corporations, its substantial shareholders or its officers and the checklist completed by each independent director to confirm his independence. Such checklist is drawn up based on the guidelines provided in the Code. The NC is of the view that the non-executive independent directors are independent.

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

<b>Name of director</b>	<b>Appointment</b>	<b>Date of initial appointment</b>	<b>Date of last re-election</b>	<b>Current directorships in listed companies</b>	<b>Past directorships in listed companies</b>
Ching Chiat Kwong	Executive Chairman and CEO	16 March 2010	28 October 2016	Aspen (Group) Holdings Limited	Median Group Inc. (formerly Clixster Mobile Group Inc.)
Low See Ching	Deputy CEO and Executive Director	16 March 2010	31 October 2017	Aspen (Group) Holdings Limited Hafary Holdings Limited	Artivision Technologies Ltd.
Shawn Ching Wei Hung	Executive Director and Group General Manager	15 November 2018	-	None	None

# CORPORATE GOVERNANCE REPORT

Name of director	Appointment	Date of initial appointment	Date of last re-election	Current directorships in listed companies	Past directorships in listed companies
Ng Weng Sui Harry	Lead Independent Director	28 September 2010	31 October 2018	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	31 October 2018	None	None
Lim Yeow Hua @ Lim You Qin	Independent Director	30 April 2014	31 October 2017	Accrelist Ltd. KSH Holdings Limited KTL Global Limited	Advanced Integrated Manufacturing Corp. Ltd. (delisted) China Minzhong Food Corporation Limited (delisted) Eratat Lifestyle Limited (delisted) Ying Li International Real Estate Limited

According to Article 104 of the Company's Articles of Association, Mr Ching Chiat Kwong and Mr Shawn Ching Wei Hung will retire at the Company's forthcoming AGM and will be eligible for re-election. Mr Shawn Ching Wei Hung is also subject to re-election in accordance with Article 114.

When a director has multiple board representations or commitments, 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 or commitments. 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.

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 NC ensures that newly appointed directors are aware of their duties and obligations.

The profiles, principal commitments and key information on the individual directors and their shareholdings in the Company are set out in the "Board of Directors" section and the "Statement by Directors" section of this Annual Report. None of the directors holds shares directly in the subsidiaries of the Company.

# CORPORATE GOVERNANCE REPORT

## Board Performance

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

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, as well as 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 separately. 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.

## REMUNERATION MATTERS

### Procedures for Developing Remuneration Policies

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

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 Board a framework of remuneration for the directors and key management personnel;
- to review and recommend for endorsement by the 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;

# CORPORATE GOVERNANCE REPORT

- to review and recommend to the Board the terms of the service contracts of executive directors; and
- to review the Company's obligations arising in the event of termination of the executive directors and key management personnel's service contracts, to ensure that such contracts 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.

During FY2019, the Company engaged an independent remuneration consultant, Robinson Consulting Pte Ltd, to review the remuneration of the executive directors and the director's fees of the non-executive directors. The Company is reviewing the results before finalising the remuneration model.

## Level and Mix of Remuneration

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

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 Company also ensures that the remuneration is appropriate to attract, retain and motivate the directors to provide good stewardship of the Company and key management personnel to successfully manage the Company for the long term.

The independent directors are paid directors' fees, taking into account factors such as effort and time spent, and their responsibilities. The independent directors are not over-compensated to the extent that their independence may be compromised. Directors' fees are recommended by the Board for approval at the Company's AGM.

The remuneration package of the executive directors includes a basic salary and an annual incentive bonus based on a formula which takes into account the Group's audited profit before tax.

# CORPORATE GOVERNANCE REPORT

## Disclosure on Remuneration

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

The following shows the level and mix of the remuneration paid or payable for FY2019 to each director and key management personnel (who is not a director):-

Remuneration bands	Salary <sup>(1)</sup> %	Variable or performance related income/ bonuses %	Directors' fees <sup>(2)</sup> %	Total %
<b>Directors</b>				
<i>\$13,500,000 to \$13,750,000</i>				
Ching Chiat Kwong	3	97	-	100
<i>\$7,000,000 to \$7,250,000</i>				
Low See Ching	5	95	-	100
<i>Below \$250,000</i>				
Lim Yeow Hua @ Lim You Qin	-	-	100	100
Ng Weng Sui Harry	-	-	100	100
Phua Sian Chin	-	-	100	100
Shawn Ching Wei Hung <sup>(3)</sup>	85	15	-	100
<b>Key Management Personnel</b>				
<i>\$250,000 to \$500,000</i>				
Lee Ping Hui, Colin	85	15	-	100
Lim Chee Chong, Eddie	75	25	-	100
Lim Ying Jie, Eugene	77	23	-	100
<i>Below \$250,000</i>				
Chan Yean Chun <sup>(4)</sup>	84	16	-	100
Ong Pee Hock John	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.
- (3) Mr Shawn Ching Wei Hung is a son of Mr Ching Chiat Kwong, the Executive Chairman and CEO of the Company. He was appointed as a director of the Company on 15 November 2018.
- (4) Ms Chan Yean Chun was appointed as the Chief Financial Officer and Company Secretary on 20 July 2018.

# CORPORATE GOVERNANCE REPORT

The aggregate remuneration paid to the top five key management personnel of the Group in FY2019 amounted to \$1.3 million.

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 and the competition in the industry for key talent.

Save as disclosed above and below, there is no employee who is an immediate family member of a director, the CEO or a substantial shareholder of the Company and was paid more than \$100,000 during FY2019 (“immediate family member” means spouse, child, adopted child, step-child, brother, sister and parent):

<b>Name of employee</b>	<b>Relationship with director, CEO or substantial shareholder</b>
<i>\$100,000 to \$150,000</i>	
Ching Chiat Dee, Judy <sup>(1)</sup>	A sister of Mr Ching Chiat Kwong, the Executive Chairman and CEO of the Company

**Note:**

(1) Ms Ching Chiat Dee, Judy retired on 31 August 2018.

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

## ACCOUNTABILITY AND AUDIT

### Risk Management and Internal Controls

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

The Board 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 determines the nature and extent of the significant risks which the Company is willing to take in achieving its strategic objectives and value creation. 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 internal auditor conducts annual reviews of the effectiveness of the Group’s key internal controls, including financial, operational, compliance and information technology controls, and risk management system. The external auditor conducts reviews of the internal accounting controls that are relevant to the statutory audit. 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.

# CORPORATE GOVERNANCE REPORT

The Board has received assurance from the CEO and the Chief Financial Officer (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 adequacy and 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 internal and external auditors of the Group and the reviews carried out by the Board and the AC, the Board, with the concurrence of the AC, is satisfied with the adequacy and effectiveness of the Group's internal controls (including financial, operational, compliance and information technology controls) and risk management systems as at 30 June 2019.

## Audit Committee

### Principle 10: The Board has an Audit Committee ("AC") which discharges its duties objectively.

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 recent and relevant accounting or related financial management expertise or experience to discharge their responsibilities as members of the committee. None of the AC members is a former partner or director of or has any financial interest in the Company's existing external auditor.

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

- to review the annual financial statements and the external auditor's 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 the audits including any matters which the external auditor may wish to discuss in the absence of Management, where necessary, before submission to the Board for approval;
- to review the periodic financial statements and any announcements relating to the Group's financial performance and the significant financial reporting issues and judgements so as to ensure the integrity of the financial statements and announcements;
- 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 internal and external auditors;
- to review the audit plan of the external auditor and the result of the external auditor's review and evaluation of the Group's system of internal accounting controls that are relevant to the statutory audit;

# CORPORATE GOVERNANCE REPORT

- to make recommendations to the Board on the proposals to the shareholders on the appointment, re-appointment and removal of the external auditor, and approve the remuneration and terms of engagement of the external auditor;
- to review the audit plan of the internal auditor, including the results of the internal auditor's review and evaluation of the Group's system of internal controls and any matter which the internal auditor may wish to discuss in the absence of management;
- to review and/or ratify any interested person transactions falling within the scope of Chapter 9 of the SGX-ST Listing Manual, and approve internal control procedures and arrangements for all interested person transactions;
- to review potential conflicts of interests (if any);
- to review the policy and arrangements by which employees of the Group and any other persons may, in confidence, report to the Chairman of the AC, concerns about possible improprieties in financial reporting or other matters and ensuring that there are arrangements in place for such concerns to be safely raised and independently investigated, and for appropriate follow-up action to be taken;
- to review the adequacy, effectiveness, independence, scope and results of the external audit and the Company's internal audit function;
- 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 systems;
- to review the scope and results of the external audit and its cost effectiveness and the independence and objectivity of the external auditor, and where the external auditor also provides 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 review the assurance from the CEO and the Chief Financial Officer on the financial records and financial statements; 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 key management personnel of the Group to attend its meetings, and is given reasonable resources to enable it to discharge its functions properly and effectively.

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

The Company's external auditor is RSM Chio Lim LLP. During FY2019, the fees paid by the Company to the external auditor for audit and non-audit services amounted to \$445,000 and \$104,400, respectively. The AC has undertaken a review of all non-audit services provided to the Company by the external auditor and they would not, in the AC's opinion, affect the independence of the external auditor. The AC recommends to the Board that RSM Chio Lim LLP be nominated for re-appointment as external auditor at the forthcoming AGM.

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

# CORPORATE GOVERNANCE REPORT

The Company outsourced the internal audit function to a professional firm to review the Company's internal control processes in FY2019. The AC is satisfied that the internal audit firm is staffed by suitably qualified and experienced persons.

The internal auditor reports primarily to the AC and administratively to the CEO. The internal auditor plans their internal audit schedules in consultation with, but independent of, the Management. The AC approves the annual internal audit plans, and reviews the scope and the results of the internal audit performed by the internal auditor. The internal audit function has unfettered access to the Group's documents, records, properties and personnel, including the AC. The internal auditor carries out their work in accordance with the Standards for the Professional Practice of Internal Auditing set by The Institute of Internal Auditors.

The AC is satisfied that the internal audit function of the Group is independent, effective and adequately resourced.

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

## SHAREHOLDER RIGHTS AND ENGAGEMENT

### Shareholder Rights and Conduct of General Meetings

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

The Company supports the Code's principle to encourage communication with and participation by shareholders. Shareholders are informed of general meetings through notices published in the newspapers, through reports or circulars sent to all shareholders and via SGXNet. 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, unless the shareholder is a relevant intermediary (as defined in Section 181 of the Companies Act). A relevant intermediary is entitled to appoint more than two proxies, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such shareholder.

All resolutions are put to vote by poll and shareholders are entitled to vote in accordance with established voting rules and procedures. An announcement of the detailed results is made after the conclusion of the AGM. 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.

All directors attend the general meetings of shareholders, and the external auditor 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. All directors were present at the AGM held on 31 October 2018 during FY2019.

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.

# CORPORATE GOVERNANCE REPORT

The Company has adopted a dividend policy of paying dividends of not less than 25% of the Group's consolidated profit after tax, excluding non-recurring, one-off and exceptional items, in respect of FY2018 and FY2019. The dividend payments are subject to the availability of the Company's retained earnings, the Group's financial position, capital expenditure requirements, future expansion and investment plans, and other relevant factors as may be determined by the Board. The dividends will be paid on a half-yearly basis, subject to the approval of the Board or the shareholders of the Company, as required. The Board may review the dividend policy and reserves the right to amend, modify or cancel this dividend policy as and when it deems necessary. The foregoing statement of the Company's dividend policy is a statement of the Board's present intention and does not constitute a legally binding obligation of the Company in respect of dividends; such dividend policy is subject to modification, including reduction or non-declaration of dividends. No inference shall be derived from the Company's dividend policy as to actual future profitability or ability to pay dividends. The actual distribution of a dividend will be subject to a specific decision of the Board, taking into account such factors as the Board may deem appropriate.

## Engagement with Shareholders

**Principle 12: The company communicates regularly with its shareholders and facilitates the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the company.**

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 provided with an update on the Group's performance, position and prospects through the Company's annual report.

The Company's quarterly and full year results announcements, corporate presentations, announcements 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 there is inadvertent disclosure made to a select group, the Company will endeavour to make the same disclosure publicly to all others promptly.

Shareholders are given the opportunity to pose questions to the Board or the Management at the general meetings. 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.

To enhance and encourage communication with shareholders and investors, the Company provides the contact information of its investor relations consultants in its press releases. Shareholders and investors can send their enquiries through email or telephone.

# CORPORATE GOVERNANCE REPORT

## MANAGING STAKEHOLDERS RELATIONSHIPS

### Engagement with Stakeholders

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

The Company has identified stakeholders as those who are impacted by the Group's business and operations as well as those who have a material impact on the Group's business and operations. Such stakeholders include property buyers, hotel guests, employees, contractors and suppliers, government and regulators, community, and shareholders and investors. The Company engages its stakeholders through various channels to ensure that the business interests of the Group are balanced against the needs and interests of its stakeholders. For more information on the Company's stakeholder engagement, please refer to the Company's Sustainability Report 2019.

The Company maintains a corporate website at <http://www.oxley.com.sg> to communicate and engage with stakeholders.

## 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.

## DEALING IN SECURITIES

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

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

# CORPORATE GOVERNANCE REPORT

## INTERESTED PERSON TRANSACTIONS

The Company is required to comply with the requisite rules under Chapter 9 of the 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 FY2019 or if not then subsisting, entered into since the end of the financial year ended 30 June 2018.

The aggregate value of interested person transactions during FY2019 is as follows:-

<b>Name of interested person</b>	<b>Aggregate value of all interested person transactions during FY2019 (excluding transactions less than \$100,000 and transaction conducted under shareholders' mandate pursuant to Rule 920) (\$'000)</b>	<b>Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000) (\$'000)</b>
Ching Chiat Kwong	268 <sup>(1)</sup>	-
Low See Ching	268 <sup>(2)</sup>	-

### Notes:-

- (1) This relates to interest at the rate of 5.25% per annum payable to Mr Ching Chiat Kwong, the Executive Chairman and CEO and a controlling shareholder of the Company, in respect of advances amounting to \$8,000,000 extended by him to the Group.
- (2) This relates to interest at the rate of 5.25% per annum payable to Mr Low See Ching, the Deputy CEO and a controlling shareholder of the Company, in respect of advances amounting to \$8,000,000 extended by him to the Group.



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# STATEMENT BY DIRECTORS

The directors of the Company are pleased to present the accompanying financial statements of the Company and of the Group for the reporting year ended 30 June 2019.

## 1. Opinion of the directors

In the opinion of the directors,

- (a) the accompanying consolidated financial statements of the Group and statement of financial position and statement of changes in equity of the Company are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 30 June 2019 and of the financial performance, changes in equity and cash flows of the Group, and changes in equity of the Company for the reporting year ended on that date; and
- (b) at the date of the 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.

## 2. Directors

The directors of the Company in office at the date of this statement are:

Ching Chiat Kwong

Low See Ching

Ng Weng Sui Harry

Phua Sian Chin

Lim Yeow Hua @ Lim You Qin

Shawn Ching Wei Hung (appointed on 15 November 2018)

## 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 shares in or debentures of the Company or other related body corporate as recorded in the register of directors' shareholdings kept by the Company under section 164 of the Singapore Companies Act, Chapter 50 (the "Act") except as follows:

Name of directors and companies in which interests are held	Direct interest		
	At beginning of the reporting year or date of appointment, if later	At end of the reporting year	At 21 July 2019
<u>The Company</u>	<u>Number of ordinary shares of no par value</u>		
Ching Chiat Kwong	1,652,419,045	1,734,601,411	1,734,601,411
Low See Ching	1,115,845,092	1,166,174,778	1,166,174,778
Ng Weng Sui Harry	462,000	467,020	467,020
Shawn Ching Wei Hung	–	237,364	237,364

# STATEMENT BY DIRECTORS

## 3. Directors' interests in shares and debentures (cont'd)

Name of directors and companies in which interests are held	Deemed interest		
	At beginning of the reporting year or date of appointment, if later		At end of the reporting year
			At 21 July 2019
<u>The Company</u>	<u>Number of ordinary shares of no par value</u>		
Ching Chiat Kwong	10,560,000	10,960,576	10,960,576
<u>Subsidiary – Oxley MTN Pte. Ltd.</u>	<u>Euro Medium Term Notes</u>		
Ching Chiat Kwong	US\$2,000,000	US\$5,350,000	US\$5,350,000 <sup>(a)</sup>
Ching Chiat Kwong	S\$5,000,000	S\$5,000,000	S\$5,000,000 <sup>(b)</sup>
Low See Ching	–	US\$6,600,000	US\$6,600,000 <sup>(a)</sup>
Low See Ching	–	S\$5,750,000	S\$5,750,000 <sup>(b)</sup>
Shawn Ching Wei Hung	–	US\$250,000	US\$250,000 <sup>(a)</sup>

(a) The notes bear fixed interest rate of 6.375% per annum and are due in reporting year 2021.

(b) The notes bear fixed interest rate of 5.700% per annum and are due in reporting year 2022.

By virtue of section 7 of the Act, Ching Chiat Kwong and Low See Ching are deemed to have an interest in all related body corporates of the Company.

## 4. 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 arrangements to which the Company is a party, being arrangements whose objects are, or one of whose objects is, to enable 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.

## 5. Options

During the reporting year, no option to take up unissued shares of the Company or other body corporate in the Group was granted and there were no shares 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 under option.

## 6. Independent auditor

RSM Chio Lim LLP has expressed willingness to accept re-appointment.

## 7. Audit Committee

The members of the Audit Committee (the "AC") at the date of this statement are as follows:

Ng Weng Sui Harry	(Chairman of Audit Committee and Lead Independent Director)
Phua Sian Chin	(Independent Director)
Lim Yeow Hua @ Lim You Qin	(Independent Director)

# STATEMENT BY DIRECTORS

## 7. Audit Committee (cont'd)

The AC performed the functions specified by section 201B (5) of the Act, including the following:

- Reviewed the annual financial statements and the external auditor's 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 the audits including any matters which the external auditor may wish to discuss in the absence of management, where necessary, before submission to the Board for approval;
- Reviewed the periodic financial statements and any announcements relating to the Group's financial performance and the significant financial reporting issues and judgements so as to ensure the integrity of the financial statements and announcements;
- Reviewed 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;
- Reviewed the co-operation given by the management to the internal and external auditors;
- Reviewed the audit plan of the external auditor and the result of the external auditor's review and evaluation of the Group's system of internal accounting controls that are relevant to the statutory audit;
- Reviewed the audit plan of the internal auditor, including the results of the internal auditor's review and evaluation of the Group's system of internal controls and any matters which the internal auditor may wish to discuss in the absence of management;
- Reviewed and/or ratified any interested person transactions falling within the scope of Chapter 9 of the SGX-ST Listing Manual, and approve internal control procedures and arrangements for all interested person transactions; and
- Reviewed the adequacy, effectiveness, independence, scope and results of the external audit and the Company's internal audit function.

Other functions performed by the AC are described in the Corporate Governance Report included in the Annual Report of the Company. It also includes an explanation of how independent auditor's objectivity and independence are safeguarded where the independent external auditor provides non-audit services.

The AC has recommended to the Board of Directors that RSM Chio Lim LLP be nominated for re-appointment as the independent external auditor at the next annual general meeting of the Company.

## 8. 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 27 August 2019, which would materially affect the Group's and the Company's operating and financial performance as of the date of this statement.

On behalf of the directors

.....  
Ching Chiat Kwong  
Director

.....  
Low See Ching  
Director

20 September 2019

# INDEPENDENT AUDITOR'S REPORT

to the Members of OXLEY HOLDINGS LIMITED

## Report on the audit of the financial statements

### Opinion

We have audited the accompanying financial statements of Oxley Holdings Limited (the "Company") and its subsidiaries (collectively, 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 2019, 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 notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying 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 Singapore Companies Act, Chapter 50 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS (I)") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 30 June 2019 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and the changes in equity of the Company for the reporting year ended on that date.

### Basis for opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

#### (1) Fair value of investment properties and properties classified as property, plant and equipment

Please refer to Notes 2A, 2C, 13 and 14 to the financial statements.

The carrying amounts of investment properties and properties classified as property, plant and equipment of the Group are significant as at the end of the reporting year.

The Group carries its investment properties and properties classified as property, plant and equipment at fair value with changes in fair value being recognised in profit or loss and other comprehensive income respectively. In determining the fair values, the independent professional valuers engaged by management have used valuation techniques which involve certain estimates. In relying on the valuation reports, management has exercised judgement to ensure that the valuation methods and estimates are reflective of current market conditions.

# INDEPENDENT AUDITOR'S REPORT

to the Members of OXLEY HOLDINGS LIMITED

## Key audit matters (cont'd)

### (1) Fair value of investment properties and properties classified as property, plant and equipment (cont'd)

Our audit procedures included (a) assessing of the professional competence and objectivity of the valuers and discussion with management to understand the credentials of the valuers engaged; (b) obtaining an understanding of the basis of valuation and considered whether the valuation methodologies used were in line with generally accepted market practices for similar property types; (c) discussing the key assumptions used by the external valuers and compared these assumptions to externally published benchmarks where available and considered whether these assumptions are consistent with the current market environment; and (d) assessing the adequacy of the disclosures in the financial statements about those assumptions to which the outcome of the valuation is most sensitive, that is, those that have the most significant effect on the determination of the fair values of the investment properties and properties classified as property, plant and equipment.

### (2) Allowance for impairment in carrying amount of development properties

Please refer to Notes 2A, 2C and 21 to the financial statements.

The Group develops properties in a number of geographical markets and the carrying amount of development properties as at the end of the reporting year is significant. Changes in demand for development properties arising from government policies and changes in global economic activities might exert downward pressure on transaction volumes and properties prices in markets where the Group operates. These factors may affect the carrying amounts of the Group's development properties.

The determination of the carrying amounts of the Group's development properties and whether to recognise any impairment losses for development properties is highly dependent on the estimated selling price and estimated cost to complete each development as disclosed in Note 2C to the financial statements. The evaluation process is subject to management judgement and the effect of assumptions in respect of development plans, timing of sale and the prevailing market conditions.

Our audit procedures included (a) assessing the reasonableness of the expected selling price of the unsold development properties used in the impairment assessment against historical and available industry data, taking into consideration comparability and external market factors; (b) verifying the actual cost incurred against underlying contracts with main contractors and vendors and supporting documents; (c) assessing the reasonableness of cost to complete by comparing costs that have been committed to quotations from and contracts with contractors and vendors; and (d) discussing with the management the basis for the estimated cost to complete and challenged the underlying assumptions.

# INDEPENDENT AUDITOR'S REPORT

to the Members of OXLEY HOLDINGS LIMITED

## **Information other than the financial statements and auditor's report thereon**

Management is responsible for the other information. The other information comprises the statement by directors and annual report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## **Responsibilities of management and directors 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 Act and SFRS(I), 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 financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

## **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

# INDEPENDENT AUDITOR'S REPORT

to the Members of OXLEY HOLDINGS LIMITED

## **Auditor's responsibilities for the audit of the financial statements (cont'd)**

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- (a) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (b) Obtain an understanding of internal control relevant to the audit 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 Group's internal control.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- (d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- (e) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- (f) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

# INDEPENDENT AUDITOR'S REPORT

to the Members of OXLEY HOLDINGS LIMITED

## **Auditor's responsibilities for the audit of the financial statements (cont'd)**

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## **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 subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Chan Weng Keen.

RSM Chio Lim LLP  
Public Accountants and  
Chartered Accountants  
Singapore

20 September 2019

Engagement partner - effective from reporting year ended 30 June 2016

# CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Reporting Year Ended 30 June 2019

	Notes	2019 \$'000	2018 \$'000
<b>Revenue</b>	5	686,068	1,188,613
Cost of sales		(550,990)	(1,003,023)
<b>Gross profit</b>		135,078	185,590
Other income	6	8,587	8,809
Interest income		6,559	5,758
Other gains	7	227,955	142,110
Marketing and distribution costs		(25,972)	(14,538)
Administrative expenses		(61,509)	(52,345)
Other losses	7	(16,290)	(8,492)
Finance costs	9	(100,786)	(64,597)
Share of results from associates and joint ventures, net of tax		(20,457)	103,044
<b>Profit before tax</b>		153,165	305,339
Income tax expense	10	(15,494)	(23,216)
<b>Profit for the year</b>		137,671	282,123
<b>Other comprehensive income</b>			
<i>Item that will not be reclassified to profit or loss:</i>			
Surplus on properties revaluation, net of tax		11,167	30,098
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Net fair value (loss) / gain on investment in securities		(35,188)	12,286
Exchange difference on translation of foreign operations		(38,973)	24,499
		(74,161)	36,785
Total other comprehensive (loss) / income, net of tax		(62,994)	66,883
<b>Total comprehensive income</b>		74,677	349,006
<b>Profit for the year attributable to:</b>			
Owners of the Company		139,786	285,028
Non-controlling interests		(2,115)	(2,905)
		137,671	282,123
<b>Total comprehensive income attributable to:</b>			
Owners of the Company		76,724	351,938
Non-controlling interests		(2,047)	(2,932)
		74,677	349,006
<b>Basic and diluted earnings per share (cents)</b>	11	3.42	7.27

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

# STATEMENTS OF FINANCIAL POSITION

As at 30 June 2019

	Notes	Group			Company		
		30 June 2019	30 June 2018	1 July 2017	30 June 2019	30 June 2018	1 July 2017
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
			(Restated)	(Restated)		(Restated)	(Restated)
<b>ASSETS</b>							
<b>Non-current assets</b>							
Property, plant and equipment	13	1,021,335	971,918	910,639	2,009	2,816	2,811
Investment properties	14	571,077	1,213,551	484,723	-	-	-
Investments in subsidiaries	15	-	-	-	42,807	40,807	30,074
Investments in associates	16	197,410	211,652	179,140	490	490	490
Investments in joint ventures	17	53,312	75,176	37,022	8,246	16,074	13,074
Deferred tax assets	10	5,385	1,530	846	-	-	-
Other receivables	18	177,297	167,036	31,046	1,417,395	1,385,080	602,405
Other assets	23	620	-	-	-	-	-
Investments in securities	19	349,389	380,905	2,239	342,017	362,330	-
<b>Total non-current assets</b>		<b>2,375,825</b>	<b>3,021,768</b>	<b>1,645,655</b>	<b>1,812,964</b>	<b>1,807,597</b>	<b>648,854</b>
<b>Current assets</b>							
Asset classified as held-for-sale	20	-	118,162	4,606	-	-	-
Inventories		75	52	-	-	-	-
Development properties	21	2,693,264	2,143,716	2,012,651	-	-	-
Trade and other receivables	22	615,031	417,293	481,166	942,635	722,211	1,163,138
Other assets	23	35,317	39,517	50,269	327	4,839	300
Cash and cash equivalents	24	474,407	254,980	413,545	265,669	30,830	37,181
<b>Total current assets</b>		<b>3,818,094</b>	<b>2,973,720</b>	<b>2,962,237</b>	<b>1,208,631</b>	<b>757,880</b>	<b>1,200,619</b>
<b>Total assets</b>		<b>6,193,919</b>	<b>5,995,488</b>	<b>4,607,892</b>	<b>3,021,595</b>	<b>2,565,477</b>	<b>1,849,473</b>

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

# STATEMENTS OF FINANCIAL POSITION

As at 30 June 2019

	Notes	Group			Company		
		30 June 2019	30 June 2018	1 July 2017	30 June 2019	30 June 2018	1 July 2017
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
			(Restated)	(Restated)		(Restated)	(Restated)
<b><u>EQUITY AND LIABILITIES</u></b>							
<b><u>Equity attributable to</u></b>							
<b><u>owners of the Company</u></b>							
Share capital	25	275,922	242,050	163,880	275,922	242,050	163,880
Treasury shares	26	(3,943)	(2,575)	(9,517)	(3,943)	(2,575)	(9,517)
Retained earnings		993,498	898,404	663,130	447,701	170,505	264,059
Other reserves	27	234,793	297,855	227,316	(19,273)	15,915	–
<b>Equity attributable to</b>							
<b>owners of the Company</b>		1,500,270	1,435,734	1,044,809	700,407	425,895	418,422
Non-controlling interests		4,600	41,282	44,072	–	–	–
<b>Total equity</b>		1,504,870	1,477,016	1,088,881	700,407	425,895	418,422
<b><u>Non-current liabilities</u></b>							
Deferred tax liabilities	10	69,748	64,850	86,498	–	–	–
Other payables	29	–	–	–	75,371	–	–
Other financial liabilities	28	2,237,753	3,213,762	1,849,558	410,758	402,934	344,437
<b>Total non-current liabilities</b>		2,307,501	3,278,612	1,936,056	486,129	402,934	344,437
<b><u>Current liabilities</u></b>							
Deferred tax liabilities on asset classified as held-for-sale	10	–	3,226	–	–	–	–
Income tax payable		47,536	38,239	108,628	1,900	–	1,577
Trade and other payables	29	511,410	475,771	469,063	1,575,777	1,545,570	919,484
Other financial liabilities	28	1,342,480	246,761	609,565	257,382	191,078	165,553
Other liabilities	30	480,122	475,863	395,699	–	–	–
<b>Total current liabilities</b>		2,381,548	1,239,860	1,582,955	1,835,059	1,736,648	1,086,614
<b>Total liabilities</b>		4,689,049	4,518,472	3,519,011	2,321,188	2,139,582	1,431,051
<b>Total equity and liabilities</b>		6,193,919	5,995,488	4,607,892	3,021,595	2,565,477	1,849,473

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

# STATEMENTS OF CHANGES IN EQUITY

Reporting Year Ended 30 June 2019

	Share capital \$'000	Treasury shares \$'000	Retained earnings \$'000	Other reserves \$'000	Equity attributable to owners of the Company \$'000	Non-controlling interests \$'000	Total equity \$'000
<b>Group</b>							
<b>Current year:</b>							
Balance at 1 July 2018, as previously reported	242,050	(2,575)	925,621	270,638	1,435,734	41,282	1,477,016
Adoption of SFRS(I) (Note 37)	-	-	(27,217)	27,217	-	-	-
Balance at 1 July 2018, as restated	242,050	(2,575)	898,404	297,855	1,435,734	41,282	1,477,016
Purchase of treasury shares (Note 26)	-	(1,368)	-	-	(1,368)	-	(1,368)
Return of capital contribution to non-controlling interests of subsidiaries	-	-	-	-	-	(725)	(725)
Increase in capital contribution by non-controlling interests of subsidiaries	-	-	-	-	-	755	755
Issue of shares under the Scrip Dividend Scheme (Note 25)	33,872	-	-	-	33,872	-	33,872
Total comprehensive income / (loss) for the year	-	-	139,786	(63,062)	76,724	(2,047)	74,677
Dividends on ordinary shares (Note 12)	-	-	(44,692)	-	(44,692)	(34,665)	(79,357)
Balance at 30 June 2019	275,922	(3,943)	993,498	234,793	1,500,270	4,600	1,504,870
<b>Previous year (Restated):</b>							
Balance at 1 July 2017, as previously reported	163,880	(9,517)	690,347	200,099	1,044,809	44,072	1,088,881
Adoption of SFRS(I) (Note 37)	-	-	(27,217)	27,217	-	-	-
Balance at 1 July 2017, as restated	163,880	(9,517)	663,130	227,316	1,044,809	44,072	1,088,881
Placement of treasury shares (Note 26)	-	9,517	-	3,629	13,146	-	13,146
Purchase of treasury shares (Note 26)	-	(2,575)	-	-	(2,575)	-	(2,575)
Return of capital contribution to non-controlling interests of subsidiaries	-	-	-	-	-	(965)	(965)
Increase in capital contribution by non-controlling interests of subsidiaries	-	-	-	-	-	1,107	1,107
Issue of share capital (Note 25)	78,170	-	-	-	78,170	-	78,170
Total comprehensive income / (loss) for the year	-	-	285,028	66,910	351,938	(2,932)	349,006
Dividends on ordinary shares (Note 12)	-	-	(49,754)	-	(49,754)	-	(49,754)
Balance at 30 June 2018	242,050	(2,575)	898,404	297,855	1,435,734	41,282	1,477,016

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

# STATEMENTS OF CHANGES IN EQUITY

Reporting Year Ended 30 June 2019

	Share capital \$'000	Treasury shares \$'000	Retained earnings \$'000	Other reserves \$'000	Total equity \$'000
<b>Company</b>					
<b>Current year:</b>					
Balance at 1 July 2018	242,050	(2,575)	170,505	15,915	425,895
Purchase of treasury shares (Note 26)	–	(1,368)	–	–	(1,368)
Issue of shares under the Scrip Dividend Scheme (Note 25)	33,872	–	–	–	33,872
Total comprehensive income / (loss) for the year	–	–	321,888	(35,188)	286,700
Dividends on ordinary shares (Note 12)	–	–	(44,692)	–	(44,692)
Balance at 30 June 2019	275,922	(3,943)	447,701	(19,273)	700,407
<b>Previous year:</b>					
Balance at 1 July 2017	163,880	(9,517)	264,059	–	418,422
Issue of share capital (Note 25)	78,170	–	–	–	78,170
Placement of treasury shares (Note 26)	–	9,517	–	3,629	13,146
Purchase of treasury shares (Note 26)	–	(2,575)	–	–	(2,575)
Total comprehensive (loss) / income for the year	–	–	(43,800)	12,286	(31,514)
Dividends on ordinary shares (Note 12)	–	–	(49,754)	–	(49,754)
Balance at 30 June 2018	242,050	(2,575)	170,505	15,915	425,895

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

# CONSOLIDATED STATEMENT OF CASH FLOWS

Reporting Year Ended 30 June 2019

	2019 \$'000	2018 \$'000
<b>Cash flows from operating activities</b>		
Profit before tax	153,165	305,339
Adjustments for:		
Dividend income	(3,809)	(4,250)
Interest income	(6,559)	(5,758)
Finance costs	100,786	64,597
Depreciation of property, plant and equipment	14,766	14,068
Deconsolidation of subsidiaries	(17,197)	–
Property, plant and equipment written-off	–	89
Impairment loss on development properties	6,009	462
Bad debt written-off	279	302
Fair value gains on financial instruments	(5,620)	(1,862)
Gains on disposal of investments in securities	(1,401)	–
Gains on disposal of property, plant and equipment	(7)	–
Gains on fair value changes in investment properties	(190,322)	(117,829)
Gains on sale of investment properties	(1,185)	(21,152)
Loss on disposal of asset classified as held-for-sale	1,222	–
Share of results from associates and joint ventures, net of tax	20,457	(103,044)
Net effect of exchange rate changes	(16,162)	(12,943)
Operating cash flows before changes in working capital	54,422	118,019
Inventories	(23)	(52)
Development properties	(570,145)	(120,318)
Trade and other receivables	107,681	94,499
Other assets	(8,554)	15,891
Trade and other payables	66,657	25,006
Other liabilities	25,358	80,164
Cash flows (used in) / from operations	(324,604)	213,209
Income taxes paid	(500)	(98,111)
<b>Net cash flows (used in) / from operating activities</b>	<b>(325,104)</b>	<b>115,098</b>
<b>Cash flows from investing activities</b>		
Additions of property, plant and equipment	(50,287)	(30,890)
Additions of investment properties	(102,665)	(862,497)
Additions of investment in securities	(14,875)	(362,657)
Other receivables, non-current	1,053	26,319
Proceeds from asset classified as held-for-sale	116,293	–
Proceeds from disposal of investments in securities	3,640	–
Proceeds from disposal of property, plant and equipment	22	–
Proceeds from sale of investment properties	3,255	200,522
Investments in associates	(9,372)	(5,508)
Investments in joint ventures	–	(3,000)
Deconsolidation of a subsidiary, net of cash deconsolidated (Note 15A)	194,700	–
Dividends from associates and joint ventures	34,926	35,670
Dividends from investments in securities	3,809	4,250
Advances to associates	(4,292)	–
Advances to joint ventures	(61,290)	(162,309)
Interest income received	6,559	5,758
<b>Net cash flows from / (used in) investing activities</b>	<b>121,476</b>	<b>(1,154,342)</b>

# CONSOLIDATED STATEMENT OF CASH FLOWS

Reporting Year Ended 30 June 2019

	2019 \$'000	2018 \$'000
<b>Cash flows from financing activities</b>		
Proceeds from issuance of new shares, by way of cash	–	79,968
Share issuance cost	–	(1,798)
Dividends paid to equity owners	(10,820)	(49,754)
Purchase of treasury shares	(1,368)	(2,575)
Proceeds from placement of treasury shares	–	13,146
Proceeds from borrowings	1,090,154	1,656,935
Repayment of borrowings	(523,600)	(655,012)
Advances to non-controlling shareholders	(8,558)	(48,924)
Return of capital contribution to non-controlling interests of subsidiaries	(725)	(965)
Increase in capital contribution by non-controlling interests of subsidiaries	755	1,107
Interest expense paid	(120,973)	(113,474)
<b>Net cash flows from financing activities</b>	<b>424,865</b>	<b>878,654</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>221,237</b>	<b>(160,590)</b>
Cash and cash equivalents, at beginning of the reporting year	254,980	413,545
Effects of exchange rate changes on cash held in foreign currency	(1,810)	2,025
<b>Cash and cash equivalents, at end of the reporting year</b> (Note 24)	<b>474,407</b>	<b>254,980</b>

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

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2019

## 1. General

Oxley Holdings Limited (the “Company”) is incorporated in Singapore with limited liability. It is listed on the Main Board of Singapore Exchange Securities Trading Limited (“SGX-ST”).

The financial statements cover the Company and its subsidiaries, the Group’s interests in joint ventures and associates (collectively the “Group”). All financial information are presented in Singapore Dollar (“\$”) and have been rounded to the nearest thousand (“\$’000”) unless when otherwise indicated.

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 investment holding and provision of management services.

The principal activities of the subsidiaries are described in Note 39 below.

The registered office and principal place of business of the Company is located at 138 Robinson Road, #30-01 Oxley Tower, Singapore 068906.

### **Statement of compliance with financial reporting standards**

These financial statements have been prepared in accordance with the Singapore Financial Reporting Standards (International) (“SFRS(I)s”) and the related Interpretations to SFRS(I) (“SFRS (I) INT”) as issued by the Singapore Accounting Standards Council. They are in compliance with the provisions of the Singapore Companies Act, Chapter 50 (the “Act”) and with the International Financial Reporting Standards issued by the International Accounting Standards Board.

### **Accounting convention**

The financial statements are prepared on a going concern basis under the historical cost convention except where a financial reporting standard requires an alternative treatment (such as fair values) as disclosed where appropriate in these financial statements. The accounting policies in the financial reporting standards may not be applied when the effect of applying them is not material. The disclosures required by financial reporting standards may not be provided if the information resulting from that disclosure is not material.

### **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 in Note 2C below, where applicable.

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2019

## 1. General (cont'd)

### 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 subsidiaries. The consolidated financial statements are the financial statements of the Group (the parent and its subsidiaries) 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 are eliminated on consolidation. Subsidiaries are consolidated from the date the reporting entity obtains control of the investee and cease when the reporting entity loses control of the investee.

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 fair value at the date when control is lost and is subsequently accounted as equity investments financial assets in accordance with the financial reporting standard on financial instruments.

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

## 2. Significant accounting policies and other explanatory information

### 2A. Significant accounting policies

#### Revenue recognition

The financial reporting standard on revenue from contracts with customers establishes a five-step model to account for revenue arising from contracts with customers. Revenue is recognised at an amount that reflects the consideration to which the entity expects to be entitled in exchange for transferring goods or services to a customer (which excludes estimates of variable consideration that are subject to constraints, such as right of return exists, trade discounts, volume rebates and changes to the transaction price arising from modifications), net of any related sales taxes and excluding any amounts collected on behalf of third parties. An asset (goods or services) is transferred when or as the customer obtains control of that asset. As a practical expedient, the effects of any significant financing component is not adjusted if the payment for the good or service will be within one year.

#### (a) Revenue from sale of development properties

Revenue from sale of a development property is recognised when or as the control over the property has been transferred to the customer. Control of the development property may be transferred at a point in time or over time depending on the terms in the contract and the laws that apply to the contract.

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2019

## 2. Significant accounting policies and other explanatory information (cont'd)

### 2A. Significant accounting policies (cont'd)

#### Revenue recognition (cont'd)

##### (a) Revenue from sale of development properties (cont'd)

For development properties whereby the Group has no enforceable right to payment for performance completed to-date, revenue is recognised when the customer obtains control of the property, such as when the property is accepted by the customer, or deemed as accepted according to the contract, or when title has passed to the customer.

For development properties whereby the Group is restricted under the agreement or laws from redirecting a sold property to another customer and has an enforceable right to payment for work done, revenue is recognised over time based on the Group's efforts or inputs to the satisfaction of the performance obligation, by reference to the stage of completion of construction. The stage of completion of construction is measured by reference to the value of construction completed to-date and certified by quantity surveyors over the estimated total construction costs. Management has determined that this method is an appropriate measure of the progress towards complete satisfaction of the Group's performance obligations.

The Group capitalises costs incurred in fulfilling the contract only if these costs relate directly to the contract, generate or enhance resources used in satisfying the contract and are expected to be recovered. Other contract costs are expensed as incurred.

As the Group recognises the revenue from sale of a development property, it amortises the capitalised development costs on a systematic basis. An impairment loss is recognised in profit or loss to the extent that the carrying amount of the capitalised contract costs exceeds the consideration that the Group expects to receive in exchange for the goods or services to which the contract costs relates. Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in the profit or loss in the period in which the circumstances that give rise to the revision become known by management.

A contract asset is recognised as "unbilled revenue" under trade and other receivables when the Group has performed under the contract but has not yet billed the customer. Progress billings to the customers are based on a payment schedule in the contract and are typically triggered upon achievement of specified construction milestones. Contract assets are transferred to receivables when the rights to consideration become unconditional.

A contract liability is recognised as "contract liability for development properties" under other liabilities when the Group has not yet performed under the contract but has received advanced payments from the customer. Contract liabilities are recognised as revenue as the Group performs under the contract.

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2019

## 2. Significant accounting policies and other explanatory information (cont'd)

### 2A. Significant accounting policies (cont'd)

#### Revenue recognition (cont'd)

##### (b) Revenue from hotel ownership and operations

Revenue from the ownership and operation of hotels includes of hotel revenue, sale of food and beverages and other hotel related services.

Hotel revenue is recognised over the period in which the accommodation and related services are provided. For retail customers, payment is due immediately when the accommodation and related services are rendered. For corporate customers, invoices are issued on a monthly basis and are payable within 30 days.

Sale of food and beverages is recognised at a point in time when the food and beverages are delivered.

Other hotel related laundry and car park services earned from hotels managed by the Group are recognised at a point in time when services are rendered.

##### (c) Revenue from investment properties

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 costs 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.

#### Other income

Interest income is recognised using the effective interest method.

Dividend income from equity instruments is recognised when the entity's right to receive dividend is established.

#### Inventories

Inventories are measured at the lower of cost (first-in-first-out method) and net realisable value. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2019

## 2. Significant accounting policies and other explanatory information (cont'd)

### 2A. Significant accounting policies (cont'd)

#### 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 is obligated 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.

#### Operating leases

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

#### Borrowing costs

Borrowing costs are interest and other costs incurred in connection with the borrowing of funds. Interest expense is calculated using the effective interest 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.

#### 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 a gain or loss on a non-monetary item is recognised in other comprehensive income, any exchange component of that gain or loss is recognised in other comprehensive income. The presentation is in the functional currency.

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2019

## 2. Significant accounting policies and other explanatory information (cont'd)

### 2A. Significant accounting policies (cont'd)

#### 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.

#### 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 it is used internally for evaluating operating segment performance and deciding how to allocate resources to operating segments.

#### 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 by the end of the reporting year; the effects of future changes in tax laws or rates are not anticipated. Tax expense (tax credit) 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 the end of each 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, associates and joint arrangements, 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.

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2019

## 2. Significant accounting policies and other explanatory information (cont'd)

### 2A. Significant accounting policies (cont'd)

#### Property, plant and equipment

Property, plant and equipment are carried at cost on initial recognition. After initial recognition, property, plant and equipment other than hotel property and freehold properties are carried at cost less any accumulated depreciation and any accumulated impairment losses.

##### *Hotel property*

Hotel property comprises freehold land and hotel buildings and improvements.

Hotel property is carried at a revalued amount, being its fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be measured using fair value at the end of the reporting year and the entire class of property, plant and equipment to which that asset belongs is revalued.

When an asset's carrying amount is increased as a result of a revaluation, the increase is recognised in other comprehensive income and accumulated in equity under asset revaluation reserve except that the increase is recognised in profit or loss to the extent that it reverses a revaluation decrease of the same asset previously recognised in profit or loss.

When an asset's carrying amount is decreased, the decrease is recognised in other comprehensive income to the extent of any credit balance existing in the revaluation surplus in respect of that asset. The decrease recognised in other comprehensive income reduces the amount accumulated in equity under asset revaluation reserve.

The asset revaluation reserve included in equity is transferred directly to retained earnings when the asset is derecognised.

When an item of property, plant and equipment is revalued, the carrying amount of that asset is adjusted to the revalued amount. At the date of the revaluation, the accumulated depreciation is eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset.

##### *Other property, plant and equipment*

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.

The gain or loss arising from the derecognition of an item of property, 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. Any amount in revaluation surplus relating to the revalued amount of the asset is transferred to retained earnings directly.

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2019

## 2. Significant accounting policies and other explanatory information (cont'd)

### 2A. Significant accounting policies (cont'd)

#### Property, plant and equipment (cont'd)

##### *Depreciation*

Depreciation is provided on a straight-line method 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.

Freehold land where the hotel property is situated has an unlimited useful life and therefore is not depreciated.

Hotel operating supplies comprising linen, china glassware, silver and uniforms are stated at original cost and all subsequent purchases for replacement, if any, are written-off to profit or loss.

The estimated useful lives of property, plant and equipment are as follows:

Hotel buildings and improvements	–	5 to 60 years
Freehold properties	–	60 years
Fixtures and equipment	–	3 to 5 years
Renovation	–	3 to 4 years

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.

Assets under construction included in property, plant and equipment are not depreciated as these assets are not yet available for use.

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.

#### **Investment property**

Investment property is property (land or a building or part of a building or both) 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 fair value model is used to measure the investment property at fair value as of the end of the reporting year. A gain or loss arising from a change in the fair value of investment property is included in profit or loss for the reporting year in which it arises. The fair values are measured periodically on a systematic basis at least once yearly by external independent valuers having an appropriate recognised professional qualification and recent experience in the location and category of 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. It is not classified as investment property if it is acquired exclusively with a view to subsequent disposal in the near future or for development and resale or it is held for future development and subsequent use as owner-occupied property.

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2019

## 2. Significant accounting policies and other explanatory information (cont'd)

### 2A. Significant accounting policies (cont'd)

#### Subsidiaries

A subsidiary is an entity including unincorporated and special purpose entity that is controlled by the reporting entity and the reporting entity is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The existence and effect of substantive potential voting rights that the reporting entity has the practical ability to exercise (that is, substantive rights) are considered when assessing whether the reporting entity controls another entity.

In the Company's 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 amount that would be realised in a current market exchange.

#### Joint arrangements – joint venture

A joint arrangement (that is, either a joint operation or a joint venture, depending on the rights and obligations of the jointly controlling parties to the arrangement), is one in which the reporting entity is party to an arrangement of which two or more parties have joint control, which is the contractually agreed sharing of control of the arrangement; it exists only when decisions about the relevant activities (that is, activities that significantly affect the returns of the arrangement) require the unanimous consent of the parties sharing control.

In a joint venture, the parties with joint control have rights to the net assets of the arrangement.

The accounting policy for joint ventures are set out in associates and joint ventures below.

#### Associates and joint ventures

An associate is an entity including an unincorporated entity in which the reporting entity has a significant influence and that is neither a subsidiary nor a joint arrangement of the reporting entity. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

An investment in an associate or joint venture includes goodwill on acquisition, which is accounted for in accordance with the financial reporting standard on business combinations. However the entire carrying amount of the investment is tested under the financial reporting standard on impairment, by comparing its recoverable amount (higher of value in use and fair value) with its carrying amount, whenever application of the requirements in the financial reporting standard on financial instruments indicates that the investment may be impaired.

Any excess of the investor's share of the net fair value of the identifiable assets, and liabilities over the cost of the investment of the associate or joint venture is excluded from the carrying amount of the investment and is instead included as income in the determination of the investor's share of the profit or loss of the associate or joint venture in the period in which the investment is acquired.

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2019

## 2. Significant accounting policies and other explanatory information (cont'd)

### 2A. Significant accounting policies (cont'd)

#### Associates and joint ventures (cont'd)

In the consolidated financial statements, the accounting for investments in associates and joint ventures are on the equity method. 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 or loss includes its share of the investee's other comprehensive income or loss. Losses of the investee in excess of the investor's interest in the relevant investee are not recognised except to the extent that the investor has an obligation. Profits and losses resulting from transactions between the Group and an associate or joint venture are recognised in the consolidated financial statements only to the extent of unrelated Group's interests in the investee. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Distributions received from associates or joint ventures reduce the carrying amount of the investment. Accounting policies of investees are changed where necessary to ensure consistency with the policies adopted by the Group.

The Group discontinues the use of the equity method from the date that when its investment ceases to be an associate or joint venture and accounts for the investment in accordance with the financial reporting standard on financial instruments from that date. Any gain or loss is recognised in profit or loss. Any investment retained in the former associate or joint venture is measured at fair value at the date that it ceases to be an associate or joint venture.

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

#### Business combinations

A business combination is a transaction or other event which requires that the assets acquired and liabilities assumed constitute a business. It is accounted for by applying the acquisition method of accounting. The cost of a business combination includes the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the acquirer, in exchange for control of the acquiree. The acquisition-related costs are expensed in the periods in which the costs are incurred and the services are received except for any costs to issue debt or equity securities are recognised in accordance with the financial reporting standard on financial instruments. As of the acquisition date, the acquirer recognises, separately from goodwill, the identifiable assets acquired, the liabilities assumed and any non-controlling interest in the acquiree measured at acquisition-date fair values as defined in and that meet the conditions for recognition under the financial reporting standard on business combinations. If there is gain on bargain purchase, for the gain on bargain purchase a reassessment is made of the identification and measurement of the acquiree's identifiable assets, liabilities and contingent liabilities and the measurement of the cost of the business combination and any excess remaining after this reassessment is recognised immediately in profit or loss.

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2019

## 2. Significant accounting policies and other explanatory information (cont'd)

### 2A. Significant accounting policies (cont'd)

#### Non-controlling interests

The non-controlling interest is equity in a subsidiary not attributable, directly or indirectly, to the reporting entity as the parent. The non-controlling interest is presented in the consolidated statement of financial position within equity, separately from the equity of the owners of the Company. For each business combination, any non-controlling interest in the acquiree (subsidiary) is initially measured either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets. Where the non-controlling interest is measured at fair value, the valuation techniques and key model inputs used are disclosed in the relevant note. Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

#### Impairment of non-financial assets

The carrying amount of 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 unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

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. 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 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.

An impairment loss on a revalued asset is recognised in other comprehensive income and accumulated in equity under the heading of revaluation surplus for the asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same asset.

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2019

## 2. Significant accounting policies and other explanatory information (cont'd)

### 2A. Significant accounting policies (cont'd)

#### Financial instruments

##### *Recognition and derecognition of financial instruments*

A financial asset or a financial liability is recognised in the statement of financial position when, and only when, the entity becomes party to the contractual provisions of the instrument. All other financial instruments (including regular-way purchases and sales of financial assets) are recognised and derecognised, as applicable, using trade date accounting or settlement date accounting. At initial recognition the financial asset or financial liability is measured at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability. A financial asset is derecognised when the contractual rights to the cash flows from the financial asset expire or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the entity neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset. A financial liability is removed from the statement of financial position when, and only when, it is extinguished, that is, when the obligation specified in the contract is discharged or cancelled or expires.

##### *Classification and measurement of financial assets*

- #1. Financial asset classified as measured at amortised cost: A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at fair value through profit or loss (FVTPL), that is (a) the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and (b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Typically trade and other receivables, bank and cash balances are classified in this category.
- #2. Financial asset that is a debt asset instrument classified as measured at fair value through other comprehensive income (FVTOCI): There were no financial assets classified in this category at reporting year end date.
- #3. Financial asset that is an equity investment measured at fair value through other comprehensive income (FVTOCI): On initial recognition of an equity investment that is not held for trading, an irrevocably election may be made to present subsequent changes in fair value in OCI. This election is made on an investment-by-investment basis. Fair value changes are recognised in OCI but dividends are recognised in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. The gain or loss that is presented in OCI includes any related foreign exchange component arising on non-monetary investments (e.g. equity instruments). On disposal, the cumulative fair value changes are not recycled to profit or loss but remain in reserves within equity. The weighted average or specific identification method is used when determining the cost basis of equities being disposed of.
- #4. Financial asset classified as measured at fair value through profit or loss (FVTPL): There were no financial assets classified in this category at reporting year end date.

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2019

## 2. Significant accounting policies and other explanatory information (cont'd)

### 2A. Significant accounting policies (cont'd)

#### Financial instruments (cont'd)

##### *Classification and measurement of financial liabilities*

Financial liabilities are classified as at fair value through profit or loss (FVTPL) in either of the following circumstances: (1) the liabilities are managed, evaluated and reported internally on a fair value basis; or (2) the designation eliminates or significantly reduces an accounting mismatch that would otherwise arise. All other financial liabilities are carried at amortised cost using the effective interest method. Reclassification of any financial liability is not permitted.

#### 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.

#### Derivative financial instruments

A derivative financial instrument is a financial instrument with all three of the following characteristics (a) its value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices, credit ratings or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract; (b) it requires no initial net investment or an initial net investment that is smaller than would be required for other types of contracts that would be expected to have a similar response to changes in market factors; and (c) it is settled at a future date. The derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently classified as measured at FVTPL unless the derivative is designated and effective as a hedging instrument.

#### Hedging

Entities under the Group are 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.

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2019

## 2. Significant accounting policies and other explanatory information (cont'd)

### 2A. Significant accounting policies (cont'd)

#### Fair value measurement

The fair value is 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. When measuring the fair value of an asset or a liability, market observable data to the extent possible is used. If the fair value of an asset or a liability is not directly observable, an estimate is made using valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs (e.g. by use of the market comparable approach that reflects recent transaction prices for similar items, discounted cash flow analysis, or option pricing models refined to reflect the issuer's specific circumstances). Inputs used are consistent with the characteristics of the asset / liability that market participants would take into account. 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.

Fair values are categorised into different levels in a fair value hierarchy based on the degree to which the inputs to the measurement are observable and the significance of the inputs to the fair value measurement in its entirety: Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices). Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs). Transfers between levels of the fair value hierarchy are recognised at the end of the reporting period during which the change occurred.

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.

### 2B. Other explanatory information

#### 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.

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2019

## 2. Significant accounting policies and other explanatory information (cont'd)

### 2B. Other explanatory information (cont'd)

#### Assets classified as held-for-sale

Identifiable assets and liabilities and any disposal groups are classified as held-for-sale if their carrying amount is to be recovered principally through a sale transaction rather than through continuing use. The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, except as permitted by SFRS(I) 5 in certain circumstances. It can include a subsidiary acquired exclusively with a view to resale. Assets that meet the criteria to be classified as held-for-sale are measured at the lower of carrying amount and fair value less costs of disposal and are presented separately on the face of the statement of financial position.

Once an asset is classified as held-for-sale or included in a group of assets held-for-sale, no further depreciation or amortisation is recorded. Impairment losses on initial classification of the balances as held-for-sale are included in profit or loss, even when there is a revaluation. The same applies to gains and losses on subsequent remeasurement.

#### Treasury shares

Where the entity reacquires its own equity instruments as treasury shares, the consideration paid, including any directly attributable incremental cost is deducted from equity attributable to the entity's owners until the shares are cancelled, reissued or disposed of. Where such shares are subsequently sold or reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the entity's owners and no gain or loss is recognised in profit or loss.

### 2C. 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.

#### *Fair values of investment properties and properties classified as property, plant and equipment*

The Group carries its investment properties and properties classified as property, plant and equipment at fair value with changes in fair value being recognised in profit or loss and other comprehensive income respectively. In determining the fair values, the independent professional valuers engaged by management have used valuation techniques which involve certain estimates. In relying on the valuation reports, management has exercised judgement to ensure that the valuation methods and estimates are reflective of current market conditions. The carrying amounts and the key assumptions used to determine the fair values are disclosed in Notes 13 and 14.

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2019

## 2. Significant accounting policies and other explanatory information (cont'd)

### 2C. Critical judgements, assumptions and estimation uncertainties (cont'd)

#### *Allowance for impairment in carrying amount of development properties*

An allowance for impairment losses is recognised in profit or loss to the extent that the carrying amount of the capitalised contract costs exceeds the consideration that the Group expects to receive in exchange for the unsold development properties to which the contract costs relates. The allowance is determined by the management after taking into account estimated selling prices less the estimated costs necessary to make the sale and estimated total development costs. The estimated selling prices are based on recent selling prices for the development project or comparable projects and prevailing property market conditions. The estimated total development costs are based on contracted amounts and, in respect of amounts not contracted for, management's estimates of the amounts to be incurred taking into consideration historical trends of the amounts incurred. The evaluation process is subject to management judgement and the effect of assumptions in respect of development plans, timing of sale and the prevailing market conditions. Management performs feasibility studies for each property, taking into account the costs incurred to date, the development status and costs to complete each development property. Any future variation in plans, assumptions and estimates can potentially impact the carrying amounts of the respective properties. The carrying amount of development properties is disclosed in Note 21.

#### *Income tax amounts*

The Group may have exposure to income taxes in the jurisdictions where it operates. The Group recognises tax liabilities and assets based on an estimation of the likely taxes due, which requires significant judgement as to the ultimate tax determination of certain items. There are certain transactions and computations for which the ultimate determination is uncertain during the ordinary course of business as the administration, enforcement and interpretation of complex tax laws and regulations may be subject to uncertainties and a certain degree of discretion by the local tax authorities. In addition, management judgement is required in determining the amount of current and deferred tax recognised and the extent to which amounts should or can be recognised. A deferred tax asset is recognised for unused tax losses if it is probable that the entity will earn sufficient taxable profit in future periods to benefit from a reduction in tax payments. This involves the management making assumptions within its overall tax planning activities and periodically reassessing them in order to reflect changed circumstances as well as tax regulations. Moreover, the measurement of a deferred tax asset or liability reflects the manner in which the entity expects to recover the asset's carrying value or settle the liability. As a result, due to their inherent nature assessments of likelihood are judgemental and not susceptible to precise determination. 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 reporting year in which such determination is made. Management believes that the amounts recognised for current and deferred income taxes are adequate. The carrying amounts of income taxes are disclosed in the statements of financial position and Note 10.

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2019

## 2. Significant accounting policies and other explanatory information (cont'd)

### 2C. Critical judgements, assumptions and estimation uncertainties (cont'd)

#### *Classification of properties under hotel segment*

Management applies judgement in determining the classification of hotels owned by the Group. In determining whether a hotel property owned by the Group is classified as investment property or property, plant and equipment, management considers, among other qualitative factors, the business model, whether the Group could intervene in operating and financial decisions regarding the operations of the property, whether the Group's returns would represent a percentage of the hotels' actual results and whether the Group could terminate the management agreements signed with the operators. Such consideration requires significant judgement. The carrying amount of the Group's hotel property is disclosed in Note 13.

#### *Deferred tax – recovery of underlying assets*

The deferred tax relating to an asset is dependent on whether the entity expects to recover the carrying amount of the asset through use or sale. It can be difficult and subjective to assess whether recovery will be through use or through sale when the asset is measured using the fair value model in SFRS (I) 1-40 Investment Property or when fair value is required or permitted by a SFRS (I) for a non-depreciable non-financial asset. Management has taken the view that there is clear evidence that it will be recovered entirely through sale. Accordingly, there will be no deferred tax liability on investment properties in Singapore as there is no capital gains tax in Singapore.

#### *Useful lives of property, plant and equipment*

The cost of property, plant and equipment is depreciated on a straight-line basis over their respective useful lives. Management estimates the useful lives of these property, plant and equipment to be within 5 to 60 years (2018: 3 to 98 years). The estimation of the useful lives and residual amount involves assumptions concerning the future and estimations of the assets common life expectancies and expected level of usage. Any changes in the expected useful lives of these assets would affect the net carrying amount of property, plant and equipment and the depreciation charge for the reporting year. The carrying amount of the Group's property, plant and equipment as at the end of the reporting year and the annual depreciation charge for the current reporting year are disclosed in Note 13.

#### *Classification of investment in an associate*

The Group owns a 20% equity interest in Galliard (Group) Limited ("Galliard"). Galliard has issued warrants to an investor and if the warrant holder were to exercise its rights to convert the warrants into new ordinary shares in the capital of Galliard, the Group's equity interest in Galliard would reduce to 18%. Significant influence is presumed to exist (or not exist) when an entity holds 20% or more (or less than 20%) of the voting rights of another entity, unless it can be clearly demonstrated otherwise. Management has exercised significant judgement and determine that the Group continues to have significant influence over Galliard given, among other factors, the Group's participation in policy-making processes and decision-making about dividends and other distributions through its board representation. Based on these factors, management has classified Galliard as an associate in these financial statements. See Note 40.

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2019

## **2. Significant accounting policies and other explanatory information (cont'd)**

### **2C. Critical judgements, assumptions and estimation uncertainties (cont'd)**

#### *Allowance for trade and other receivables*

Trade and other receivables are subject to the expected credit loss model under the financial reporting standard on financial instruments. The expected lifetime losses are recognised from initial recognition of these assets. These assets are grouped based on shared credit risk characteristics and the days past due for measuring the expected credit losses. The allowance matrix is based on its historical observed default rates (over a period of certain months) over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. The loss allowance was determined accordingly. Significant judgement is required in assessing the ultimate realisation of these receivables. The carrying amounts might change materially within the next reporting year but these changes may not arise from assumptions or other sources of estimation uncertainty at the end of the reporting year. The carrying amounts are disclosed in the Notes 18 and 22.

## **3. Related party relationships and transactions**

The financial reporting standard on related party disclosures requires the reporting entity to disclose: (a) transactions with its related parties; and (b) relationships between parents and subsidiaries irrespective of whether there have been transactions between those related parties. A party is related to a party if the party controls, or is controlled by, or can significantly influence or is significantly influenced by the other party.

The ultimate controlling parties are Ching Chiat Kwong and Low See Ching, who are directors and controlling shareholders of the Company.

### **3A. Members of the Group**

Related companies in these financial statements include the members of the Group. Associates and joint ventures also include those that are associates and joint ventures of members of the Group.

### **3B. Related party transactions**

There are transactions and arrangements between the Group and its related parties and the effects of these on the basis determined between the parties are reflected in these financial statements. The related party balances and financial guarantees, if any, are unsecured, without fixed repayment terms and interest or charge unless stated otherwise.

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2019

## 3. Related party relationships and transactions (cont'd)

### 3B. Related party transactions (cont'd)

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

In addition to the transactions disclosed elsewhere in the notes to the financial statements, the significant related party transactions are as follows:

	<b>Group</b>	
	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>
<hr/>		
<u>Related party</u>		
Development property – purchase of land <sup>(a)</sup>	–	(38,000)
<u>Non-controlling interests</u>		
Interest income	642	638
Interest expense	(964)	(1,116)
<u>Joint ventures</u>		
Interest income	266	1,660
Interest expense capitalised in development properties	5,974	–

<sup>(a)</sup> Two directors of the Company, Ching Chiat Kwong and Low See Ching, are shareholders of this related party.

### 3C. Key management compensation

	<b>Group</b>	
	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>
<hr/>		
Salaries and other short-term employee benefits	20,100	22,927

The above amount is recorded under administrative expenses and included the following items:

	<b>Group</b>	
	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>
<hr/>		
Remuneration to directors of the Company	17,529	20,722
Fees to directors of the Company	202	286

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2019

## **3. Related party relationships and transactions (cont'd)**

### **3C. Key management compensation (cont'd)**

Key management personnel are the directors and those persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly.

Further information about the remuneration of individual directors is provided in the Corporate Governance Report.

## **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 SFRS(I) 8 Operating Segments. This disclosure standard has no impact on the reported financial performance or financial position of the Group.

For management purposes, the Group is organised into the following major business segments that offer different products and services. The Group has four reportable operating segments as follows:

- Property development - development of properties for sale
- Property investment - leasing of commercial properties
- Hotel - operation of owned hotels
- Corporate - provision of corporate services, treasury functions and investments in securities

Such a structural organisation is determined by the nature of risks and returns associated with each business segment and it defines the management structure as well as the internal reporting system. It represents the basis on which the management reports the primary segment information that is available and that is evaluated regularly by the chief operating decision maker in deciding how to allocate resources and in assessing the performance of each segment. They are managed separately because each business requires different strategies.

Inter-segment sales are measured on the basis that the entity actually used to price the transfers. Internal transfer pricing policies of the reporting entity are as far as practicable based on market prices. The accounting policies of the operating segments are the same as those described in the significant accounting policies.

Segment profit before tax is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2019

## 4. Financial information by operating segments (cont'd)

### 4B. Business segments

The following table illustrates the information about the reportable segment, profit or loss, assets and liabilities:

	Group				Total \$'000
	Property development \$'000	Property investment \$'000	Hotel \$'000	Corporate \$'000	
<u>2019</u>					
Segment revenue:					
Revenue from external parties	608,603	–	46,758	–	655,361
Rental income	–	30,707	–	–	30,707
Total revenue	608,603	30,707	46,758	–	686,068
Segment result	25,464	17,673	3,391	6,997	53,525
Net fair value (loss) / gains on financial instruments	(173)	329	(362)	5,826	5,620
Fair value gains on investment properties	–	190,037	285	–	190,322
Deconsolidation of subsidiaries	–	–	–	17,197	17,197
Gain on sale of investment properties	1,185	–	–	–	1,185
Interest income	365	642	–	5,552	6,559
Operating profit	26,841	208,681	3,314	35,572	274,408
Finance costs	(4,228)	(14,621)	(20,133)	(61,804)	(100,786)
Share of results from joint ventures and associates, net of tax	(13)	–	–	(20,444)	(20,457)
Profit / (loss) before tax	22,600	194,060	(16,819)	(46,676)	153,165
Income tax expense	(8,163)	(1,952)	–	(5,379)	(15,494)
Profit / (loss) for the year	14,437	192,108	(16,819)	(52,055)	137,671
Other significant items:					
Depreciation of property, plant and equipment	(241)	–	(13,084)	(1,441)	(14,766)
Impairment on development properties	(6,009)	–	–	–	(6,009)
Asset and reconciliations:					
Segment assets	3,037,670	539,066	971,165	1,045,907	5,593,808
Investments in joint ventures and associates	8,449	–	–	242,273	250,722
Investments in securities	7,372	–	–	342,017	349,389
Total assets	3,053,491	539,066	971,165	1,630,197	6,193,919
Additions:					
Property, plant and equipment	851	–	46,252	4,851	51,954
Investment properties	–	106,268	–	–	106,268
Liabilities and reconciliations:					
Segment liabilities	1,857,480	344,373	547,758	1,939,438	4,689,049

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2019

## 4. Financial information by operating segments (cont'd)

### 4B. Business segments (cont'd)

	Group				Total \$'000
	Property development \$'000	Property investment \$'000	Hotel \$'000	Corporate \$'000	
<u>2018</u>					
Segment revenue:					
Revenue from external parties	1,145,333	–	21,247	–	1,166,580
Rental income	–	22,033	–	–	22,033
Total revenue	1,145,333	22,033	21,247	–	1,188,613
Segment result	132,586	6,494	(16,415)	(2,374)	120,291
Net fair value (loss) / gains on financial instruments	(2)	(424)	253	2,035	1,862
Fair value gains on investment properties	–	117,829	–	–	117,829
Gain on sale of investment properties	–	21,152	–	–	21,152
Interest income	614	638	–	4,506	5,758
Operating profit	133,198	145,689	(16,162)	4,167	266,892
Finance costs	(3,369)	(15,261)	(14,312)	(31,655)	(64,597)
Share of results from joint ventures and associates, net of tax	–	–	–	103,044	103,044
Profit / (loss) before tax	129,829	130,428	(30,474)	75,556	305,339
Income tax (expense) / credit	(42,339)	16,674	4,582	(2,133)	(23,216)
Profit / (loss) for the year	87,490	147,102	(25,892)	73,423	282,123
Other significant items:					
Depreciation expenses	(269)	(1)	(11,890)	(1,908)	(14,068)
Impairment on development properties	(462)	–	–	–	(462)
Asset and reconciliations:					
Segment assets	2,752,285	1,410,706	920,359	244,405	5,327,755
Investments in joint ventures and associates	–	–	–	286,828	286,828
Investments in securities	–	–	–	380,905	380,905
Total assets	2,752,285	1,410,706	920,359	912,138	5,995,488
Additions:					
Property, plant and equipment	1,130	–	36,428	1,108	38,666
Investment properties	–	870,893	–	–	870,893
Liabilities and reconciliations:					
Segment liabilities	1,475,632	765,242	560,669	1,716,929	4,518,472

There are no single external customers that had contributed more than 10% to the Group's revenue.

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2019

## 4. Financial information by operating segments (cont'd)

### 4C. Geographical information

The Group operates in numerous geographical areas and the main areas of operations undertaken by the Group are as follows:

- Singapore – property development, property investment, hotel and corporate
- United Kingdom – property development and property investment
- Cambodia – property development
- Malaysia – property development
- Ireland – property development and property investment
- Australia – property development

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

	Group			
	Revenue		Non-current assets	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Singapore	181,734	114,069	1,878,475	2,619,248
United Kingdom	486,600	1,074,544	163,424	172,772
Cambodia	–	–	32,356	53,718
Malaysia	17,734	–	33,892	28,230
Australia	–	–	35,205	46,515
Ireland	–	–	224,006	93,142
Others	–	–	8,467	8,143
	686,068	1,188,613	2,375,825	3,021,768

## 5. Revenue

	Group	
	2019 \$'000	2018 \$'000
Revenue from sale of development properties:		
– recognised at point in time	489,948	1,074,338
– recognised over time	118,655	72,040
	608,603	1,146,378
Revenue from hotel ownership and operations:		
– recognised at point in time	35,222	16,112
– recognised over time	11,536	5,135
	46,758	21,247
Rental income from investment properties	30,707	20,988
	686,068	1,188,613

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2019

## 6. Other income

	Group	
	2019	2018
	\$'000	\$'000
Rental income	1,372	1,185
Dividend income	3,809	4,250
Other income	3,406	3,374
	<u>8,587</u>	<u>8,809</u>

## 7. Other gains and (other losses)

	Group	
	2019	2018
	\$'000	\$'000
Customer deposits forfeited	1,682	757
Defect costs	(1,362)	(5,193)
Deconsolidation of subsidiaries	17,197	–
Net foreign exchange gains / (losses), net	9,702	(1,129)
Net fair value gains on financial instruments	5,620	1,862
Net fair value gain on investment properties (Note 14)	190,322	117,829
Gains on disposal of investments in securities	1,401	–
Gains on sale of investment property	1,185	21,152
Impairment loss on development property (Note 21)	(6,009)	(462)
Other gains	846	510
Other losses	(8,919)	(1,708)
Net	<u>211,665</u>	<u>133,618</u>
Presented in profit or loss as:		
Other gains	227,955	142,110
Other losses	(16,290)	(8,492)
	<u>211,665</u>	<u>133,618</u>

## 8. Employee benefits expense

	Group	
	2019	2018
	\$'000	\$'000
Short term employee benefits expense	29,490	30,639
Contribution to defined contribution plan	1,226	1,133
	<u>30,716</u>	<u>31,772</u>

The employee benefits expense is charged to marketing and distribution costs and administrative expenses.

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2019

## 9. Finance costs

	<b>Group</b>	
	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>
Total interest expense	154,389	115,999
Less amounts capitalised in:		
- property, plant and equipment (Note 13)	-	(7,776)
- investment properties (Note 14)	(3,603)	(8,396)
- development properties (Note 21)	(71,607)	(49,260)
Subtotal	(75,210)	(65,432)
Amortisation of transaction costs capitalised	20,581	13,725
Others	1,026	305
Total finance costs	<u>100,786</u>	<u>64,597</u>

## 10. Income tax

### 10A. Components of tax expense recognised in profit or loss

	<b>Group</b>	
	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>
<u>Current tax expense</u>		
Current tax expense	35,936	40,845
(Over) / under adjustments in respect of prior years	(16,860)	8,265
Subtotal	<u>19,076</u>	<u>49,110</u>
<u>Deferred tax credit</u>		
Current deferred tax expense	4,881	2,512
Over adjustments in respect of prior years	(8,463)	(28,406)
Subtotal	<u>(3,582)</u>	<u>(25,894)</u>
Total income tax expense	<u>15,494</u>	<u>23,216</u>

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2019

## 10. Income tax (cont'd)

### 10A. Components of tax expense recognised in profit or loss (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 determined by applying the Singapore corporate tax rate of 17% (2018: 17%) to profit before tax as a result of the following differences:

	<b>Group</b>	
	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>
Profit before tax	153,165	305,339
Less: Share of results from associates and joint ventures, net of tax	20,457	(103,044)
	<b>173,622</b>	<b>202,295</b>
Income tax expense at the above rate	29,516	34,390
Effect of different tax rates in different countries	(4,410)	3,225
Expenses not deductible for tax purposes	68,725	11,963
Income not subject to tax	(65,444)	(20,569)
Exemptions	(137)	(100)
Withholding tax	10,713	14,600
Over adjustments to tax in respect of prior years	(24,362)	(20,141)
Utilisation of previously unrecognised tax losses	(500)	(2,889)
Previously unrecognised deferred tax assets recognised this year	(1,193)	–
Deferred tax assets not recognised	2,543	2,332
Others	43	405
Total income tax expense	<b>15,494</b>	<b>23,216</b>

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

### 10B. Deferred tax credit recognised in profit or loss

	<b>Group</b>	
	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>
<u>Arising from changes in temporary differences:</u>		
Tax losses carried forward	(3,781)	(684)
Profits relating to development properties recognised over time	2,206	159
Fair value gains on investment properties	(2,007)	(24,296)
Others	–	(1,073)
Total deferred tax credit recognised in profit or loss	<b>(3,582)</b>	<b>(25,894)</b>

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2019

## 10. Income tax (cont'd)

### 10C. Deferred tax expense recognised in other comprehensive income

	<b>Group</b>	
	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>
<hr/>		
<u>Deferred tax</u>		
Surplus on revaluation of property, plant and equipment	1,990	6,788

### 10D. Deferred tax balances in the statements of financial position

	<b>Group</b>		
	<b>30 June</b>	<b>30 June</b>	<b>1 July</b>
	<b>2019</b>	<b>2018</b>	<b>2017</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<hr/>			
Tax losses carried forward	5,311	1,530	846
Profits relating to development properties recognised over time	(2,365)	(159)	–
Fair value gains on investment properties	(10,430)	(12,437)	(36,733)
Surplus on revaluation of property, plant and equipment	(56,953)	(54,963)	(48,175)
Others	74	(517)	(1,590)
Net balance	<u>(64,363)</u>	<u>(66,546)</u>	<u>(85,652)</u>
Presented in the statements of financial position as follows:			
Deferred tax assets	5,385	1,530	846
Deferred tax liabilities	(69,748)	(64,850)	(86,498)
Deferred tax liabilities on asset classified as held-for-sale #	–	(3,226)	–
	<u>(64,363)</u>	<u>(66,546)</u>	<u>(85,652)</u>

# These relate to deferred tax liabilities of fair value gain on investment property that was classified as held-for-sale (Note 20).

Deferred tax is recognised on profits relating to development properties that are recognised using over time method. Profits recognised on such qualifying development properties in Singapore are taxed upon completion of the projects.

For the Singapore companies, the realisation of the future income tax benefits from tax losses carried forward and temporary differences from capital allowances is available for an unlimited future period subjected to the conditions imposed by law and the retention of majority shareholders.

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2019

## 10. Income tax (cont'd)

### 10E. Unrecognised deferred tax assets

	Group			
			Unrecognised deferred tax assets	
	2019	2018	2019	2018
	\$'000	\$'000	\$'000	\$'000
Unutilised tax losses carried forward	57,807	42,849	9,827	7,284

No deferred tax asset for the tax losses (including deductible temporary differences, unused tax losses and unused tax credit) has been recognised in respect of the above balance, as the future profit streams are not probable against which the deductible temporary difference can be utilised.

## 11. Earnings per share

The following table illustrates the numerators and denominators used to calculate basic and diluted amount per share of no par value:

	Group	
	2019	2018
	\$'000	\$'000
Profit for the year attributable to owners of the Company	139,786	285,028
Weighted average number of equity shares ('000)	4,086,392	3,922,849
Basic and diluted earnings per share (cents)	3.42	7.27

Basic and diluted earnings per share ("EPS") are calculated by dividing profit, net of tax for the reporting year attributable to owners of the Company by the weighted average number of equity shares. It is after the neutralisation by the treasury shares.

The weighted average number of equity shares refers to shares in circulation during the reporting year and for all periods presented are adjusted for events that have changed the number of equity shares outstanding without a corresponding change in resources. The number of equity shares outstanding before the event is adjusted for the proportionate change in the number of equity shares outstanding as if the event had occurred at the beginning of the earliest period presented. The disclosures for the previous reporting year are revised accordingly.

There were no dilutive ordinary share equivalent outstanding at the end of the current and previous reporting years.

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2019

## 12. Dividends on equity shares

### 12A. Dividends to owners of the Company

	Rate per share		2019 \$'000	2018 \$'000
	2019 Cents	2018 Cents		
Final tax exempt (1-tier) dividend paid in respect of previous reporting year	0.78	0.70	31,505	20,638
Interim exempt (1-tier) dividend paid	0.32	0.72	13,187	29,116
	1.10	1.42	44,692	49,754

In respect of the current reporting year, the directors proposed that a final dividend of 0.68 Singapore cent per share be paid to shareholders after the annual general meeting. This dividend is subject to approval by shareholders at the forthcoming annual general meeting and has not been included as a liability in these financial statements. The proposed dividend is payable in respect of all ordinary shares (excluding treasure shares) in issue at the end of the reporting year and including any new qualifying shares issued up to the date the dividend becomes payable. There are no income tax consequences of the dividends to owners of the Company.

During the reporting year, dividends that were paid under the Scrip Dividend Scheme was \$33,872,000 (2018: Nil).

### 12B. Dividends to non-controlling interests in subsidiaries

Interim exempt (1-tier) dividends totalled \$34,265,000 (2018: Nil) were declared and paid by certain subsidiaries to their non-controlling shareholders.

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2019

## 13. Property, plant and equipment

	Group							Total \$'000
	Freehold land \$'000	Hotel buildings and improvements \$'000	Freehold properties \$'000	Renovation equipment \$'000	Fixtures and equipment \$'000	Hotel operating supplies \$'000	Assets under construction \$'000	
<u>Cost or valuation:</u>								
At 1 July 2017	-	-	57,000	3,248	1,435	-	850,365	912,048
Additions	-	-	754	464	5,375	1,223	30,850	38,666
Written-off	-	-	-	(302)	(46)	-	-	(348)
Reclassification	632,344	253,190	-	-	111	-	(885,645)	-
Revaluation increase	(18,654)	49,555	1,555	-	-	-	4,430	36,886
Elimination of depreciation on revaluation	(4,084)	(6,951)	(950)	-	-	-	-	(11,985)
Foreign exchange adjustments	-	-	12	11	5	-	-	28
At 30 June 2018	609,606	295,794	58,371	3,421	6,880	1,223	-	975,295
Additions	48,954	-	1,667	1,098	230	5	-	51,954
Disposal	-	-	-	-	(33)	-	-	(33)
Revaluation increase	304	10,074	2,803	-	-	-	-	13,181
Elimination of depreciation on revaluation	-	(11,732)	(300)	-	-	-	-	(12,032)
Elimination of disposal of subsidiary	-	-	-	(458)	(354)	-	-	(812)
Foreign exchange adjustments	-	-	(129)	(25)	(11)	-	-	(165)
At 30 June 2019	658,864	294,136	62,412	4,036	6,712	1,228	-	1,027,388
<u>Represented by:</u>								
Cost	-	-	-	4,036	6,712	1,228	-	11,976
Valuation	658,864	294,136	62,412	-	-	-	-	1,015,412
	658,864	294,136	62,412	4,036	6,712	1,228	-	1,027,388
<u>Accumulated depreciation:</u>								
At 1 July 2017	-	-	-	604	805	-	-	1,409
Depreciation for the year	4,084	6,951	950	736	1,347	-	-	14,068
Written-off	-	-	-	(120)	(139)	-	-	(259)
Elimination of depreciation on revaluation	(4,084)	(6,951)	(950)	-	-	-	-	(11,985)
Foreign exchange adjustments	-	-	-	10	134	-	-	144
At 30 June 2018	-	-	-	1,230	2,147	-	-	3,377
Depreciation for the year	-	11,732	337	899	1,798	-	-	14,766
Disposal	-	-	-	-	(18)	-	-	(18)
Elimination of depreciation on revaluation	-	(11,732)	(300)	-	-	-	-	(12,032)
Elimination of disposal of subsidiary	-	-	-	(13)	(10)	-	-	(23)
Foreign exchange adjustments	-	-	(37)	11	9	-	-	(17)
At 30 June 2019	-	-	-	2,127	3,926	-	-	6,053
<u>Carrying value:</u>								
At 1 July 2017	-	-	57,000	2,644	630	-	850,365	910,639
At 30 June 2018	609,606	295,794	58,371	2,191	4,733	1,223	-	971,918
At 30 June 2019	658,864	294,136	62,412	1,909	2,786	1,228	-	1,021,335

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2019

## 13. Property, plant and equipment (cont'd)

	<b>Company</b>		
	<b>Renovation \$'000</b>	<b>Fixtures and equipment \$'000</b>	<b>Total \$'000</b>
<u>Cost:</u>			
At 1 July 2017	2,723	421	3,144
Additions	716	392	1,108
Transfer	(253)	253	–
Written-off	(265)	(5)	(270)
At 30 June 2018	2,921	1,061	3,982
Additions	113	153	266
At 30 June 2019	3,034	1,214	4,248
<u>Accumulated depreciation:</u>			
At 1 July 2017	192	141	333
Depreciation for the year	686	272	958
Transfer	(10)	10	–
Written-off	(120)	(5)	(125)
At 30 June 2018	748	418	1,166
Depreciation for the year	747	326	1,073
At 30 June 2019	1,495	744	2,239
<u>Carrying value:</u>			
At 1 July 2017	2,531	280	2,811
At 30 June 2018	2,173	643	2,816
At 30 June 2019	1,539	470	2,009

Allocation of the depreciation expense:

	<b>Group</b>	
	<b>2019 \$'000</b>	<b>2018 \$'000</b>
Cost of sales	13,084	11,890
Administrative expenses	1,682	2,178
	14,766	14,068

- (a) The accumulated depreciation at the date of the revaluation is adjusted to equal the difference between the gross carrying amount and the carrying amount of the asset after taking into account accumulated impairment losses, where applicable.
- (b) Assets under construction were related to hotel property under construction.

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2019

## 13. Property, plant and equipment (cont'd)

- (c) Borrowing costs of Nil (30 June 2018: \$7,776,000; 1 July 2017: \$10,279,000) arising on financing incurred for the property under development were capitalised during the reporting year. The interest capitalisation rates during the reporting year were Nil (30 June 2018: 2.66% - 3.25%; 1 July 2017: 2.14% - 3.43%) per annum.
- (d) The surplus net of applicable deferred income tax liability on revaluation has been credited to asset revaluation reserve in equity (See Note 27B).
- (e) At the end of the reporting year, the freehold land, hotel buildings and improvements and freehold properties of the Group are pledged to financial institutions as securities for credit facilities (See Note 28A).
- (f) For each revalued class of property, plant and equipment, the carrying value that would have been recognised had the assets been carried under the cost model is as follows:

	Group				
	Freehold land \$'000	Leasehold land \$'000	Hotel buildings and improvements \$'000	Freehold properties \$'000	Hotel property under construction \$'000
<u>30 June 2019</u>					
Cost	–	419,130	220,455	36,308	–
Reclassification	416,424	(416,424)	–	–	–
Additions	48,955	–	–	1,667	–
Accumulated depreciation	–	(2,706)	(16,947)	(1,318)	–
Carrying value	465,379	–	203,508	36,657	–
<u>30 June 2018</u>					
Cost	–	419,130	220,455	36,320	–
Accumulated depreciation	–	(2,706)	(6,603)	(685)	–
Carrying value	–	416,424	213,852	35,635	–
<u>1 July 2017</u>					
Cost	–	–	–	35,554	609,746
Accumulated depreciation	–	–	–	(80)	–
Carrying value	–	–	–	35,474	609,746

- (g) The fair values of the properties were measured by independent professional valuers based on recent market prices of assets with similar used condition and configured for use. Management determined that the highest and best use of the asset is the current use and that it would provide maximum value to market participants principally through its use in combination with other assets.

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2019

## 13. Property, plant and equipment (cont'd)

- (h) During the reporting year, there was a change in valuation techniques for the hotel property. Management has assessed that the change in valuation technique is appropriate and better reflects the fair value measurement of the hotel property in its highest and best use as at the reporting date. The change in valuation technique and the relevant key unobservable inputs are included within this note. The change in valuation technique has not resulted in a material impact on the valuation of the hotel property.

The changes in valuation techniques are summarised in the table below:

Description	Valuation technique for the reporting year ended 30 June 2019	Valuation technique for the reporting year ended 30 June 2018
Hotel property	Discounted cash flow approach / Sales comparison approach	Income capitalisation approach / Sales comparison approach

- (i) Additions to freehold property included a dividend in kind received from a joint venture amounting to \$1,667,000 (2018 and 2017: Nil).
- (j) Details of the Group's properties classified under property, plant and equipment were measured at revalued amounts are as follows:

Description of property	Location	Tenure	Existing use	Gross floor area (sqm)	Carrying value			Interest held by the Group		
					30 June 2019 \$'000	30 June 2018 \$'000	1 July 2017 \$'000	30 June 2019 %	30 June 2018 %	1 July 2017 %
Novotel Singapore on Stevens / Mercure Singapore on Stevens	28 and 30 Stevens Road, Singapore	Freehold <sup>(a)</sup>	Hotel	26,703 (30 June 2018: 26,703; 1 July 2017: 26,703)	953,000	905,400	850,000	100	100	100
12 office units at Oxley Tower	138 Robinson Road, Singapore	Freehold	Commercial	1,637 (30 June 2018: 1,637; 1 July 2017: 1,637)	57,000	57,000	57,000	100	100	100
Concierge at Royal Wharf	North Woolwich Road, London E16, United Kingdom	Freehold	Commercial	667 (30 June 2018: 667; 1 July 2017: Nil)	2,169	1,371	–	100	100	–
The Bridge, SOHO Tower	Phum 4, National Assembly Road, Sangkat Tonle Bassac, Khan Chamkarmon Phnom Penh City Cambodia	Freehold	Commercial	992 (30 June 2018: Nil; 1 July 2017: Nil)	3,243	–	–	50	–	–
					1,015,412	963,771	907,000			

<sup>(a)</sup> In the previous reporting years, the tenure was 103 years from 18 July 2018. During the reporting year ended 30 June 2019, the Group acquired the freehold title.

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2019

## 13. Property, plant and equipment (cont'd)

(k) Fair value hierarchy – recurring fair value measurements

Valuation techniques and inputs used in Level 3 fair value measurements:

Description of property	Valuation technique	Significant unobservable inputs	Inputs			Inter-relationship between unobservable inputs and fair value measurement
			30 June 2019	30 June 2018	1 July 2017	
Novotel Singapore on Stevens / Mercure Singapore on Stevens	Discounted cash flow	Growth rate	1 – 10%	–	–	The higher the growth rate, the higher the fair value
		Discount rate	5%	–	–	The higher the discount rate, the lower the fair value
	Income capitalisation	Capitalisation rate	3.25%	4.5%	–	The higher the capitalisation rate, the lower the fair value
	Direct comparison	Market price per room	\$1,200,000 to \$1,300,000	\$1,200,000 to \$2,600,000	\$1,200,000	The higher the market price per room, the higher the valuation
12 office units at Oxley Tower	Direct comparison	Market price per square metre	\$34,820	\$34,820	\$34,820	The higher the market price per square meter, the higher the valuation
Concierge at Royal Wharf	Direct comparison	Market price per square metre	\$3,252	\$2,055	–	The higher the market price per square meter, the higher the valuation
The Bridge, SOHO Tower	Direct comparison	Market price per square metre	\$3,269	–	–	The higher the market price per square meter, the higher the valuation

Changes in Level 3 fair values are analysed at each reporting date.

Discounted cash flow approach involves the discounting of future net income flows at an appropriate required rate of return applicable to that class of property to obtain the net present value. Significant inputs to the valuation approach would be the growth rate, capitalisation rate and discount rate.

Income capitalisation involves capitalising the net income at an appropriate capitalisation rate to arrive at the fair value. Significant inputs to the valuation approach would be the capitalisation rate.

Sales comparison approach involves using the values of sale prices of comparable properties and comparing it directly to the subject property. Allowances are made for difference in the properties including land size, improvements and location. The most significant input into this valuation approach is market price per room or per square meter.

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2019

## 14. Investment properties

	Group		
	30 June 2019 \$'000	30 June 2018 \$'000	1 July 2017 \$'000
	<u>At fair value:</u>		
At beginning of the year	1,213,551	484,723	403,754
Additions	106,268	870,893	62,069
Disposals	(2,104)	(179,370)	(3,200)
Transferred to asset held-for-sale (Note 20)	–	(118,162)	–
Transferred from development properties	3,626	35,131	–
Elimination of disposal of subsidiary (Note 15A)	(938,607)	–	–
Gains on fair value included in profit or loss under other gains (Note 7)	190,322	117,829	16,274
Foreign exchange adjustments	(1,979)	2,507	5,826
At end of the year	<u>571,077</u>	<u>1,213,551</u>	<u>484,723</u>
Rental income from investment properties	30,707	20,848	10,882
Direct operating expenses (including repairs and maintenance) arising from investment properties that generated rental income during the year	<u>(5,928)</u>	<u>(3,676)</u>	<u>(2,217)</u>

- (a) All investment properties are leased out under operating leases. Also see Note 34 on operating lease income commitments.
- (b) Borrowing costs of \$3,603,000 (30 June 2018: \$8,396,000; 1 July 2017: \$7,507,000) arising on financing incurred for the property under development were capitalised during the reporting year. The interest capitalisation rates during the reporting year were 2.56% - 3.35% (30 June 2018: 2.66% - 4.00%; 1 July 2017: 2.14% - 3.49%) per annum.
- (c) There are no restrictions on the realisability of investment properties or the remittance of income and proceeds of disposal.
- (d) At the end of the reporting year, certain investment properties of the Group are pledged to financial institutions as securities for credit facilities (See Note 28A).
- (e) The fair values of properties were measured by independent professional valuers. The firms hold recognised and relevant professional qualification with sufficient recent experience in the location and category of the investment property being valued. Management determined that the highest and best use of the asset is the current use and that it would provide maximum value to market participants principally through its use in combination with other assets.

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2019

## 14. Investment properties (cont'd)

- (f) Changes in Level 3 fair values are analysed at each reporting date.

Sales comparison approach involves using the values of sale prices of comparable properties and comparing it directly to the subject property. Allowances are made for difference in the properties including land size, improvements and location. The most significant input into this valuation approach is market price per room or per square meter.

Income capitalisation involves capitalising the net income at an appropriate capitalisation rate to arrive at the fair value. Significant inputs to the valuation approach would be the capitalisation rate.

Residual value involves gross development value estimated from analysing the prices of comparable properties in the vicinity and other comparable locations. The land value is then derived after deducting the developer's profit, estimated costs of development. Significant inputs to the valuation approach would be the gross development value per square meter.

- (g) Details of the Group's properties classified under investment properties were measured at fair values are as follows:

Description of property	Location	Tenure	Existing use	Gross floor area (sqm)	Carrying value			Interest held by the Group		
					30 June 2019 \$'000	30 June 2018 \$'000	1 July 2017 \$'000	30 June 2019 %	30 June 2018 %	1 July 2017 %
Space@Tampines	18 Tampines Industrial Crescent, Singapore	30 years from 2012	Industrial	65,893 (30 June 2018: 65,893; 1 July 2017: 65,893)	200,000	200,000	200,000	70	70	70
Chevron House	30 Raffles Place, Singapore	99 years from 1989	Retail and commercial	Nil (30 June 2018: 37,129; 1 July 2017: Nil)	-	787,000	-	-	100	-
Novotel and Mercure on Stevens	30 Stevens Road, Singapore	Freehold	Commercial	2,849 (30 June 2018: 2,849; 1 July 2017: 2,849)	100,000	94,600	90,013	100	100	100
Oxley Bizhub	61 Ubi Road 1, Singapore	60 years from 2010	Industrial	Nil (30 June 2018: Nil; 1 July 2017: 864)	-	-	5,100	-	-	100
Floravista	7 Ang Mo Kio Street 66, Singapore	Freehold	Retail and commercial	778 (30 June 2018: 637; 1 July 2017: Nil)	29,200	23,910	-	55	55	-
Dublin Landings	North Wall Quay, Dublin 1, Ireland	Leasehold	Commercial (under construction)	36,798 (30 June 2018: 28,722; 1 July 2017: 64,145)	224,171	93,142	189,610	100	100	100
Royal Wharf	North Woolwich Road, London E16, United Kingdom	Freehold	Retail and commercial	2,678 (30 June 2018: 2,678; 1 July 2017: Nil)	17,706	14,899	-	100	100	-
					<b>571,077</b>	<b>1,213,551</b>	<b>484,723</b>			

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2019

## 14. Investment properties (cont'd)

- (h) The significant unobservable inputs used in the measurement of fair value of investment properties are:

Description of property	Valuation technique	Fair value hierarchy	Significant unobservable inputs	Inputs			Inter-relationship between unobservable inputs and fair value measurement
				30 June 2019	30 June 2018	1 July 2017	
Space@Tampines	Direct comparison	Level 3	Market price per square metre	\$3,035	\$3,035	\$3,035	The estimated fair value increases with higher market price
Chevron House	Direct comparison	Level 3	Market price per square metre	-	\$21,183	-	The estimated fair value increases with higher market price
	Income capitalisation	Level 3	Capitalisation rate	-	3.60% - 3.85%	-	The estimated fair value increases with lower capitalisation rate
	Residual value	Level 3	Gross development value per square metre	-	\$22,053	-	The estimated fair value increases with higher gross development value
Novotel and Mercure on Stevens	Direct comparison	Level 3	Market price per square metre	\$35,100	\$33,205	\$31,595	The estimated fair value increases with higher market price
Floravista	Direct comparison	Level 3	Market price per square metre	\$37,532	\$37,535	-	The estimated fair value increases with higher market price
Oxley Bizhub	Direct comparison	Level 3	Market price per square metre	-	-	\$5,903	The estimated fair value increases with higher market price
Dublin Landings	Direct comparison	Level 3	Market price per square metre	\$6,092	\$3,243	\$2,910	The estimated fair value increases with higher market price
Royal Wharf	Direct comparison	Level 3	Market price per square metre	\$6,612	\$5,563	-	The estimated fair value increases with higher market price

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2019

## 15. Investments in subsidiaries

	Company		
	30 June 2019 \$'000	30 June 2018 \$'000	1 July 2017 \$'000
Unquoted equity shares at cost	45,591	43,591	32,858
Less: Allowance for impairment	(2,784)	(2,784)	(2,784)
Net carrying value	42,807	40,807	30,074
Movements in cost:			
At beginning of the year	43,591	32,858	32,035
Additions	3,000	13,000	3,000
Disposals	(1,000)	(2,267)	–
Return of capital contribution to owner	–	–	(2,177)
At end of the year	45,591	43,591	32,858
Movements in allowance:			
At beginning of the year	(2,784)	(2,784)	–
Additions	–	–	(2,784)
At end of the year	(2,784)	(2,784)	(2,784)

Details of subsidiaries in the Group are disclosed in Note 39.

### 15A. Disposal of a subsidiary

On 29 April 2019, the Company entered into a sale and purchase agreement (the “SPA”) with Golden Compass (BVI) Limited (the “Purchaser”) pursuant to which the Purchaser will purchase 100% equity interest in the capital of Oxley Beryl Pte Ltd (“Oxley Beryl”) from the Company and take over the existing bank loans in Oxley Beryl for an aggregate value of up to \$1.025 billion, subject to certain conditions in the SPA. Oxley Beryl is an investment holding company which holds a property on 30 Raffles Place (the “Property”).

Under the terms of the SPA, the Company is obligated to (a) complete the asset enhancement works of the Property and issuance of Temporary Occupation Permit and (b) divest of the retail and banking units in the Property. On 7 June 2019, the Group transferred 82.35% equity interest in Oxley Beryl to the Purchaser and from that date the Purchaser gained control of Oxley Beryl. The remaining equity interest in Oxley Beryl will be transferred to the Purchaser upon fulfilment of certain obligations. Management are satisfied that they could fulfilled the obligations in the SPA.

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2019

## 15. Investments in subsidiaries (cont'd)

### 15A. Disposal of a subsidiary (cont'd)

The carrying value of assets and liabilities of Oxley Beryl as of the date of disposal and the effects of the disposal were:

	<b>Group \$'000</b>
Investment properties	938,607
Trade and other receivables	1,113
Other assets	498
Cash and cash equivalents	15,300
Trade and other payables	(11,026)
Other financial liabilities	(734,015)
Net assets	210,477
Add: Shareholder loans	265,323
Adjusted carrying value of net assets	475,800
 <u>Gain on disposal:</u>	
Cash consideration	490,000
Adjusted net assets derecognised	(475,800)
Gain on disposal of subsidiary	14,200
 <u>Cash flow on disposal:</u>	
Cash consideration	490,000
Less: Consideration receivable	(280,000)
Less: Cash and cash equivalents disposed	(15,300)
Net cash inflow on disposal of subsidiary	194,700

## 16. Investments in associates

	<b>Group</b>			<b>Company</b>		
	<b>30 June 2019 \$'000</b>	<b>30 June 2018 \$'000</b>	<b>1 July 2017 \$'000</b>	<b>30 June 2019 \$'000</b>	<b>30 June 2018 \$'000</b>	<b>1 July 2017 \$'000</b>
Unquoted equity shares at cost	154,396	145,024	139,516	490	490	490
Share of post-acquisition results, net of dividends received	43,014	66,628	39,624	-	-	-
Net carrying value	197,410	211,652	179,140	490	490	490

Details of associates in the Group are disclosed in Note 40.

# NOTES TO THE FINANCIAL STATEMENTS

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## 17. Investments in joint ventures

	Group			Company		
	30 June 2019 \$'000	30 June 2018 \$'000	1 July 2017 \$'000	30 June 2019 \$'000	30 June 2018 \$'000	1 July 2017 \$'000
Unquoted equity shares at cost	64,312	56,575	57,941	36,074	36,074	33,074
Share of post-acquisition results, net of dividends received	(11,000)	18,601	(20,919)	-	-	-
Less: Allowance for impairment	-	-	-	(27,828)	(20,000)	(20,000)
Net carrying value	53,312	75,176	37,022	8,246	16,074	13,074
Movement in above allowance for impairment:						
At beginning of the year	-	-	-	20,000	20,000	10,000
Impairment loss charged to profit or loss included in other losses	-	-	-	7,828	-	10,000
At end of the year	-	-	-	27,828	20,000	20,000

Details of joint venture in the Group are disclosed in Note 41.

## 18. Other receivables, non-current

	Group			Company		
	30 June 2019 \$'000	30 June 2018 \$'000	1 July 2017 \$'000	30 June 2019 \$'000	30 June 2018 \$'000	1 July 2017 \$'000
Loans receivable from:						
- Joint ventures	171,542	167,036	31,046	167,942	162,309	27,530
- Subsidiaries	-	-	-	1,243,698	1,222,771	574,875
Derivative financial assets (Note 31)	5,755	-	-	5,755	-	-
	177,297	167,036	31,046	1,417,395	1,385,080	602,405

The above amounts are quasi-equity loans which are unsecured, non-interest bearing and have no fixed terms of repayment but not expected to be settled in the foreseeable future.

# NOTES TO THE FINANCIAL STATEMENTS

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## 19. Investments in securities

	Group			Company		
	30 June 2019 \$'000	30 June 2018 \$'000	1 July 2017 \$'000	30 June 2019 \$'000	30 June 2018 \$'000	1 July 2017 \$'000
Quoted equity investments:						
– at FVTOCI (Note 19A)	342,017	–	–	342,017	–	–
– available-for-sale (Note 19A)	–	362,330	–	–	362,330	–
Unquoted equity investments:						
– at FVTOCI (Note 19B)	7,372	–	–	–	–	–
– available-for-sale (Note 19B)	–	18,575	2,239	–	–	–
	<b>349,389</b>	<b>380,905</b>	<b>2,239</b>	<b>342,017</b>	<b>362,330</b>	<b>–</b>

### 19A. Quoted equity investments

	Group and Company	
	30 June 2019 \$'000	30 June 2018 \$'000
Movements in assets at FVTOCI:		
At beginning of the year	–	–
Transferred from available-for-sale financial assets *	362,330	–
Additions	14,875	–
Fair value gains recognised in other comprehensive income (Note 27C)	(35,188)	–
At end of the year	<b>342,017</b>	<b>–</b>
Movements in assets classified as available-for-sale:		
At beginning of the year	362,330	–
Transferred to financial assets at FVTOCI *	(362,330)	–
Additions	–	350,044
Fair value gains recognised in other comprehensive income (Note 27C)	–	12,286
At end of the year	<b>–</b>	<b>362,330</b>

\* Management has elected to recognise changes in the fair value of all its quoted equity investments not held for trading and previously classified as available-for-sale, in other comprehensive income. As a result, these were reclassified from "available-for-sale financial assets" to "financial assets at FVTOCI" on 1 July 2018 upon adoption of SFRS(I) 9 (Note 37).

The quoted equity investments are listed on the Singapore Exchange and the fair values are derived based on quoted market prices in active at the end of the reporting year (Level 1).

As at the end of the reporting year, quoted equity investments amounting to \$327,914,000 (30 June 2018: Nil) have been pledged as securities for credit facilities (Note 28A).

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2019

## 19. Investments in securities (cont'd)

### 19B. Unquoted equity investments

	Group	
	30 June 2019 \$'000	30 June 2018 \$'000
Movements in assets at FVTOCI:		
At beginning of the year	–	–
Transferred from available-for-sale financial assets #	16,336	–
Transferred to joint venture (Note 17)	(8,748)	–
Foreign exchange adjustments	(216)	–
At end of the year	<u>7,372</u>	–
Movements in assets at FVTPL:		
At beginning of the year	–	–
Transferred from available-for-sale financial assets @	2,239	–
Disposal	(2,239)	–
At end of the year	<u>–</u>	–
Movements in assets classified as available-for-sale:		
At beginning of the year	18,575	2,239
Transferred to FVTOCI #	(16,336)	–
Transferred to FVTPL @	(2,239)	–
Additions	–	12,613
Transferred from joint venture (Note 17)	–	4,081
Foreign exchange adjustments	–	(358)
At end of the year	<u>–</u>	<u>18,575</u>

# Management has elected to recognise changes in the fair value of all these unquoted equity investments not held for trading and previously classified as available-for-sale, in other comprehensive income. As a result, these were reclassified from “available-for-sale financial assets” to “financial assets at FVTOCI” on 1 July 2018 upon adoption of SFRS(I) 9 (Note 37).

@ Management has elected to recognise changes in the fair value of all these unquoted equity investments not held for trading and previously classified as available-for-sale, in profit or loss. As a result, these were reclassified from “available-for-sale financial assets” to “financial assets at FVTPL” on 1 July 2018 upon adoption of SFRS(I) 9 (Note 37). The unquoted equity investment were sold in August 2018.

The fair value of unquoted equity investments is estimated by making reference to the Group’s share in the attributable net assets of the investee company as reflected in their latest available financial information (Level 3). The attributable net assets of the investee company comprise mainly of real estate properties, and are adjusted where applicable, the comparable direct market price of the real estate properties held by the investee company as at the end of the reporting year.

# NOTES TO THE FINANCIAL STATEMENTS

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## 20. Asset classified as held-for-sale

	Group		
	30 June 2019 \$'000	30 June 2018 \$'000	1 July 2017 \$'000
Investment property (Note 14) <sup>(a)</sup>	–	118,162	–
Investment in an associate (Note 16) <sup>(b)</sup>	–	–	4,606
	–	118,162	4,606

<sup>(a)</sup> Investment property relates to Block D2, Dublin Landings, a development in Ireland undertaken by the Group was sold during the reporting year.

<sup>(b)</sup> In the previous reporting year, investment in an associate was related to the Group's interest in MGlory Pte. Ltd., which was sold in May 2017 for a cash consideration of approximately RMB22 million (or equivalent to \$4,606,000). The sale was completed in September 2017.

Management had reviewed and concluded that expected sale met the requirements of SFRS(I) 5 to be classified as held-for-sale as at the beginning of 1 July 2017 and 30 June 2018. Management had determined that the assets classified as held-for-sale were carried at lower of carrying amounts and fair values less cost to sell.

# NOTES TO THE FINANCIAL STATEMENTS

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## 21. Development properties

	<b>Group</b>		
	<b>30 June 2019 \$'000</b>	<b>30 June 2018 \$'000</b>	<b>1 July 2017 \$'000</b>
Completed development properties held for sale	175,615	117,648	33,400
Development properties in progress under:			
- Revenue is recognised overtime	1,125,020	903,005	1,369,976
- Revenue is recognised at a point in time	657,280	608,138	271,900
	1,782,300	1,511,143	1,641,876
Properties for mixed developments <sup>(a)</sup>	735,349	514,925	337,375
	<b>2,693,264</b>	<b>2,143,716</b>	<b>2,012,651</b>

<sup>(a)</sup> Properties for mixed developments consist mainly developments into residential units, office units, hotels, service residences and retail shops.

Borrowing costs included in the cost of qualifying assets are as follows:

	<b>Group</b>		
	<b>30 June 2019 \$'000</b>	<b>30 June 2018 \$'000</b>	<b>1 July 2017 \$'000</b>
Borrowing cost capitalised during the year (Note 9)	71,607	49,260	72,033

The interest capitalisation rates during the reporting year were 2.44% - 6.38% (30 June 2018: 2.35% - 6.38%; 1 July 2017: 1.84% - 6.00%) per annum.

Development properties are stated after allowance for foreseeable losses as follows:

	<b>Group</b>		
	<b>30 June 2019 \$'000</b>	<b>30 June 2018 \$'000</b>	<b>1 July 2017 \$'000</b>
At beginning of the year	9,902	15,027	17,777
Charged to profit or loss included in other losses (Note 7)	6,009	462	18,280
Amount utilised	(196)	(5,587)	(21,030)
Foreign exchange adjustments	(55)	-	-
At end of the year	<b>15,660</b>	<b>9,902</b>	<b>15,027</b>

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2019

## 21. Development properties (cont'd)

The allowance for foreseeable losses is determined by the management after taking into account estimated selling prices and estimated total construction costs. The estimated selling prices are based on recent selling prices for the development project or comparable projects and prevailing property market conditions. The estimated total construction costs are based on contracted amounts and, in respect of amounts not contracted for, management's estimates of the amounts to be incurred taking into consideration historical trends of the amounts incurred. The allowance made / (written back) for foreseeable losses is included in "cost of sales".

Certain development properties are mortgaged to financial institutions as securities for the credits facilities extended to the Group (See Note 28A).

Details of the development properties of the Group are disclosed in Note 42.

## 22. Trade and other receivables

	Group			Company		
	30 June 2019 \$'000	30 June 2018 \$'000	1 July 2017 \$'000	30 June 2019 \$'000	30 June 2018 \$'000	1 July 2017 \$'000
<u>Trade receivables:</u>						
Outside parties	168,195	215,561	176,466	23,095	20,696	13,779
Unbilled revenue <sup>(a)</sup>	12,531	57,870	202,072	-	-	-
Subtotal	180,726	273,431	378,538	23,095	20,696	13,779
<u>Other receivables:</u>						
Subsidiaries	-	-	-	532,877	621,899	1,081,382
Joint ventures	115,444	71,622	76,387	77,817	44,877	47,732
Associates	20,578	14,970	10,282	13,821	12,765	9,776
Non-controlling interests	3,143	34,988	4,362	-	-	-
Related parties	15,064	20,577	-	15,012	20,429	-
Derivative financial assets (Note 31)	65	1,705	-	13	1,545	-
Other investees	11	-	11,597	-	-	10,469
Others (Note 15A)	280,000	-	-	280,000	-	-
Subtotal	434,305	143,862	102,628	919,540	701,515	1,149,359
Total trade and other receivables	615,031	417,293	481,166	942,635	722,211	1,163,138

<sup>(a)</sup> Upon the receipt of the Temporary Occupation Permit, the balance of sales consideration to be billed is presented as unbilled revenue.

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2019

## 22. Trade and other receivables (cont'd)

The following other receivables bear interest at 3% – 6.5% (30 June 2018: 3% – 8%; 1 July 2017: 3% – 8%) per annum:

	Group			Company		
	30 June	30 June	1 July	30 June	30 June	1 July
	2019	2018	2017	2019	2018	2017
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Subsidiaries	–	–	–	453,801	595,069	852,643
Joint ventures	77,817	23,872	18,331	77,817	23,872	18,331
Associates	13,821	–	–	13,821	–	–
Related parties	15,012	14,654	–	15,012	14,654	–
Other investees	–	–	10,739	–	–	9,977

Trade receivables are subject to the expected credit loss model under the financial reporting standard on financial instruments. The trade receivables are considered to have low credit risk individually. At the end of the reporting year, a loss allowance is recognised at an amount equal to 12 month expected credit losses because there has not been a significant increase in credit risk since initial recognition. No loss allowance is necessary.

At each subsequent reporting date, an evaluation is made whether there is a significant change in credit risk by comparing the debtor's credit risk at initial recognition (based on the original, unmodified cash flows) with the credit risk at the reporting date (based on the modified cash flows). Adjustment to the loss allowance is made for any increase or decrease in credit risk.

As part of the process of setting customer credit limits, different credit terms are used. The average credit period generally granted to trade receivable customers is about 30 days (2018: 30 days). But some customers take longer period to settle the amounts.

Other receivables are normally with no fixed terms and therefore there is no maturity. Other receivables are regarded as of low credit risk if they have a low risk of default and the debtor has a strong capacity to meet its contractual cash flow obligations in the near term. The methodology applied for impairment loss depends on whether there has been a significant increase in credit risk.

# NOTES TO THE FINANCIAL STATEMENTS

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## 23. Other assets

	Group			Company		
	30 June	30 June	1 July	30 June	30 June	1 July
	2019	2018	2017	2019	2018	2017
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<u>Non-current</u>						
Prepayments	620	-	-	-	-	-
<u>Current</u>						
Deposits and stamp duties paid for purchases of land	-	10,524	13,376	-	-	-
Deposits to secure services	9,699	5,760	7,844	34	34	300
Prepayments	25,618	23,233	29,049	293	4,805	-
Subtotal	35,317	39,517	50,269	327	4,839	300
Total other assets	35,937	39,517	50,269	327	4,839	300

## 24. Cash and cash equivalents

	Group			Company		
	30 June	30 June	1 July	30 June	30 June	1 July
	2019	2018	2017	2019	2018	2017
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Not restricted in use	353,797	107,883	214,088	265,669	30,830	37,181
Project Accounts <sup>(a)</sup>	120,610	147,097	199,457	-	-	-
	474,407	254,980	413,545	265,669	30,830	37,181

<sup>(a)</sup> Payments from the buyers of the units in the Group's property development project are deposited into the Project Accounts. The withdraws of the amounts in the Project Account are restricted to payments for cost incurred on development project and are subject to the provisions of the Housing Developers (Project Account) Rules in Singapore.

The interest earning balances are not significant.

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2019

## 24. Cash and cash equivalents (cont'd)

### 24A. Reconciliation of liabilities arising from financing activities

	Group			
	Beginning of the year \$'000	Cash flows \$'000	Non-cash movement <sup>(a)</sup> \$'000	End of the year \$'000
<u>2019</u>				
Other financial liabilities (current and non-current)	3,460,523	566,554	(446,844)	3,580,233
<u>2018</u>				
Other financial liabilities (current and non-current)	2,459,123	1,001,923	(523)	3,460,523

<sup>(a)</sup> Non-cash movement pertains to foreign exchange movements, fair value changes and amortisation of transaction cost and deconsolidation of subsidiary.

## 25. Share capital

	Group and Company					
	Number of shares issued					
	30 June 2019 '000	30 June 2018 '000	1 July 2017 '000	30 June 2019 \$'000	30 June 2018 \$'000	1 July 2017 \$'000
At beginning of the year	4,048,450	2,948,220	2,948,220	242,050	163,880	163,880
Issue of bonus share	-	943,430	-	-	-	-
Issue of shares under Scrip Dividend Scheme	116,593	-	-	33,872	-	-
Issue of share capital	-	156,800	-	-	78,170	-
At end of the year	4,165,043	4,048,450	2,948,220	275,922	242,050	163,880

The ordinary shares of no par value are fully paid, carry one vote each and have no right to fixed income.

On 27 November 2017 and 2 March 2018, the Company issued 294,821,990 and 648,608,377 ordinary shares of no par value by way of an issue of bonus shares of 1 for 10 and 1 for 5 ordinary shares held respectively. There are no monetary values recorded in the books of the Company.

On 26 March 2018, 156,800,000 new ordinary shares of no par value were issued for cash at \$0.51 each.

On 21 December 2018 and 14 May 2019, the Company issued 81,825,967 and 34,767,379 ordinary shares of no par value by way of an issue of bonus shares at \$0.2913 and \$0.2945 per ordinary shares respectively.

# NOTES TO THE FINANCIAL STATEMENTS

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## 25. Share capital (cont'd)

Capital management:

The objectives when managing capital are: to safeguard the Company'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. Adjusted capital comprises all components of equity (that is, share capital and reserves).

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. Net debt is calculated as total borrowings less cash and cash equivalents. This ratio is calculated as net debt / adjusted capital (as shown below):

	Group			Company		
	30 June 2019 \$'000	30 June 2018 \$'000	1 July 2017 \$'000	30 June 2019 \$'000	30 June 2018 \$'000	1 July 2017 \$'000
Net debt:						
All current and non-current borrowings	3,579,959	3,460,126	2,457,988	668,090	594,012	509,872
Less: Cash and cash equivalents	(474,407)	(254,980)	(413,545)	(265,669)	(30,830)	(37,181)
Net debt	<u>3,105,552</u>	<u>3,205,146</u>	<u>2,044,443</u>	<u>402,421</u>	<u>563,182</u>	<u>472,691</u>
Adjusted capital:						
Total equity	<u>1,504,870</u>	<u>1,477,016</u>	<u>1,088,881</u>	<u>700,407</u>	<u>425,895</u>	<u>418,422</u>
Debt-to-adjusted capital ratio	<u>206%</u>	<u>217%</u>	<u>188%</u>	<u>57%</u>	<u>132%</u>	<u>113%</u>

The change as shown by the decrease in the debt-to-adjusted capital ratio for the Group resulted primarily from the decrease in debts and improved retained earnings. The debt-to-adjusted capital ratio may not provide a meaningful indicator of the risk from borrowings.

# NOTES TO THE FINANCIAL STATEMENTS

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## 26. Treasury shares

	Group and Company					
	Number of shares issued					
	30 June	30 June	1 July	30 June	30 June	1 July
	2019	2018	2017	2019	2018	2017
	'000	'000	'000	\$'000	\$'000	\$'000
At beginning of the year	5,700	22,745	18,739	2,575	9,517	7,855
Purchased during the year	3,600	5,700	4,006	1,368	2,575	1,662
Placement during the year	-	(22,745)	-	-	(9,517)	-
At end of the year	9,300	5,700	22,745	3,943	2,575	9,517

Treasury shares relate to ordinary shares of the Company that are held by the Company.

On 12 October 2017, the Company placed out 22,745,000 treasury shares at \$0.59 each. The total cash consideration was \$13,146,000. The excess of proceeds over cost of placing the treasury shares is classified under other reserve (See Note 27D). Net proceeds from placement of treasury shares were used for working capital purpose of the Group.

## 27. Other reserves

	Group			Company		
	30 June	30 June	1 July	30 June	30 June	1 July
	2019	2018	2017	2019	2018	2017
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
		(Restated)	(Restated)			
Foreign currency translation reserve (Note 27A)	(14,515)	24,526	-	-	-	-
Asset revaluation reserve (Note 27B)	268,581	257,414	227,316	-	-	-
Fair value reserve (Note 27C)	(22,902)	12,286	-	(22,902)	12,286	-
Other reserve (Note 27D)	3,629	3,629	-	3,629	3,629	-
	234,793	297,855	227,316	(19,273)	15,915	-

Other reserves are not available for cash dividends unless realised.

### 27A. Foreign currency translation reserve

	Group	
	30 June	30 June
	2019	2018
	\$'000	\$'000
		(Restated)
At beginning of the year	24,526	-
Exchange differences on translating foreign operations	(39,041)	24,526
At end of the year	(14,515)	24,526

The translation reserve represents exchange differences arising from the translation of financial statements of foreign operations whose functional currencies are different from presentation currency of the Group.

# NOTES TO THE FINANCIAL STATEMENTS

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## 27. Other reserves (cont'd)

### 27B. Asset revaluation reserve

	<b>Group</b>	
	<b>30 June 2019 \$'000</b>	<b>30 June 2018 \$'000</b>
At beginning of the year	257,414	227,316
Surplus on revaluation of property, plant and equipment	13,181	36,886
Deferred tax thereon	(1,990)	(6,788)
Exchange differences on translating foreign operations	(24)	–
At end of the year	<u>268,581</u>	<u>257,414</u>

The asset revaluation reserve arises from the annual revaluation of properties classified as property, plant and equipment. It is not distributable until it is reclassified to retained earnings upon disposal of the assets.

### 27C. Fair value reserve

	<b>Group and Company</b>	
	<b>30 June 2019 \$'000</b>	<b>30 June 2018 \$'000</b>
At beginning of the year	12,286	–
Fair value losses on financial assets at FVTOCI (Note 19)	(35,188)	–
Fair value gains on available-for-sale financial assets (Note 19)	–	12,286
At end of the year	<u>(22,902)</u>	<u>12,286</u>

The revaluation reserve arises from the annual revaluation of financial assets. It is not distributable until the disposal of the investments.

### 27D. Other reserve

Other reserve arises from the excess of proceeds over cost of placing the treasury shares (See Note 26).

# NOTES TO THE FINANCIAL STATEMENTS

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## 28. Other financial liabilities

	Group			Company		
	30 June	30 June	1 July	30 June	30 June	1 July
	2019	2018	2017	2019	2018	2017
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<u>Non-current</u>						
Financial instruments with floating interest rates:						
Bank loans (secured) (Note 28A)	1,482,747	2,018,918	899,905	278,543	275,969	247,770
Bank loans (unsecured) (Note 28B)	138,000	108,000	112,000	138,000	108,000	112,000
Less: Unamortised transaction costs	(9,278)	(17,380)	(15,333)	(5,911)	(10,996)	(15,333)
	1,611,469	2,109,538	996,572	410,632	372,973	344,437
Financial instruments with fixed interest rates:						
Bank loans (secured) (Note 28A)	–	29,961	–	–	29,961	–
Fixed rate notes A (Note 28C)	630,208	633,758	412,950	–	–	–
Retail bonds A (Note 28D)	–	300,000	300,000	–	–	–
Retail bonds B (Note 28E)	–	150,000	150,000	–	–	–
Less: Unamortised transaction costs	(4,188)	(9,495)	(10,883)	–	–	–
Derivative financial liabilities (Note 31)	170	–	919	32	–	–
Finance lease liabilities (Note 28F)	94	–	–	94	–	–
	626,284	1,104,224	852,986	126	29,961	–
Total non-current portion	2,237,753	3,213,762	1,849,558	410,758	402,934	344,437

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2019

## 28. Other financial liabilities (cont'd)

	Group			Company		
	30 June	30 June	1 July	30 June	30 June	1 July
	2019	2018	2017	2019	2018	2017
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<u>Current</u>						
Financial instruments with floating interest rates:						
Bank loans (secured) (Note 28A)	792,063	142,364	472,471	154,450	87,078	27,530
Bank loans (unsecured) (Note 28B)	82,000	104,000	138,000	82,000	104,000	138,000
Less: Unamortised transaction costs	(14,199)	–	(1,122)	(13,029)	–	(95)
	859,864	246,364	609,349	223,421	191,078	165,435
Financial instruments with fixed interest rates:						
Bank loan (secured) (Note 28A)	33,920	–	–	33,920	–	–
Retail bonds A (Note 28D)	300,000	–	–	–	–	–
Retail bonds B (Note 28E)	150,000	–	–	–	–	–
Less: Unamortised transaction costs	(1,431)	–	–	–	–	–
Derivative financial liabilities (Note 31)	104	397	216	18	–	118
Finance lease liabilities (Note 28F)	23	–	–	23	–	–
	482,616	397	216	33,961	–	118
Total current portion	1,342,480	246,761	609,565	257,382	191,078	165,553
Total non-current and current	3,580,233	3,460,523	2,459,123	668,140	594,012	509,990

The non-current portion is repayable as follows:

Due within 2 to 5 years	2,124,072	3,119,731	1,839,762	410,758	402,934	344,437
More than 5 years	113,681	94,031	9,796	–	–	–
	2,237,753	3,213,762	1,849,558	410,758	402,934	344,437

The weighted average effective interest rates per annum based on the capitalisation of transaction costs are as follows:

	Group			Company		
	30 June	30 June	1 July	30 June	30 June	1 July
	2019	2018	2017	2019	2018	2017
	%	%	%	%	%	%
Bank loans (secured)	2.55 – 7.01	2.33 – 6.22	2.26 – 5.47	3.92 – 6.10	2.67 – 5.21	4.62
Bank loans (unsecured)	5.54 – 7.36	7.48 – 8.11	2.70 – 6.50	5.54 – 7.36	7.48 – 8.11	2.70 – 6.50
Fixed rate notes A	5.70 – 6.38	7.28 – 8.02	7.89	–	–	–
Retail Bonds A	5.00	6.62	6.62	–	–	–
Retail Bonds B	5.15	7.52	7.52	–	–	–
Finance lease liabilities	3.25	–	–	3.25	–	–

The floating rate debt instruments are with interest rates that are reset regularly at one, three or six month intervals.

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2019

## 28. Other financial liabilities (cont'd)

### 28A. Bank loans (secured)

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

- First legal mortgage on certain properties classified as property, plant and equipment and investment properties as disclosed in Notes 13 and 14 respectively;
- First legal mortgage on certain development properties disclosed in Note 21;
- Mortgage on certain quoted equity investments disclosed in Note 19A;
- Legal assignment of all rights, titles and interests in the construction contracts, insurance policies, performance bonds (if any), tenancy agreements and sale and purchase agreements in respect of the proposed developments disclosed in Note 21;
- Joint and several guarantees from non-controlling shareholders of certain subsidiaries;
- Corporate guarantees by the Company;
- Deed of subordination of shareholders' and related companies' loans; and
- Compliance with certain covenants.

Certain bank loans are repayable by monthly or quarterly instalments over 1 to 8 years (30 June 2018: 2 to 10 years; 1 July 2017: 2 to 6 years) from the date of first drawdown.

Repayment terms of certain bank loans are in one lump sum ranging from 4 to 96 months (30 June 2018: 17 to 120 months; 1 July 2017: 18 to 67 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 values of the bank loans are reasonable approximation of the carrying amounts due to their short term nature or that they are floating rate instruments that are frequently re-priced to market interest rates.

### 28B. Bank loans (unsecured)

Certain bank loans repayable by monthly or quarterly instalments over 1 to 2 years (30 June 2018: 1 to 3 years; 1 July 2017: 1 to 3 years) from the date of first drawdown.

The fair value of the bank loans is 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

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## 28. Other financial liabilities (cont'd)

### 28C. Fixed rate notes A

#### *Euro Medium Term Note Programme*

On 7 April 2017, Oxley MTN Pte. Ltd. ("Oxley MTN") established a US\$1,000,000,000 Euro Medium Term Note Programme (known as the "EMTN Programme"). The EMTN Programme provides for the following:

- That the Group 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.
- Guaranteed by the Company.
- The Group needs to observe certain financial covenants.

Details of the EMTN issued are as follows:

<b>Date of issue</b>	<b>Source currency</b>	<b>Principal in source currency \$'000</b>	<b>Interest rate %</b>	<b>Maturity date</b>	<b>30 June 2019 \$'000</b>	<b>30 June 2018 \$'000</b>	<b>1 July 2017 \$'000</b>
21 April 2017	USD	200,000	6.375	21 April 2021	270,540	272,540	275,300
16 May 2017	USD	100,000	6.375	21 April 2021	135,270	136,270	137,650
3 July 2017	USD	55,000	6.375	21 April 2021	74,398	74,948	–
31 January 2018	SGD	150,000	5.70	31 January 2022	150,000	150,000	–
					<b>630,208</b>	<b>633,758</b>	<b>412,950</b>
The fair value of fixed rate notes A (Level 1)					<b>594,098</b>	<b>611,870</b>	<b>411,401</b>

# NOTES TO THE FINANCIAL STATEMENTS

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## 28. Other financial liabilities (cont'd)

### 28D. Retail Bonds A

On 5 November 2015, Oxley MTN issued retail bonds ("Retail Bonds A") with principal amount of \$300,000,000. These bonds bear interest at a fixed rate of 5% per annum, payable semi-annually in arrears and mature on 5 November 2019.

As at the end of the reporting year, the fair value of Retail Bonds A (Level 1) was \$299,250,000 (30 June 2018: \$298,500,000; 1 July 2017: \$299,100,000).

### 28E. Retail Bonds B

On 18 May 2016, Oxley MTN issued retail bonds ("Retail Bonds B") with principal amount of \$150,000,000. These bonds bear interest at a fixed rate of 5.15% per annum, payable semi-annually in arrears and will mature on 18 May 2020.

As at the end of the reporting year, the fair value of Retail Bonds B (Level 1) was \$149,623,500 (30 June 2018: \$149,545,000; 1 July 2017: \$149,175,000).

Net proceeds from Retail Bonds B were used for general corporate purpose and working capital of the Group.

### 28F. Finance lease liabilities

	Group and Company					
	Minimum lease payments			Present value of minimum lease payments		
	30 June 2019 \$'000	30 June 2018 \$'000	1 July 2017 \$'000	30 June 2019 \$'000	30 June 2018 \$'000	1 July 2017 \$'000
Within 1 year	27	-	-	23	-	-
Within 2 to 5 years	109	-	-	94	-	-
	136	-	-	117	-	-
Less: Future finance charges	(19)	-	-	-	-	-
	117	-	-	117	-	-

The Group enters into finance leasing agreements for certain of its office equipment. The net carrying value of office equipment acquired under finance lease agreements are amounting to \$111,000 (30 June 2018: Nil; 1 July 2017: Nil).

# NOTES TO THE FINANCIAL STATEMENTS

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## 29. Trade and other payables

	Group			Company		
	30 June	30 June	1 July	30 June	30 June	1 July
	2019	2018	2017	2019	2018	2017
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<u>Non-current</u>						
<u>Other payables</u>						
Subsidiaries	-	-	-	75,371	-	-
<u>Current</u>						
<u>Trade payables</u>						
Outside parties and accrued liabilities	428,391	379,521	383,210	46,734	27,379	7,935
Related parties	-	1,041	1,120	-	-	-
Subtotal	428,391	380,562	384,330	46,734	27,379	7,935
<u>Other payables</u>						
Rental deposits	2,636	767	1,315	-	-	-
Subsidiaries	-	-	-	1,508,372	1,513,691	907,549
Joint ventures	2,325	32,376	6,797	-	4,500	4,000
Associates	3,657	3,743	-	-	-	-
Advances from shareholders	20,671	-	-	20,671	-	-
Non-controlling interests	53,730	58,323	76,621	-	-	-
Subtotal	83,019	95,209	84,733	1,529,043	1,518,191	911,549
Total current portion	511,410	475,771	469,063	1,575,777	1,545,570	919,484
Total trade and other payables	511,410	475,771	469,063	1,651,148	1,545,570	919,484

The following other payables bear interest at 3.5% – 7% (30 June 2018: 3% – 6.5%; 1 July 2017: 3% – 6.5%) per annum:

	Group			Company		
	30 June	30 June	1 July	30 June	30 June	1 July
	2019	2018	2017	2019	2018	2017
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Subsidiaries	-	-	-	1,492,369	1,331,346	810,016
Joint ventures	-	29,624	-	-	2,641	-
Non-controlling interests	7,996	26,915	47,961	-	-	-
Advances from shareholders	20,671	-	-	20,671	-	-

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2019

## 30. Other liabilities

	Group		
	30 June 2019 \$'000	30 June 2018 \$'000	1 July 2017 \$'000
Advanced rental	9,277	5,068	1,468
Deferred income	3,594	3,700	3,516
Contract liabilities	455,419	467,095	390,715
Deposits received	11,832	–	–
	480,122	475,863	395,699

Contract liabilities primarily relate to advance consideration received from customer and progress billings issued in excess of the Group's rights to the consideration.

## 31. Derivative financial instruments

	Group			Company		
	30 June 2019 \$'000	30 June 2018 \$'000	1 July 2017 \$'000	30 June 2019 \$'000	30 June 2018 \$'000	1 July 2017 \$'000
Assets –						
<u>Derivatives with positive fair values:</u>						
Forward currency exchange contracts (Note 31A)	5,768	1,545	–	5,768	1,545	–
Interest rate swap contracts (Note 31B)	52	160	–	–	–	–
	5,820	1,705	–	5,768	1,545	–
Non-current portion (Note 18)	5,755	–	–	5,755	–	–
Current portion (Note 22)	65	1,705	–	13	1,545	–
	5,820	1,705	–	5,768	1,545	–
Liabilities –						
<u>Derivatives with negative fair values:</u>						
Forward currency exchange contracts (Note 31A)	(50)	–	(118)	(50)	–	(118)
Interest rate swap contracts (Note 31B)	(224)	(397)	(1,017)	–	–	–
	(274)	(397)	(1,135)	(50)	–	(118)
Non-current portion (Note 28)	(170)	–	(919)	(32)	–	–
Current portion (Note 28)	(104)	(397)	(216)	(18)	–	(118)
	(274)	(397)	(1,135)	(50)	–	(118)

The purpose of these contracts is to mitigate the fluctuations of transactions denominated in the non-functional currencies and floating interest rates of bank borrowings. As a matter of principle, the Group and the Company do not enter into derivative contracts for speculative purposes.

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2019

## 31. Derivative financial instruments (cont'd)

### 31A. Forward currency exchange contracts

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.

	Group and Company			
	Notional \$'000	Reference currency	Maturity	Assets/ (liabilities) \$'000
<u>30 June 2019</u>				
Forward currency contracts	31,400	USD	July 2019 - November 2019	13
Forward currency contracts	33,417	USD	September 2019 - November 2019	(18)
Forward currency contracts	120,000	USD	April 2021	3,565
Forward currency contracts	10,000	USD	April 2021	(32)
Forward currency contracts	130,000	USD	April 2021	2,190
				<u>5,718</u>
<u>30 June 2018</u>				
Forward currency contracts	225,852	USD	July 2018 - November 2019	(494)
Forward currency contracts	130,000	USD	April 2021	1,620
Forward currency contracts	130,000	USD	April 2021	419
				<u>1,545</u>
<u>1 July 2017</u>				
Forward currency contracts	30,000	GBP	July 2017	<u>(118)</u>

### 31B. Interest rate swap contracts

The interest rate swaps are designed to convert floating rate borrowing at 1.43% – 2.26% (30 June 2018: 0.84% – 1.50%; 1 July 2017: 0.34% – 0.77%) to fixed rate at 1.43% – 2.07% (30 June 2018: 1.43% – 2.07%; 1 July 2017: 0.88% – 1.34%) per annum for the next 1 – 2 years.

At the end of the reporting year, the interest rates vary from 1.43% – 2.26% (30 June 2018: 1.43% – 2.07%; 1 July 2017: 0.88% – 1.34%) per annum.

The interest rate swaps are not traded in an active market. As a result, their fair values are 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). The valuation technique uses market observable inputs.

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2019

## 31. Derivative financial instruments (cont'd)

### 31B. Interest rate swap contracts (cont'd)

Information on the maturities of the interest rate swap contracts are provided as follows:

	Group			Assets/ (liabilities) \$'000
	Notional \$'000	Reference currency	Maturity	
<u>30 June 2019</u>				
Interest rate swap	163,500	SGD	November 2019	(86)
Interest rate swap	40,516	SGD	October 2019	52
Interest rate swap	12,000	SGD	May 2021	(138)
				<u>(172)</u>
<u>30 June 2018</u>				
Interest rate swap	164,500	SGD	August 2018	45
Interest rate swap	42,890	SGD	October 2019	115
Interest rate swap	70,000	SGD	November 2019	(233)
Interest rate swap	70,000	SGD	May 2020	(164)
				<u>(237)</u>
<u>1 July 2017</u>				
Interest rate swap	17,500	GBP	December 2017	(50)
Interest rate swap	17,500	GBP	December 2017	(48)
Interest rate swap	165,500	SGD	August 2018	(919)
				<u>(1,017)</u>

## 32. Commitments

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

	Group		
	30 June 2019 \$'000	30 June 2018 \$'000	1 July 2017 \$'000
Development expenditure contracted for development properties	608,445	579,900	1,117,958
Commitment to purchase land	–	466,450	–
Commitment to construct property, plant and equipment	–	–	29,491
Commitment to construct investment properties	69,494	125,394	3,083
			<u>1,117,958</u>

# NOTES TO THE FINANCIAL STATEMENTS

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## 33. Operating lease payment commitments – as lessee

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>30 June</b>	<b>30 June</b>	<b>1 July</b>
	<b>2019</b>	<b>2018</b>	<b>2017</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Not later than one year	1,308	362	381
Later than one year and not later than five years	2,007	74	411
Rental expense for the year	736	273	1,310

Operating lease payments are for rentals payable for office premises. The leases from the owners range from one to three years.

## 34. Operating lease income commitments – as lessor

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

	<b>Group</b>		
	<b>30 June</b>	<b>30 June</b>	<b>1 July</b>
	<b>2019</b>	<b>2018</b>	<b>2017</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Not later than one year	11,222	39,453	10,439
Later than one year and not later than five years	19,286	62,494	62,208
More than five years	6,439	1,466	135,805
Rental income for the year	31,290	22,033	11,244

Operating lease income commitments are rental receivables from tenants of investment properties.

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2019

## 35. Financial instruments: information on financial risks

### 35A. Categories of financial assets and liabilities

The following table categorises the carrying amounts of financial assets and financial liabilities recorded at the end of the reporting year:

	Group			Company		
	30 June 2019 \$'000	30 June 2018 \$'000	1 July 2017 \$'000	30 June 2019 \$'000	30 June 2018 \$'000	1 July 2017 \$'000
<b>Financial assets:</b>						
At amortised cost	1,637,584	951,986	1,063,661	2,619,931	2,136,576	1,802,724
At FVTPL	5,820	1,705	–	5,768	1,545	–
At FVTOCI (equity instruments)	349,389	–	–	342,017	–	–
Available-for-sale	–	380,905	2,239	–	362,330	–
	<b>1,992,793</b>	<b>1,334,596</b>	<b>1,065,900</b>	<b>2,967,716</b>	<b>2,500,451</b>	<b>1,802,724</b>
<b>Financial liabilities:</b>						
At amortised cost	4,091,369	3,935,897	2,927,051	2,319,238	2,139,582	1,429,356
At FVTPL	274	397	1,135	50	–	118
	<b>4,091,643</b>	<b>3,936,294</b>	<b>2,928,186</b>	<b>2,319,288</b>	<b>2,139,582</b>	<b>1,429,474</b>

Further quantitative disclosures are included throughout these financial statements.

### 35B. Financial risk management

The main purpose for holding or issuing financial instruments is to raise and manage the finances for the Group'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 risk, currency risk and price risk. Management has set up guidelines on the short and long term objectives 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 put in place hedging strategies only for the excess balance (if necessary). 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.
- (iv) All financial risk management activities follow acceptable market practices.
- (v) Appropriate consideration is given to entering into derivatives or any other similar instruments solely for hedging purposes.

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.

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2019

## 35. Financial instruments: information on financial risks (cont'd)

### 35C. 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 the significant financial instruments stated at amortised cost and at fair value in the statement 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 values.

### 35D. 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. These arise principally from cash balances with banks and receivables. The maximum exposure to credit risk is the total of the fair value of the financial assets at the end of the reporting year. Credit risk on cash balances with banks or any other financial instruments is limited because the counter-parties are entities with acceptable credit ratings. For expected credit losses (ECL) on financial assets, the three-stage approach in the financial reporting standard on financial instruments is used to measure the impairment allowance. Under this approach the financial assets move through the three stages as their credit quality changes. However, a simplified approach is permitted by the financial reporting standards on financial instruments for financial assets that do not have a significant financing component, such as trade receivables. On initial recognition, a day-1 loss is recorded equal to the 12 month ECL (or lifetime ECL for trade receivables), unless the assets are considered credit impaired. For credit risk on trade receivables an ongoing credit evaluation is performed on the financial condition of the debtors and an impairment loss is recognised in profit or loss. Reviews and assessments of credit exposures in excess of designated limits are made. Renewals and reviews of credits limits are subject to the same review process.

Cash and cash equivalents disclosed in Note 24 represent amounts less than 90 days maturity. Cash and cash equivalents are also subject to the impairment requirements of the standard on financial instruments. There was no identified impairment loss.

### 35E. Liquidity risk – financial liabilities maturity analysis

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 settled at their contractual maturity.

The following tables analyse the financial liabilities by remaining contractual maturity (contractual and undiscounted cash flows) at the end of the reporting year:

	Less than 1 year \$'000	2 – 5 years \$'000	More than 5 years \$'000	Total \$'000
<b>Non-derivative financial liabilities</b>				
<u>Group</u>				
<u>30 June 2019</u>				
Gross borrowings	1,408,889	2,229,143	119,314	3,757,346
Trade and other payables	512,843	–	–	512,843
	1,921,732	2,229,143	119,314	4,270,189

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2019

## 35. Financial instruments: information on financial risks (cont'd)

### 35E. Liquidity risk – financial liabilities maturity analysis (cont'd)

	Less than 1 year \$'000	2 – 5 years \$'000	More than 5 years \$'000	Total \$'000
<b>Non-derivative financial liabilities (cont'd)</b>				
<u>Group</u>				
<u>30 June 2018</u>				
Gross borrowings	355,247	3,401,523	88,255	3,845,025
Trade and other payables	477,609	–	–	477,609
	<u>832,856</u>	<u>3,401,523</u>	<u>88,255</u>	<u>4,322,634</u>
<u>1 July 2017</u>				
Gross borrowings	709,273	2,038,680	9,948	2,757,901
Trade and other payables	470,564	–	–	470,564
	<u>1,179,837</u>	<u>2,038,680</u>	<u>9,948</u>	<u>3,228,465</u>
<u>Company</u>				
<u>30 June 2019</u>				
Gross borrowings	270,214	430,980	–	701,194
Trade and other payables	1,647,660	79,140	–	1,726,800
	<u>1,917,874</u>	<u>510,120</u>	<u>–</u>	<u>2,427,994</u>
<u>30 June 2018</u>				
Gross borrowings	216,862	435,339	–	652,201
Trade and other payables	1,603,563	–	–	1,603,563
	<u>1,820,425</u>	<u>435,339</u>	<u>–</u>	<u>2,255,764</u>
<u>1 July 2017</u>				
Gross borrowings	185,819	384,033	–	569,852
Trade and other payables	969,967	–	–	969,967
	<u>1,155,786</u>	<u>384,033</u>	<u>–</u>	<u>1,539,819</u>
<b>Derivative financial liabilities</b>				
<u>Group</u>				
<u>30 June 2019</u>				
Forward currency exchange contracts	18	32	–	50
Interest rate swaps	86	138	–	224
	<u>104</u>	<u>170</u>	<u>–</u>	<u>274</u>
<u>30 June 2018</u>				
Interest rate swaps	<u>397</u>	<u>–</u>	<u>–</u>	<u>397</u>
<u>1 July 2017</u>				
Forward currency exchange contracts	118	–	–	118
Interest rate swaps	98	919	–	1,017
	<u>216</u>	<u>919</u>	<u>–</u>	<u>1,135</u>

The Company's derivative financial liabilities as at 30 June 2019, 30 June 2018 and 1 July 2017 were not material.

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2019

## 35. Financial instruments: information on financial risks (cont'd)

### 35E. Liquidity risk – financial liabilities maturity analysis (cont'd)

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

The above amounts disclosed in the maturity analysis are the contractual undiscounted cash flows and such undiscounted cash flows differ from the amounts included in the statements 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.

The average credit period taken to settle trade payables is about 30 days (2018: 30 days; 2017: 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. In order to meet such cash commitments, the operating activities are expected to generate sufficient cash flows.

Financial guarantee contracts – For issued financial guarantee contracts, the maximum amount of the guarantee is allocated to the earliest period in which the guarantee could be called. 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			Total \$'000
	Less than 1 year \$'000	2 – 5 years \$'000	More than 5 years \$'000	
<u>30 June 2019</u>				
Bank guarantees in favour of subsidiaries	1,085,098	1,713,313	113,681	2,912,092
Bank guarantees in favour of joint ventures	–	459,676	–	459,676
Bank guarantees in favour of associates	38,608	12,979	–	51,587
Bank guarantees in favour of investee company	–	519,352	–	519,352
	<u>1,123,706</u>	<u>2,705,320</u>	<u>113,681</u>	<u>3,942,707</u>
<u>30 June 2018</u>				
Bank guarantees in favour of subsidiaries	53,861	2,690,397	65,822	2,810,080
Bank guarantees in favour of joint guarantees	–	493,105	–	493,105
Bank guarantee in favour of associates	79,756	–	–	79,756
	<u>133,617</u>	<u>3,183,502</u>	<u>65,822</u>	<u>3,382,941</u>
<u>1 July 2017</u>				
Bank guarantees in favour of subsidiaries	444,012	1,505,121	–	1,949,133
Bank guarantees in favour of associates	70,056	–	–	70,056
	<u>514,068</u>	<u>1,505,121</u>	<u>–</u>	<u>2,019,189</u>

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2019

## 35. Financial instruments: information on financial risks (cont'd)

### 35F. Interest rate risk

The interest rate risk exposure is from changes in fixed interest rates and floating interest rates and it mainly concerns financial liabilities. The interest from financial assets including cash balances is not significant.

The following table analyses the breakdown of the significant financial instruments by type of interest rate:

	Group			Company		
	30 June 2019 \$'000	30 June 2018 \$'000	1 July 2017 \$'000	30 June 2019 \$'000	30 June 2018 \$'000	1 July 2017 \$'000
<u>Financial liabilities with interest</u>						
Fixed rates	1,137,567	1,161,160	902,169	1,547,127	1,363,948	668,153
Floating rates	2,471,333	2,355,902	1,605,921	634,053	564,051	653,876
	<b>3,608,900</b>	<b>3,517,062</b>	<b>2,508,090</b>	<b>2,181,180</b>	<b>1,927,999</b>	<b>1,322,029</b>
<u>Financial assets with interest</u>						
Fixed rates	106,701	38,686	23,218	560,451	633,595	387,923
Floating rates	-	-	5,852	-	-	493,028
	<b>106,701</b>	<b>38,686</b>	<b>29,070</b>	<b>560,451</b>	<b>633,595</b>	<b>880,951</b>

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

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2019

## 35. Financial instruments: information on financial risks (cont'd)

### 35F. Interest rate risk (cont'd)

Sensitivity analysis:

	Group			Company		
	30 June 2019 \$'000	30 June 2018 \$'000	1 July 2017 \$'000	30 June 2019 \$'000	30 June 2018 \$'000	1 July 2017 \$'000

#### Financial liabilities

A hypothetical variation in interest rates by 100 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

	15,233	15,939	10,042	–	–	–
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A hypothetical variation in interest rates by 100 basis points with all other variables held constant, would have a decrease / (increase) in pre-tax profit for the year by

	9,480	7,620	6,017	6,341	5,641	6,539
--	-------	-------	-------	-------	-------	-------

#### Financial assets

A hypothetical variation in interest rates by 100 basis points with all other variables held constant, would have an increase / (decrease) in pre-tax profit for the year by

	–	–	59	–	–	4,930
--	---	---	----	---	---	-------

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 profit or loss. The hypothetical changes in basis points are not based on observable market data (unobservable inputs).

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2019

## 35. Financial instruments: information on financial risks (cont'd)

### 35G. Foreign currency risk

The Group transacts businesses in various foreign currencies, including Great Britain Pound, United States Dollar, Euro and Australian Dollar, and therefore is exposed to foreign exchange risk.

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

	Group			Company		
	30 June 2019 \$'000	30 June 2018 \$'000	1 July 2017 \$'000	30 June 2019 \$'000	30 June 2018 \$'000	1 July 2017 \$'000
<u>Financial assets</u>						
Great Britain Pound	226,945	6,098	5,438	212,655	398,218	663,722
Euro	164,805	24,476	13,619	164,805	119,389	159,708
United States Dollar	119,256	104,823	165,939	108,420	104,810	156,419
Australian Dollar	63,797	16,685	5,016	63,797	60,889	47,806
Others #	117	7,212	6,805	117	6,285	5,916
Total financial assets	574,920	159,294	196,817	549,794	689,591	1,033,571
<u>Financial liabilities</u>						
Great Britain Pound	(345,840)	–	–	(345,840)	(195,134)	(27,552)
Euro	(140,511)	–	(2,887)	(140,511)	–	–
United States Dollar	(1,215,763)	(718,061)	(687,990)	(738,383)	(232,767)	(552,123)
Total financial liabilities	(1,702,114)	(718,061)	(690,877)	(1,224,734)	(427,901)	(579,675)
<u>Net financial assets / (liabilities)</u>						
Great Britain Pound	(118,895)	6,098	5,438	(133,185)	203,084	636,170
Euro	24,294	24,476	10,732	24,294	119,389	159,708
United States Dollar	(1,096,507)	(613,238)	(522,051)	(629,963)	(127,957)	(395,704)
Australian Dollar	63,797	16,685	5,016	63,797	60,889	47,806
Others #	117	7,212	6,805	117	6,285	5,916

# Others – These consist of Japanese Yen and Malaysian Ringgit.

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2019

## 35. Financial instruments: information on financial risks (cont'd)

### 35G. Foreign currency risk (cont'd)

Sensitivity analysis:

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

	Group			Company		
	30 June	30 June	1 July	30 June	30 June	1 July
	2019	2018	2017	2019	2018	2017
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Great Britain Pound	11,890	(610)	(544)	13,319	(20,308)	(63,617)
Euro	(2,429)	(2,448)	(1,073)	(2,429)	(11,939)	(15,971)
United States Dollar	109,651	61,324	52,205	62,996	12,796	39,570
Australian Dollar	(6,380)	(1,669)	(502)	(6,380)	(6,089)	(4,781)
Others	(12)	(721)	(680)	(12)	(629)	(591)

The above tables show sensitivity to the hypothetical percentage variations in the functional currency against the relevant non-functional foreign currencies. The sensitivity rate used is the reasonably possible change in foreign exchange rates. For similar rate weakening of the functional currency against the relevant foreign currencies above, there would be comparable impacts in the opposite direction.

The hypothetical changes in exchange rates are not based on observable market data (unobservable inputs). The sensitivity analysis is disclosed for each non-functional currency to which the Group has significant exposure at end of the reporting year. The analysis above has been carried out without taking into consideration hedged transactions.

In management's opinion, the above sensitivity analysis is unrepresentative of the foreign currency risks as the historical exposure does not reflect the exposure in future.

### 35H. Equity price risk

There are investments in equity shares or similar instruments. Such investments are exposed to both currency risk and market price risk arising from uncertainties about future values of the securities.

Sensitivity analysis:

	Group			Company		
	30 June	30 June	1 July	30 June	30 June	1 July
	2019	2018	2017	2019	2018	2017
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
A hypothetical 10% increase in the market index of quoted equity shares at fair value would have an effect on other comprehensive income before tax of	34,202	36,233	–	34,202	36,233	–

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2019

## 35. Financial instruments: information on financial risks (cont'd)

### 35H. Equity price risk (cont'd)

For similar price decreases in the fair value of the above financial assets, there would be comparable impacts in the opposite direction. This figure does not reflect the currency risk, which has been considered in the foreign currency risks analysis section only.

## 36. Items in profit or loss

In addition to the profit or loss line items disclosed elsewhere in the notes to the financial statements, this item includes the following expenses:

	Group	
	2019 \$'000	2018 \$'000
Audit fees to the independent auditor of the Company	445	284
Audit fees to other independent auditors	75	436
Other fees to independent auditor of the Company	104	208
Other fees to other independent auditors	212	22

## 37. Changes and adoption of financial reporting standards

For the current reporting year, new or revised Financial Reporting Standards in Singapore and the related Interpretations to FRS ("INT FRS") were issued by the Singapore Accounting Standards Council. Those applicable to the Group are listed below:

SFRS (I) No.	Title
SFRS(I) 1-28	Amendments to, Investments in Associates and Joint Venture – Sale or Contribution of Assets
SFRS(I) 1-40	Amendments to, Transfer of Investment Property
SFRS(I) 1	First-time Adoption of Singapore Financial Reporting Standards (International)
SFRS(I) 2	Amendments to, Classification and Measurement of Share-based Payment Transactions
SFRS(I) 9	Financial Instruments
SFRS(I) 15	Revenue from Contracts with Customers. Amendments to, Clarifications to SFRS(I) 15 Revenue from Contracts with Customers
SFRS(I) INT 22	Foreign Currency Transactions and Advance Consideration

The above applicable new or revised standards did not require any significant modification of the measurement methods or the presentation in the financial statements, except as disclosed below.

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2019

## 37. Changes and adoption of financial reporting standards (cont'd)

The Singapore Accounting Standards Council has introduced a new Singapore financial reporting framework that is identical to the International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). The new framework is referred to as "Singapore Financial Reporting Standards (International)" ("SFRS(I)").

As required by the listing requirements of the Singapore Exchange, the Group has adopted SFRS(I) on 1 July 2018 and has issued its first set of financial statements prepared under SFRS(I) for the reporting year ended 30 June 2019.

In adopting SFRS(I), the Group applied all of the specific transition requirements in SFRS(I) 1 First-time Adoption of Singapore Financial Reporting Standards (International). The Group will concurrently apply SFRS(I) 9 Financial Instruments.

### (a) Application of SFRS(I) 1 First-time Adoption of Singapore Financial Reporting Standards (International)

The Group is required to retrospectively apply all SFRS(I) effective at the end of the first SFRS(I) reporting year (financial year ended 30 June 2019), subject to the mandatory exceptions and optional exemptions under SFRS(I) 1. The Group has elected the relevant optional exemptions and the exemptions resulting in adjustments to the Group's financial statements are as follows:

#### Cumulative translation differences

The Group has elected to set the cumulative translation differences for all foreign operations to be zero as at the date of transition to SFRS(I) on 1 July 2017. As a result, foreign currency translation reserve and retained earnings as at 1 July 2017 increased and reduced by \$27.2 million respectively:

	As at 1 July 2017			As at 30 June 2018		As at 1 July 2018
	As previously reported \$'000	Effects \$'000	As restated \$'000	As previously reported \$'000	Effects \$'000	As restated \$'000
Retained earnings	690,347	(27,217)	663,130	925,621	(27,217)	898,404
Foreign currency translation reserve	(27,217)	27,217	–	(2,691)	27,217	24,526

### (b) Adoption of SFRS(I) 9 Financial Instruments

The Group have elected to apply SFRS(I) 9 for unquoted investment on 1 July 2018. The Group have assessed the business models that are applicable on 1 July 2018 to financial assets so as to classify them into the appropriate categories under SFRS(I) 9. The Group has elected to recognise changes in the fair value of its unquoted equity investments through Other Comprehensive Income, which were previously stated at cost, except for an unquoted equity investment whose underlying asset was sold shortly after 30 June 2018 (See Note 19).

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2019

## 38. New or amended standards in issue but not yet effective

For the future reporting years certain new or revised financial reporting standards were issued by the Singapore Accounting Standards Council and these will only be effective for future reporting years. Those applicable to the reporting entity for future reporting years are listed below:

SFRS(I) No.	Title	Effective date for periods beginning on or after
SFRS(I) 1-28	Amendments: Long-Term Interests In Associates And Joint Ventures	1 January 2019
SFRS(I) 1-19	Amendments: Plan Amendment, Curtailment or Settlement	1 January 2019
SFRS(I) 9	Amendments: Prepayment Features with Negative Compensation	1 January 2019
SFRS(I) 16	Leases (and Leases - Illustrative Examples & Amendments to Guidance on Other Standards)	1 January 2019
SFRS(I) INT 23	Uncertainty over Income Tax Treatments	1 January 2019
SFRS(I) 1-12	Improvements (2017) – Amendments: Income Taxes	1 January 2019
SFRS(I) 1-23	Improvements (2017) – Amendments: Borrowing Costs	1 January 2019
SFRS(I) 3	Improvements (2017) – Amendments: Business Combinations	1 January 2019
SFRS(I) 11	Improvements (2017) – Amendments: Joint Arrangements	1 January 2019
SFRS(I) 10 and SFRS(I) 1-28	Sale or Contribution of Assets between and Investor and its Associate or Joint Venture	Not fixed yet

The transfer to the applicable new or revised standards from the effective dates is not expected to result in any significant modification of the measurement methods or the presentation in the financial statements for the following reporting year from the known or reasonably estimable information relevant to assessing the possible impact that application of the new or revised standards will have on the Group's financial statements in the period of initial application.

### *Borrowing costs relating to development properties*

In March 2019, the IFRS Interpretations Committee (IFRSIC) issued an update on the decisions reached by the IFRSIC and concluded its views that borrowing costs relating to development properties where revenue is recognised over time should not be capitalised and instead, be expensed when incurred. The Group accounting policy currently capitalises borrowing costs relating to its development properties under construction, which is the practice adopted by the property development companies in Singapore. Following the conclusion of the agenda decision by IFRSIC, the Group decided to adopt the new accounting policy with effective from 1 July 2019 and will apply the change retrospectively. The Group is currently assessing the impact of the new accounting policy on its financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2019

## 39. Listing of and information on subsidiaries

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

Name of subsidiaries and principal activities	Country of incorporation	Cost in books of Company		
		30 June 2019 \$'000	30 June 2018 \$'000	1 July 2017 \$'000
<i>Held by the Company</i>				
Action Property Pte. Ltd. <sup>(a)</sup> Property development	Singapore	510	510	510
Citrine Property Pte. Ltd. <sup>(a)</sup> Property development	Singapore	3,000	3,000	–
Galaxy Land Pte. Ltd. <sup>(a)</sup> Property development	Singapore	1,308	1,308	1,308
Hume Homes Pte. Ltd. <sup>(a)</sup> Property development	Singapore	1,173	1,173	1,173
OXHM Pte. Ltd. <sup>(a) (g)</sup> Hotel management	Singapore	#	#	#
Oxley Amber Pte. Ltd. <sup>(a)</sup> Property development	Singapore	2,000	2,000	#
Oxley Amethyst Pte. Ltd. <sup>(a)</sup> Property development	Singapore	2,000	1,000	–
Oxley Ascend Realty Pte. Ltd. <sup>(a)</sup> Property development	Singapore	550	550	550
Oxley Asset Management Pte. Ltd. <sup>(a) (g)</sup> Investment holding	Singapore	#	#	#
Oxley Assets Pte. Ltd. <sup>(a)</sup> Property development	Singapore	994	994	994
Oxley Beryl Pte. Ltd. <sup>(h)</sup> Property investment	Singapore	–	1,000	–
Oxley Bliss Pte. Ltd. <sup>(a)</sup> Property investment	Singapore	700	700	700
Oxley Blossom Pte. Ltd. <sup>(a)</sup> Property development	Singapore	1,000	1,000	1,000

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2019

## 39. Listing of and information on subsidiaries (cont'd)

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

Name of subsidiaries and principal activities	Country of incorporation	Cost in books of Company		
		30 June 2019 \$'000	30 June 2018 \$'000	1 July 2017 \$'000
<i>Held by the Company</i>				
Oxley Bright Pte. Ltd. <sup>(a)</sup> Investment holding	Singapore	#	#	#
Oxley Concept Pte. Ltd. <sup>(h)</sup> Property development	Singapore	–	–	596
Oxley Connections Pte. Ltd. <sup>(a)</sup> Investment holding	Singapore	2,600	2,600	2,600
Oxley Consortium Pte. Ltd. <sup>(a)</sup> Property development	Singapore	1,000	1,000	1,000
Oxley Fund Management Pte. Ltd. <sup>(a)</sup> Dormant	Singapore	#	#	–
Oxley Fort Pte. Ltd. <sup>(a)</sup> Property development	Singapore	1,000	1,000	1,000
Oxley Garnet Pte. Ltd. <sup>(a)</sup> Property development	Singapore	1,000	1,000	–
Oxley Gem Pte. Ltd. <sup>(a)</sup> Hotel owner and property investment	Singapore	1,000	1,000	1,000
Oxley Global Pte. Ltd. <sup>(a)</sup> Property development	Singapore	1,000	1,000	1,000
Oxley International Holdings Pte. Ltd. <sup>(a)</sup> Investment holding	Singapore	#	#	#
Oxley Jasper Pte. Ltd. <sup>(a)</sup> Property development	Singapore	2,000	#	–
Oxley Module Pte. Ltd. <sup>(a)</sup> Property development	Singapore	656	656	656
Oxley Mosaic Pte. Ltd. <sup>(a)</sup> Property development	Singapore	1,000	1,000	1,000

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2019

## 39. Listing of and information on subsidiaries (cont'd)

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

Name of subsidiaries and principal activities	Country of incorporation	Cost in books of Company		
		30 June 2019 \$'000	30 June 2018 \$'000	1 July 2017 \$'000
<i>Held by the Company</i>				
Oxley MTN Pte. Ltd. <sup>(a)</sup> Provision of financial and treasury services	Singapore	7,000	7,000	7,000
Oxley Niche Pte. Ltd. <sup>(a)</sup> Property development	Singapore	1,000	1,000	1,000
Oxley Onyx Pte. Ltd. <sup>(a) (g)</sup> Property development	Singapore	#	#	–
Oxley Opal Pte. Ltd. <sup>(a)</sup> Property development	Singapore	1,000	1,000	1,000
Oxley Pearl Pte. Ltd. <sup>(a)</sup> Property development	Singapore	2,000	2,000	2,000
Oxley Petalite Pte. Ltd. <sup>(a) (g)</sup> Dormant	Singapore	#	#	–
Oxley Quartz Pte. Ltd. <sup>(a)</sup> Dormant	Singapore	#	#	–
Oxley Rise Pte. Ltd. <sup>(a)</sup> Property development	Singapore	1,000	1,000	1,000
Oxley Rising Pte. Ltd. <sup>(a)</sup> Property development	Singapore	#	#	#
Oxley Sanctuary Pte. Ltd. <sup>(a)</sup> Property development	Singapore	550	550	550
Oxley Sims Pte. Ltd. <sup>(h)</sup> Property development	Singapore	–	–	1,000
Oxley Sparkle Pte. Ltd. <sup>(a)</sup> Investment holding	Singapore	#	#	#
Oxley Spinel Pte. Ltd. <sup>(a)</sup> Property development	Singapore	4,000	4,000	–

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2019

## 39. Listing of and information on subsidiaries (cont'd)

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

Name of subsidiaries and principal activities	Country of incorporation	Cost in books of Company		
		30 June 2019 \$'000	30 June 2018 \$'000	1 July 2017 \$'000
<i>Held by the Company</i>				
Oxley Star Pte. Ltd. <sup>(h)</sup> Property development	Singapore	–	–	671
Oxley Topaz Pte. Ltd. <sup>(a)</sup> Property development	Singapore	1,000	1,000	–
Oxley Vibes Pte. Ltd. <sup>(a)</sup> Property development	Singapore	900	900	900
Oxley Vibrant Pte. Ltd. <sup>(a)</sup> Property development	Singapore	1,000	1,000	1,000
Oxley Vista Pte. Ltd. <sup>(a)</sup> Property development	Singapore	550	550	550
Oxley Viva Pte. Ltd. <sup>(a)</sup> Property development	Singapore	550	550	550
Oxley YCK Pte. Ltd. <sup>(a)</sup> Property development	Singapore	550	550	550
Oxley Zircon Pte. Ltd. <sup>(a)</sup> Investment holding	Singapore	#	#	–
		45,591	43,591	32,858

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2019

## 39. Listing of and information on subsidiaries (cont'd)

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

Name of subsidiaries and principal activities	Country of incorporation	Effective equity held by the Group		
		30 June 2019 %	30 June 2018 %	1 July 2017 %
<i>Held by the Company</i>				
Action Property Pte. Ltd. <sup>(a)</sup> Property development	Singapore	51	51	51
Citrine Property Pte. Ltd. <sup>(a)</sup> Property development	Singapore	100	100	–
Galaxy Land Pte. Ltd. <sup>(a)</sup> Property development	Singapore	100	100	100
Hume Homes Pte. Ltd. <sup>(a)</sup> Property development	Singapore	100	100	100
OXHM Pte. Ltd. <sup>(a) (g)</sup> Hotel management	Singapore	100	100	100
Oxley Amber Pte. Ltd. <sup>(a)</sup> Property development	Singapore	100	100	100
Oxley Amethyst Pte. Ltd. <sup>(a)</sup> Property development	Singapore	100	100	–
Oxley Ascend Realty Pte. Ltd. <sup>(a)</sup> Property development	Singapore	55	55	55
Oxley Asset Management Pte. Ltd. <sup>(a) (g)</sup> Investment holding	Singapore	100	100	100
Oxley Assets Pte. Ltd. <sup>(a)</sup> Property development	Singapore	100	100	100
Oxley Beryl Pte. Ltd. <sup>(h)</sup> Property investment	Singapore	–	100	–
Oxley Bliss Pte. Ltd. <sup>(a)</sup> Property investment	Singapore	70	70	70
Oxley Blossom Pte. Ltd. <sup>(a)</sup> Property development	Singapore	100	100	100

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2019

## 39. Listing of and information on subsidiaries (cont'd)

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

Name of subsidiaries and principal activities	Country of incorporation	Effective equity held by the Group		
		30 June 2019 %	30 June 2018 %	1 July 2017 %
<i>Held by the Company</i>				
Oxley Bright Pte. Ltd. <sup>(a)</sup> Investment holding	Singapore	100	100	100
Oxley Concept Pte. Ltd. <sup>(h)</sup> Property development	Singapore	–	–	60
Oxley Connections Pte. Ltd. <sup>(a)</sup> Investment holding	Singapore	52	52	52
Oxley Consortium Pte. Ltd. <sup>(a)</sup> Property development	Singapore	100	100	100
Oxley Fund Management Pte. Ltd. <sup>(a)</sup> Dormant	Singapore	100	100	–
Oxley Fort Pte. Ltd. <sup>(a)</sup> Property development	Singapore	100	100	100
Oxley Garnet Pte. Ltd. <sup>(a)</sup> Property development	Singapore	100	100	–
Oxley Gem Pte. Ltd. <sup>(a)</sup> Hotel owner and property investment	Singapore	100	100	100
Oxley Global Pte. Ltd. <sup>(a)</sup> Property development	Singapore	100	100	100
Oxley International Holdings Pte. Ltd. <sup>(a)</sup> Investment holding	Singapore	100	100	100
Oxley Jasper Pte. Ltd. <sup>(a)</sup> Property development	Singapore	100	100	–
Oxley Module Pte. Ltd. <sup>(a)</sup> Property development	Singapore	66	66	66
Oxley Mosaic Pte. Ltd. <sup>(a)</sup> Property development	Singapore	100	100	100

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2019

## 39. Listing of and information on subsidiaries (cont'd)

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

Name of subsidiaries and principal activities	Country of incorporation	Effective equity held by the Group		
		30 June 2019 %	30 June 2018 %	1 July 2017 %
<i>Held by the Company</i>				
Oxley MTN Pte. Ltd. <sup>(a)</sup> Provision of financial and treasury services	Singapore	100	100	100
Oxley Niche Pte. Ltd. <sup>(a)</sup> Property development	Singapore	100	100	100
Oxley Onyx Pte. Ltd. <sup>(a) (g)</sup> Property development	Singapore	100	100	–
Oxley Opal Pte. Ltd. <sup>(a)</sup> Property development	Singapore	100	100	100
Oxley Pearl Pte. Ltd. <sup>(a)</sup> Property development	Singapore	100	100	100
Oxley Petalite Pte. Ltd. <sup>(a) (g)</sup> Dormant	Singapore	100	100	–
Oxley Quartz Pte. Ltd. <sup>(a)</sup> Dormant	Singapore	100	100	–
Oxley Rise Pte. Ltd. <sup>(a)</sup> Property development	Singapore	100	100	100
Oxley Rising Pte. Ltd. <sup>(a)</sup> Property development	Singapore	100	100	100
Oxley Sanctuary Pte. Ltd. <sup>(a)</sup> Property development	Singapore	55	55	55
Oxley Sims Pte. Ltd. <sup>(h)</sup> Property development	Singapore	–	–	100
Oxley Sparkle Pte. Ltd. <sup>(a)</sup> Investment holding	Singapore	100	100	100
Oxley Spinel Pte. Ltd. <sup>(a)</sup> Property development	Singapore	100	100	–

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2019

## 39. Listing of and information on subsidiaries (cont'd)

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

Name of subsidiaries and principal activities	Country of incorporation	Effective equity held by the Group		
		30 June 2019 %	30 June 2018 %	1 July 2017 %
<i>Held by the Company</i>				
Oxley Star Pte. Ltd. <sup>(h)</sup> Property development	Singapore	–	–	67.5
Oxley Topaz Pte. Ltd. <sup>(a)</sup> Property development	Singapore	100	100	–
Oxley Vibes Pte. Ltd. <sup>(a)</sup> Property development	Singapore	90	90	90
Oxley Vibrant Pte. Ltd. <sup>(a)</sup> Property development	Singapore	100	100	100
Oxley Vista Pte. Ltd. <sup>(a)</sup> Property development	Singapore	55	55	55
Oxley Viva Pte. Ltd. <sup>(a)</sup> Property development	Singapore	55	55	55
Oxley YCK Pte. Ltd. <sup>(a)</sup> Property development	Singapore	55	55	55
Oxley Zircon Pte. Ltd. <sup>(a)</sup> Investment holding	Singapore	100	100	–
<i>Held through Oxley Connections Pte. Ltd.</i>				
Orchard Suites Residence Pte. Ltd. <sup>(a)</sup> Property development	Singapore	52	52	52
<i>Held through Oxley Fund Management Pte. Ltd.</i>				
Oxley Singapore Opportunistic Development Fund Ltd. <sup>(f)</sup> Dormant (Incorporated on 8 March 2019)	Singapore	100	–	–

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2019

## 39. Listing of and information on subsidiaries (cont'd)

Name of subsidiaries and principal activities	Country of incorporation	Effective equity held by the Group		
		30 June 2019 %	30 June 2018 %	1 July 2017 %
<i>Held through Oxley International Holdings Pte. Ltd.</i>				
Oxley Australia Pte. Ltd. <sup>(a)</sup> Investment holding	Singapore	100	100	100
Oxley Batam Pte. Ltd. <sup>(j)</sup> Property development	Singapore	–	–	100
Oxley Cambodia Pte. Ltd. <sup>(a)</sup> Investment holding	Singapore	100	100	100
Oxley China Pte. Ltd. <sup>(a)</sup> Investment holding	Singapore	100	100	100
Oxley Cyprus Pte. Ltd. <sup>(a)</sup> Investment holding	Singapore	100	100	100
Oxley Dublin Pte. Ltd. <sup>(a)</sup> Investment holding	Singapore	100	100	100
Oxley Florence Pte. Ltd. <sup>(a)</sup> Investment holding	Singapore	100	100	100
Oxley Japan Pte. Ltd. <sup>(a)</sup> Investment holding	Singapore	100	100	100
Oxley London Pte. Ltd. <sup>(a)</sup> Investment holding	Singapore	100	100	100
Oxley Malaysia Pte. Ltd. <sup>(a)</sup> Investment holding	Singapore	100	100	100
Oxley Myanmar Pte. Ltd. <sup>(a)</sup> Investment holding	Singapore	100	100	100
Oxley UK Pte. Ltd. <sup>(a)</sup> Investment holding	Singapore	100	100	100
Oxley Vietnam Pte. Ltd. <sup>(a)</sup> Investment holding	Singapore	100	100	100

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2019

## 39. Listing of and information on subsidiaries (cont'd)

Name of subsidiaries and principal activities	Country of incorporation	Effective equity held by the Group		
		30 June 2019 %	30 June 2018 %	1 July 2017 %
<i>Held through Oxley Australia Pte. Ltd.</i>				
Walker Street No.100 Pty Ltd <sup>(b)</sup> Property development	Australia	100	100	100
Oxley Australia Pty Ltd <sup>(b)</sup> Property development	Australia	100	100	100
<i>Held through Oxley Australia Pty Ltd</i>				
Oxley Australia Management Pty Ltd <sup>(h)</sup> Property development	Australia	–	–	100
<i>Held through Oxley Cambodia Pte. Ltd.</i>				
Oxley Holdings (Cambodia) Co., Ltd. <sup>(a) (d)</sup> Investment holding	Cambodia	100	100	100
<i>Held through Oxley Holdings (Cambodia) Co., Ltd.</i>				
Oxley-Worldbridge (Cambodia) Co., Ltd. <sup>(d) (e)</sup> Property development	Cambodia	79	49	49
Oxley Emerald (Cambodia) Co., Ltd. <sup>(d)</sup> Property development	Cambodia	79	79	79
Oxley Gem (Cambodia) Co., Ltd. <sup>(d)</sup> Property development	Cambodia	79	79	79
Oxley Sapphire (Cambodia) Co., Ltd. <sup>(d)</sup> Property development	Cambodia	79	79	79
<i>Held through Oxley Malaysia Pte. Ltd.</i>				
Oxley Holdings (Malaysia) Sdn. Bhd. <sup>(b)</sup> Investment holding	Malaysia	100	100	100

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2019

## 39. Listing of and information on subsidiaries (cont'd)

Name of subsidiaries and principal activities	Country of incorporation	Effective equity held by the Group		
		30 June 2019 %	30 June 2018 %	1 July 2017 %
<i>Held through Oxley Holdings (Malaysia) Sdn. Bhd.</i>				
Oxley Diamond Sdn. Bhd. <sup>(b)</sup> Property development	Malaysia	100	100	100
Oxley Emerald Sdn. Bhd. <sup>(b)</sup> Investment holding	Malaysia	100	100	100
Oxley Gem Sdn. Bhd. <sup>(b)(g)</sup> Property development	Malaysia	100	100	100
Oxley Rising Sdn. Bhd. <sup>(b)</sup> Property development	Malaysia	100	100	100
Oxley Ruby Sdn. Bhd. <sup>(b)</sup> Investment holding	Malaysia	100	100	100
Oxley Sapphire Sdn. Bhd. <sup>(b)</sup> Property development	Malaysia	100	100	100
Oxley Star Sdn. Bhd. <sup>(b)</sup> Property development	Malaysia	100	100	100
<i>Held through Oxley London Pte. Ltd.</i>				
Oxley Wharf Limited <sup>(d)</sup> Investment holding	United Kingdom	100	100	100
Oxley Wharf Property 1 Limited <sup>(d)</sup> Property development	United Kingdom	100	100	100
Oxley Wharf Property 2 Limited <sup>(d)</sup> Property development	United Kingdom	100	100	100
Oxley Wharf Property 3 Limited <sup>(d)</sup> Property development	United Kingdom	100	100	100
Oxley Wharf Property 4 Limited <sup>(d)</sup> Property development	United Kingdom	100	100	100
Oxley Wharf Property 8 Limited <sup>(d)</sup> Property development	United Kingdom	100	100	–
<i>Held through Oxley Japan Pte. Ltd.</i>				
Oxley Akasaka Pte. Ltd. <sup>(a)</sup> Property development	Singapore	100	100	100

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2019

## 39. Listing of and information on subsidiaries (cont'd)

Name of subsidiaries and principal activities	Country of incorporation	Effective equity held by the Group		
		30 June 2019 %	30 June 2018 %	1 July 2017 %
<i>Held through Oxley Myanmar Pte. Ltd.</i>				
Oxley Yangon Company Limited <sup>(i)</sup> Investment holding	Myanmar	100	100	100
<i>Held through Oxley Yangon Company Limited</i>				
Oxley Consultancy & Management Company Limited <sup>(i)</sup> Property development	Myanmar	100	100	100
<i>Held through Oxley Dublin Pte. Ltd.</i>				
Oxley Docklands Quay 1 Limited <sup>(b)</sup> Property development	Ireland	100	100	100
Oxley Docklands Quay 2 Limited <sup>(b)</sup> Property development	Ireland	100	100	100
Oxley Docklands Quay 3 Limited <sup>(b)</sup> Property development (Incorporated on 30 August 2018)	Ireland	100	–	–
<i>Held through Oxley Vietnam Pte. Ltd.</i>				
Oxley MK Holdings Vietnam Co., Ltd. <sup>(b)</sup> Management service	Vietnam	90	90	90
Centra Cove Pte. Ltd. <sup>(a)</sup> Investment holding	Singapore	100	100	–
<i>Held through Centra Cove Pte. Ltd.</i>				
Phu Thinh Land Company Limited <sup>(b)</sup> Property development	Vietnam	80	75	–
<i>Held through Oxley MK Holdings Vietnam Company Ltd</i>				
OMK HCMC Co., Ltd <sup>(b)</sup> Property development (Incorporated on 28 February 2019)	Vietnam	100	–	–

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2019

## 39. Listing of and information on subsidiaries (cont'd)

Name of subsidiaries and principal activities	Country of incorporation	Effective equity held by the Group		
		30 June 2019 %	30 June 2018 %	1 July 2017 %
<i>Held through OMK HCMC Co., Ltd.</i>				
OMK Investment Co., Ltd. <sup>(b)</sup> Investment holding (Incorporated on 10 April 2019)	Vietnam	100	–	–
<i>Held through OMK Investment Co., Ltd.</i>				
Oxley MK Thao Dien Co., Ltd. <sup>(b)</sup> Property development (Incorporated on 2 May 2019)	Vietnam	100	–	–
Oxley MK Development JSC <sup>(b)</sup> Investment holding (Incorporated on 4 May 2019)	Vietnam	76	–	–
<i>Held through Oxley Florence Pte. Ltd.</i>				
Oxley Florence S.P.A. <sup>(c)</sup> Dormant	Italy	100	100	100
<i>Held through Oxley Cyprus Pte. Ltd.</i>				
Oxley Holdings (Cyprus) Limited <sup>(c)</sup> Investment holding	Cyprus	100	100	100

# Cost of investment is less than \$1,000.

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

(b) Audited by various member firms of RSM International.

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

(d) Audited by RSM Chio Lim LLP for consolidation purpose.

(e) In 2018 and 2017, although the Group does not own, directly or indirectly through subsidiaries, more than half of the voting power of the entity, the entity is consolidated because the Group is able to govern the financial and operating policies of the investee by virtue of an agreement with the other shareholders of the investee.

(f) Not audited, as it is immaterial.

(g) The entity was dormant during the reporting year.

(h) The entities were deregistered / deconsolidation / disposed during the reporting years 2019, 2018 and 2017.

(i) Audited by UTW (Myanmar) Ltd.

(j) The Group's ownership interests decreased and retained significant influence. Therefore, the investment has been transferred to investment in associate.

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.

There are no subsidiaries that have non-controlling interests that are considered material to the Group.

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2019

## 40. Listing of and information on associates

Name of associates, principal activities and independent auditors	Country of incorporation	Effective equity held by the Group		
		30 June 2019 %	30 June 2018 %	1 July 2017 %
<i>Held by the Company</i>				
Goldprime Land Pte. Ltd. <sup>(a)</sup> Property development Ernst & Young LLP	Singapore	49	49	49
SLB-Oxley (NIR) Pte. Ltd. <sup>(a)</sup> Property development Ernst & Young LLP	Singapore	49	49	–
Oxley Batam Pte. Ltd. <sup>(a)</sup> Investment holding Foo Kon Tan LLP	Singapore	20	20	–
<i>Held through Oxley Bright Pte. Ltd.</i>				
Galliard (Group) Limited <sup>(a)</sup> Property development BDO LLP, United Kingdom	United Kingdom	20	20	20
<i>Held through Oxley Sparkle Pte. Ltd.</i>				
Pindan Group Pty Ltd <sup>(a)</sup> Investment holding and property development Deloitte, Australia	Australia	40	40	40

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2019

## 40. Listing of and information on associates (cont'd)

Name of associates, principal activities and independent auditors	Country of incorporation	Effective equity held by the Group		
		30 June 2019 %	30 June 2018 %	1 July 2017 %
<i>Held through Oxley Holdings (Malaysia) Sdn. Bhd.</i>				
Aspen Vision Homes Sdn. Bhd. <sup>(a)</sup> Property development KPMG PLT, Malaysia	Malaysia	40	–	–
Aspen Park Hills Sdn. Bhd. <sup>(a)</sup> Property development KPMG PLT, Malaysia	Malaysia	30	–	–
<i>Held through Oxley MK Holdings Vietnam Co., Ltd.</i>				
Oxley MK Hanoi Joint Stock Company <sup>(a)</sup> Property development Deloitte Touché Tohmatsu Limited, Vietnam	Vietnam	26	26	–
MK Thao Dien Co., Ltd. <sup>(a)</sup> Property development Deloitte Touché Tohmatsu Limited, Vietnam	Vietnam	36	44	–
<i>Held through Oxley-Worldbridge Asset Management (Cambodia) Co., Ltd.</i>				
Metro Global Solutions (Cambodia) Co., Ltd. <sup>(a)</sup> Asset management and consultancy services	Cambodia	24.5	24.5	24.5
<i>Held through Oxley China Pte. Ltd.</i>				
KAP Hotel Investment Pte. Ltd. <sup>(a)</sup> Management consultancy services for hotels and holding of assets for investment Ernst & Young LLP	Singapore	20	–	–

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2019

## 40. Listing of and information on associates (cont'd)

Name of associates, principal activities and independent auditors	Country of incorporation	Effective equity held by the Group		
		30 June 2019 %	30 June 2018 %	1 July 2017 %
<i>Held through KAP Holdings (China) Pte. Ltd.</i>				
Hebei Yue Zhi Real Estate Development Co., Ltd. <sup>(a)</sup> Property development Baoding Jiahe Certified Public Accountants Co., Ltd.	China	24.75	24.75	–
Sino Singapore KAP Construction Co., Ltd. <sup>(a)</sup> Asset management and construction Baoding Jiahe Certified Public Accountants Co., Ltd.	China	27.5	27.5	27.5
<i>Held through Sino-Singapore KAP Construction Co., Ltd.</i>				
Gaobeidian City KAP Real Estate Development Co., Ltd. <sup>(a)</sup> Property development Baoding Jiahe Certified Public Accountants Co., Ltd.	China	27.5	27.5	–
Hebei Xu Xing Investment Co., Ltd. <sup>(a)</sup> Asset management and consultancy services Baoding Jiahe Certified Public Accountants Co., Ltd.	China	24.75	24.75	24.75

<sup>(a)</sup> The management financial statements at 30 June of the associates have been used for equity accounting purposes.

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2019

## 40. Listing of and information on associates (cont'd)

The Group owns a 20% equity interest in Galliard (Group) Limited ("Galliard"). Galliard has also issued warrants to an investor and if the warrant holder were to exercise its rights to convert the warrants into new ordinary shares in the capital of Galliard, the Group's equity interest in Galliard would reduce to 18%.

The initial expiry date of the warrant was 7 December 2017. On 27 November 2017, a deed of amendment was signed with the investor and the subscription period of the exercise of warrant has been extended to 30 September 2018. On 30 March 2018, a deed of amendment was signed with the investor and the subscription period of the exercise of warrant has been extended to 30 September 2019.

Significant influence is presumed to exist (or not exist) when an entity holds 20% or more (or less than 20%) of the voting rights of another entity, unless it can be clearly demonstrated otherwise.

Management has exercised significant judgement and determine that the Group continues to have significant influence over Galliard given, among other factors, the Group's participation in policy-making processes and decision-making about dividends and other distributions through its board representation. Based on these factors, management has classified Galliard as an associate in these financial statements.

The Audit Committee and the Board of Directors of the Company have satisfied themselves that the appointment of different auditing firms for the above associates would not compromise the standard and effectiveness of the audit of the Group.

## 40A. Non-material associates

There are associates that are considered not material individually to the Group. The summarised financial information of all the associates and the aggregate amounts (and not the Group's share of those amounts) based on the financial statements of the associates and adjusted to reflect adjustments made by the Group when using the equity method as follows:

	<b>Group</b>		
	<b>30 June</b>	<b>30 June</b>	<b>1 July</b>
	<b>2019</b>	<b>2018</b>	<b>2017</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Revenue	1,111,187	626,066	889,546
(Loss) / profit for the reporting year	(12,992)	183,329	(50,995)
Total comprehensive (loss) / income	(12,992)	183,329	(50,995)
Net assets of the associates	700,381	618,581	407,936

There are no significant restrictions on the ability of the associates to transfer funds to the Group in the form of cash dividends.

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2019

## 41. Listing of and information on joint ventures

Name of joint ventures, principal activities and independent auditors	Country of incorporation	Effective equity held by the Group		
		30 June 2019 %	30 June 2018 %	1 July 2017 %
<i>Held by the Company</i>				
Oxley-LBD Pte. Ltd. <sup>(a)</sup> Property development RSM Chio Lim LLP	Singapore	50	50	50
Rio Casa Venture Pte. Ltd. <sup>(a)</sup> Property development RSM Chio Lim LLP	Singapore	35	35	35
Oxley Serangoon Pte. Ltd. <sup>(a)</sup> Property development RSM Chio Lim LLP	Singapore	40	40	–
Metro Global Solutions Pte. Ltd. <sup>(a)</sup> Asset management and consultancy services RSM Chio Lim LLP	Singapore	50	50	50
<i>Held through Oxley Emerald Sdn. Bhd.</i>				
Posh Properties Sdn. Bhd. <sup>(a)</sup> Property development Yeo & Associates	Malaysia	50	50	50
<i>Held through Oxley Ruby Sdn. Bhd.</i>				
Peninsular Teamwork Sdn. Bhd. <sup>(a)</sup> Property development RSM Malaysia	Malaysia	50	50	50
<i>Held through Oxley China Pte. Ltd.</i>				
KAP Holdings (China) Pte. Ltd. <sup>(a)</sup> Investment holding RSM Chio Lim LLP	Singapore	55	55	55
<i>Held through Oxley Holdings (Cambodia) Co., Ltd.</i>				
Oxley Diamond (Cambodia) Co., Ltd. <sup>(a) (b)</sup> Property development	Cambodia	50	50	50

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2019

## 41. Listing of and information on joint ventures (cont'd)

Name of joint ventures, principal activities and independent auditors	Country of incorporation	Effective equity held by the Group		
		30 June 2019 %	30 June 2018 %	1 July 2017 %
<i>Held through Oxley Asset Management Pte. Ltd.</i>				
Oxley-Worldbridge Asset Management (Cambodia) Co., Ltd. <sup>(a) (b)</sup> Asset management and consultancy services	Cambodia	50	–	–
<i>Held through Oxley UK Pte. Ltd.</i>				
Oxley Deanston Limited <sup>(a) (b)</sup> Property development	United Kingdom	50	50	50
<i>Held through Oxley Holdings (Cyprus) Limited</i>				
Oxley Planetvision Properties Ltd <sup>(a)</sup> Property development Deloitte Limited (Cyprus)	Cyprus	50	50	50
<i>Held through Oxley Australia Pty Ltd</i>				
Pindan Capital Berry Ltd. <sup>(a)</sup> Property development Deloitte Australia	Australia	25.5	–	–
Pindan Capital Mermaid Beach Pty Ltd. <sup>(a)</sup> Property development Deloitte Australia	Australia	25.5	–	–

<sup>(a)</sup> The management financial statements at 30 June of the joint ventures have been used for equity accounting purpose.

<sup>(b)</sup> Audited by RSM Chio Lim LLP for consolidation purpose.

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2019

## 41. Listing of and information on joint ventures (cont'd)

### 41A. Aggregate for all non-material joint ventures

There are joint ventures that are considered individually not material to the reporting entity. The summarised financial information of all the non-material joint ventures and the aggregate amounts (and not the reporting entity's share of those amounts) based on the financial statements of the joint ventures are as below. These are adjusted to reflect adjustments made by the Group when using the equity method.

	<b>Group</b>		
	<b>30 June</b>	<b>30 June</b>	<b>1 July</b>
	<b>2019</b>	<b>2018</b>	<b>2017</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Revenue	199,529	379,448	101,033
(Loss) / profit for the reporting year	(5,011)	143,630	36,547
Total comprehensive (loss) / income	(5,011)	143,630	36,547
Net assets of the joint ventures	65,597	130,642	58,377

There are no significant restrictions on the ability of the joint ventures to transfer funds to the Group in the form of cash dividends.

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2019

## 42. Listing of and information on development properties

Development properties held through associates or joint ventures are not listed below as the accounting for investment in associates and joint ventures are on the equity method.

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

Project name/ location	Description	Tenure	Approximate area (sqm)		Percentage of completion at 30 June 2019	Interest held by the Group	Expected completion date <sup>(d)</sup>
			Land area	Gross floor area			
<u>Singapore</u>							
KAP & KAP Residences 9 & 11 King Albert Park, Singapore	7-storey mixed development with commercial podium, residential blocks and basement carparks	Freehold	5,535	17,161	100%	55%	Completed
The Rise@Oxley 71 & 73 Oxley Rise Road, Singapore	10-storey mixed development with commercial podium, residential flats and basement carparks	Freehold	2,381	10,710	100%	100%	Completed
The Flow 66 East Coast Road, Singapore	7-storey commercial development with basement and mechanised carpark	Freehold	2,176	6,527	100%	100%	Completed
Floraview, Floravista and Floraville 1, 3, 5, 7 Ang Mo Kio Street 66 / 2 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 carpark and ancillary facilities	Freehold	8,249	12,431	100%	55%	Completed
The Verandah Residences 231 Pasir Panjang Road, Singapore	5-storey development with 2-storey strata landed houses, carpark, swimming pool and communal facilities	Freehold	8,326	11,944	25.94%	100%	2020
Sixteen35 Residences 16 Lorong 35 Geylang, Singapore	8-storey mixed development, carpark, swimming pool and communal facilities	99 years leasehold	2,220	6,215	30.04%	100%	2020

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2019

## 42. Listing of and information on development properties (cont'd)

The listing of and information on the development properties are given below (cont'd):

Project name/ location	Description	Tenure	Approximate area (sqm)		Percentage of completion at 30 June 2019	Interest held by the Group	Expected completion date <sup>(d)</sup>
			Land area	Gross floor area			
Singapore (cont'd)							
Sea Pavilion Residences 494 Upper East Coast Road, Singapore	5-storey development, carpark and swimming pool	Freehold	1,292	1,849	26.82%	100%	2020
The Addition 21 Meyappa Chettiar Road, Singapore	8-storey development, carpark and swimming pool	Freehold	898	2,075	23.34%	100%	2020
1953 1, 3, 5, 7, 9 and 11 Balestier Road and 3 Tessensohn Road, Singapore	6-storey mixed development with attic comprising of 14 commercial strata units and 58 residential units with merchanzed carpark, communal swimming pool and addition and alteration to 7 units of conserved shophouses	Freehold	1,667	5,399	3.33%	100%	2021
Kent Ridge Hill Residences 50 - 66 South Buona Vista Road, Singapore	11 blocks of 5- storey apartments and 50 strata landed houses	99 years leasehold	29,659	45,675	1.86%	100%	2021
Mayfair Gardens and Mayfair Modern 2, 4, 6, 8, 10, 12 and 14 Rifle Range Road, Singapore	4 blocks (5-storey with attic) residential flats with basement carpark, swimming pool and communal facilities and 2 blocks (8-storey) residential flats with basement carpark, swimming pool and commercial facilities	99 years leasehold	19,368	27,115	Mayfair Gardens – 3.58% Mayfair Modern – 3.06%	100%	2021

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2019

## 42. Listing of and information on development properties (cont'd)

The listing of and information on the development properties are given below (cont'd):

Project name/ location	Description	Tenure	Approximate area (sqm)		Percentage of completion at 30 June 2019	Interest held by the Group	Expected completion date <sup>(d)</sup>
			Land area	Gross floor area			
<u>Singapore (cont'd)</u>							
Parkwood Residences 208 Yio Chu Kang Road, Singapore	5-storey development with attic and swimming pool	Leasehold	1,313	1,827	–	100%	2020 <sup>(b)</sup>
<u>Cambodia</u>							
The Garage Street #84, Phum #13, Sangkat Srah Chork, Khan Daun Penh, Phnom Penh, Cambodia	Mixed retail and residential development <sup>(a)</sup>	Freehold	8,921	– <sup>(a)</sup>	– <sup>(f)</sup>	79%	– <sup>(b)</sup>
The Peak Samdach Hun Sen Street Village 14, Sangkat Tonle Bassac, Khan Chamkamorn, Phnom Penh, Cambodia	Mixed retail, hotel, office and residential development <sup>(a)</sup>	Freehold	12,609	208,750 <sup>(a)</sup>	42% <sup>(f)</sup>	79%	2020
The Palms National Road, No 1, Kdey Tokoy Village, Veal Sbov Commune, Khan Mean Chey, Phnom Penh, Cambodia	Residential development <sup>(a)</sup>	Freehold	37,689	65,592 <sup>(a)</sup>	13% <sup>(f)</sup>	79%	2020
<u>Malaysia</u>							
Oxley Towers Kuala Lumpur City Centre Lot 99, Section 0058 Mukim Bandar Kuala Lumpur, Daerah Kuala Lumpur, Malaysia	Mixed retail, hotel, office and residential development	Freehold	12,554	175,979 <sup>(a)</sup>	17.88% <sup>(f), (g)</sup>	100%	2022

# NOTES TO THE FINANCIAL STATEMENTS

30 June 2019

## 42. Listing of and information on development properties (cont'd)

The listing of and information on the development properties are given below (cont'd):

Project name/ location	Description	Tenure	Approximate area (sqm)		Percentage of completion at 30 June 2019	Interest held by the Group	Expected completion date <sup>(d)</sup>
			Land area	Gross floor area			
<u>Malaysia (cont'd)</u>							
Pepper Hill <sup>(c)</sup> Penang Mukim 18, Daerah Timor Laut, Penang, Malaysia	Residential development	Freehold	119,876	– <sup>(a)</sup>	–	70% <sup>(e)</sup>	– <sup>(b)</sup>
Medini <sup>(c)</sup> Plot B3 & B5 Iskandar, Johor, Malaysia	Mixed development	99 + 30 years extension	17,300	– <sup>(a)</sup>	–	100%	– <sup>(b)</sup>
Section 16 <sup>(c)</sup> Lot 26315, Bt 6 Jalan Damansara, Daerah Petaling Jaya, Negeri Selangor, Malaysia	Mixed development	Freehold	19,098	– <sup>(a)</sup>	–	100%	– <sup>(b)</sup>
<u>Ireland</u>							
Dublin Landings North Wall Quay Dublin 1	Residential development	Leasehold	9,210	34,628	53% <sup>(f)</sup>	100%	2020
<u>United Kingdom</u>							
Royal Wharf North Woolwich Road, London, United Kingdom	Township development	Freehold	160,389	394,026	P1: 99.5% P2: 94.4% P3: 66.2% <sup>(f)</sup>	100%	2018 - 2021 (Phase 1 to Phase 3)

<sup>(a)</sup> The plans for these projects are subject to modification.

<sup>(b)</sup> These projects are yet to be launched as at 30 June 2019.

<sup>(c)</sup> Project names are for illustrative purpose only.

<sup>(d)</sup> The expected completion date refers to the calendar year.

<sup>(e)</sup> The Group does not own the land. It has the right to develop the property pursuant to a joint venture agreement.

<sup>(f)</sup> Development properties under construction accounted under point in time method.

<sup>(g)</sup> Being percentage of completion for SO Sofitel residence only.

# STATISTICS OF SHAREHOLDINGS

As at 9 September 2019

Issued and paid-up capital	:	\$275,922,193
Number of shares	:	4,165,043,684
Class of shares	:	Ordinary shares
Voting rights	:	One vote per share

The Company holds 9,300,000 issued shares as treasury shares and there are no subsidiary holdings. The treasury shares constitute 0.22% of the total number of issued shares of the Company.

## DISTRIBUTION OF SHAREHOLDINGS

(As recorded in the Register of Members and Depository Register as at 9 September 2019)

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	% OF SHAREHOLDERS	NO. OF SHARES	% OF SHAREHOLDINGS
1 - 99	65	1.69	2,534	0.00
100 - 1,000	142	3.68	64,768	0.00
1,001 - 10,000	982	25.48	6,076,831	0.15
10,001 - 1,000,000	2,603	67.54	178,873,763	4.30
1,000,001 and above	62	1.61	3,970,725,788	95.55
<b>TOTAL</b>	<b>3,854</b>	<b>100.00</b>	<b>4,155,743,684</b>	<b>100.00</b>

The above shareholdings do not include 9,300,000 treasury shares held by the Company.

## SUBSTANTIAL SHAREHOLDERS

(As recorded in the Register of Substantial Shareholders as at 9 September 2019)

	Direct Interest		Deemed Interest	
	No. of Shares	% <sup>(3)</sup>	No. of Shares	% <sup>(3)</sup>
Ching Chiat Kwong <sup>(1), (2)</sup>	1,734,601,411	41.74	10,960,576	0.26
Low See Ching (Liu Shijin) <sup>(1)</sup>	1,166,174,778	28.06	-	-
Tee Wee Sien (Zheng Weixian)	470,796,172	11.33	-	-

### Notes:

- (1) Ching Chiat Kwong and Low See Ching (Liu Shijin) are deemed to be parties acting in concert with each other with respect to the Company pursuant to a concert parties agreement dated 18 November 2011.
- (2) Gold Crescent Holdings Limited, which holds 10,960,576 shares, is wholly-owned by Ching Chiat Kwong. Ching Chiat Kwong is thus deemed to have an interest in 10,960,576 shares held by Gold Crescent Holdings Limited by virtue of Section 7 of the Companies Act (Chapter 50).
- (3) The percentages of issued share capital are calculated based on 4,155,743,684 issued shares (excluding treasury shares) in the capital of the Company as at 9 September 2019.

# STATISTICS OF SHAREHOLDINGS

As at 9 September 2019

## TWENTY LARGEST SHAREHOLDERS

(As at 9 September 2019)

NO.	NAME	NO. OF SHARES	%
1	RAFFLES NOMINEES (PTE.) LIMITED	834,895,962	20.09
2	CITIBANK NOMINEES SINGAPORE PTE LTD	733,138,791	17.64
3	DB NOMINEES (SINGAPORE) PTE LTD	550,739,028	13.25
4	DBS NOMINEES (PRIVATE) LIMITED	480,442,226	11.56
5	DBSN SERVICES PTE. LTD.	338,092,345	8.14
6	OCBC SECURITIES PRIVATE LIMITED	232,747,302	5.60
7	HSBC (SINGAPORE) NOMINEES PTE LTD	192,695,401	4.64
8	HONG LEONG FINANCE NOMINEES PTE LTD	188,675,333	4.54
9	UNITED OVERSEAS BANK NOMINEES (PRIVATE) LIMITED	65,861,341	1.58
10	MAYBANK KIM ENG SECURITIES PTE. LTD.	57,951,194	1.39
11	TEE WEE SIEN (ZHENG WEIXIAN)	44,557,492	1.07
12	CGS-CIMB SECURITIES (SINGAPORE) PTE. LTD.	42,987,777	1.03
13	TAN YONG HOA	40,002,400	0.96
14	UOB KAY HIAN PRIVATE LIMITED	28,860,682	0.69
15	PHILLIP SECURITIES PTE LTD	17,105,258	0.41
16	LOW SEE CHING (LIU SHIJIN)	9,257,088	0.22
17	LIAN BEE METAL PTE LTD	9,080,624	0.22
18	YAP BOH SIM	8,800,000	0.21
19	GOH KEE CHOO (WU QIZHU)	6,125,147	0.15
20	KUIK AH HAN	4,500,000	0.11
	<b>TOTAL</b>	<b>3,886,515,391</b>	<b>93.50</b>

## SHARES HELD BY PUBLIC

Based on the information provided to the Company as at 9 September 2019, approximately 18.59% of the issued ordinary shares (excluding treasury 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 I

7 October 2019

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 Tuesday, 29 October 2019 at 10.00 am at Polaris Ballroom, Level 1, Novotel & Mercure Singapore on Stevens, 28 Stevens Road, Singapore 257878.

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 I

## DEFINITIONS

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

### Companies within our Group

**“Company” or “Oxley Holdings”** : Oxley Holdings Limited

**“Group”** : The Company and its subsidiaries

### Other Companies and Organisations

**“Oxley Construction” or  
“Mandated Interested Person”** : Oxley Construction Pte Ltd

**“SGX-ST”** : Singapore Exchange Securities Trading Limited

### General

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

**“AGM”** : Annual general meeting to be held on Tuesday, 29 October 2019 at 10.00 am at Polaris Ballroom, Level 1, Novotel & Mercure Singapore on Stevens, 28 Stevens Road, Singapore 257878

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

- (i) his immediate family (being his spouse, child, adopted child, step-child, sibling and parent);
- (ii) the trustees of any trust of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and
- (iii) any company in which he and his immediate family together (directly or indirectly) have an interest of 30% or more

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

**“Audit Committee”** : The audit committee of the Company

# APPENDIX I

<b>“Controlling Shareholder”</b>	:	A person who:-  (a) holds directly or indirectly 15% or more of the total voting rights in the Company; or  (b) in fact exercises control over the Company
<b>“Directors”</b>	:	The directors of the Company
<b>“Latest Practicable Date”</b>	:	9 September 2019, being the latest practicable date prior to the printing of this Appendix
<b>“Listing Manual”</b>	:	The Listing Manual of the SGX-ST, as may be amended, varied or supplemented from time to time
<b>“Shareholders”</b>	:	Registered holders of Shares, except where the registered holder is CDP, the term <b>“Shareholders”</b> shall, in relation to such Shares mean the Depositors whose Securities Accounts are credited with Shares
<b>“Shareholders’ Mandate”</b>	:	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
<b>“Shares”</b>	:	Ordinary shares in the capital of the Company
<b>“Substantial Shareholder”</b>	:	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
<b>Currencies, Units and Others</b>		
<b>“\$” and “cents”</b>	:	Singapore dollars and cents, respectively

The terms **“Depositor”**, **“Depository Agent”** and **“Depository Register”** shall have the meanings ascribed to them respectively in Section 81SF of the Securities and Futures Act, Chapter 289 (as amended or modified from time to time).

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 I

## 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 31 October 2018, the Shareholders approved, amongst other things, the renewal of the Shareholders’ Mandate (as described below). The Shareholders’ Mandate was stated to take effect, unless revoked or varied by the Company in general meeting, and continue in force until the conclusion of the next annual general meeting of the Company, being the upcoming annual general meeting to be held on 29 October 2019 (the “**2019 AGM**”). The Directors propose that the Shareholders’ Mandate be renewed at the 2019 AGM and to take effect until the subsequent annual general meeting of the Company to be held in 2020. There is no change to the scope and terms of the Shareholders’ Mandate which is proposed to be renewed.

The purpose of this Appendix is to provide the Shareholders with the relevant information relating to, and to seek the Shareholders’ approval at the 2019 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 director and shareholder of Oxley Construction is Mr Ching Chiat Kwong, the Executive Chairman and Chief Executive Officer, as well as Controlling Shareholder, of the Company. Mr Shawn Ching Wei Hung, an Executive Director of the Company, is the son of Mr Ching Chiat Kwong.

### 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 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 Chief Financial Officer, 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.

# APPENDIX I

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 Chief Financial Officer, who shall not have an interest in such transaction;
- (b) where an individual transaction is equal to or in excess of \$250,000, such transaction will be subject to review and prior approval by the Audit Committee; and
- (c) where the aggregate value of all transactions with the Mandated Interested Person in the same financial year is equal to or in excess of 5% of the Group's latest audited net tangible assets, all transactions comprising such an amount will be reviewed by the Audit Committee to ensure that they are carried out on normal commercial terms and in accordance with the procedures set out in the Shareholders' Mandate. All transactions which have been reviewed and approved by the Audit Committee will be excluded from the aggregation of transactions for the purpose of such review.

A register will be maintained by the Company to record all interested person transactions (including the dates, terms and basis on which such transactions are entered into) which are entered into pursuant to the Shareholders' Mandate and the approval or review by the Audit Committee or Chief Financial Officer, as the case may be. In the event that the Chief Financial Officer 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 seek a fresh mandate from the Shareholders 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.

# APPENDIX I

## 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 31 October 2018 and that such methods and procedures are sufficient to ensure that the transactions will be carried out on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders.

## 4. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

The interests of the Directors and Substantial Shareholders in Shares as at the Latest Practicable Date, as recorded in the Register of Director's Shareholdings and the Register of Substantial Shareholders kept by the Company, are set out below:-

	Direct Interest		Deemed Interest	
	Number of Shares	% <sup>(1)</sup>	Number of Shares	% <sup>(1)</sup>
<b>Directors</b>				
Ching Chiat Kwong	1,734,601,411	41.74	10,960,576	0.26
Low See Ching	1,166,174,778	28.06	-	-
Shawn Ching Wei Hung	237,364	0.01	-	-
Ng Weng Sui Harry	467,020	0.01	-	-
Phua Sian Chin	-	-	-	-
Lim Yeow Hua @ Lim You Qin	-	-	-	-
<b>Substantial Shareholders (other than Directors)</b>				
Tee Wee Sien	470,796,172	11.33	-	-

**Note:**

(1) Percentage computed based on the total number of issued Shares excluding treasury shares of the Company, being 4,155,743,684 Shares, as at the Latest Practicable Date.

## 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, are of the opinion that the Shareholders' Mandate will enhance the efficiency of the Company and the Group and is in the best interests of the Company and the Group, and therefore 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) and Mr Shawn Ching Wei Hung (an Executive Director of the Company), Mr Ching Chiat Kwong and Mr Shawn Ching Wei Hung 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 their Associates will abstain from voting on the same.

# APPENDIX I

## 6. ANNUAL GENERAL MEETING

The AGM, notice of which is set out in the Annual Report 2019 of the Company, will be held on Tuesday, 29 October 2019 at 10.00 am at Polaris Ballroom, Level 1, Novotel & Mercure Singapore on Stevens, 28 Stevens Road, Singapore 257878, for the purpose of considering and, if thought fit, passing with or without any modifications, the Ordinary Resolution relating to the renewal of the Shareholders' Mandate as set out in the Notice of AGM.

## 7. ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders who are unable to attend the AGM and who wish to appoint a proxy to attend on their behalf are requested to complete, sign and return the Proxy Form attached to the Annual Report in accordance with the instructions printed thereon as soon as possible and, in any event, so as to reach the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., 50 Raffles Place, #32-01 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 72 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.

# APPENDIX II

7 October 2019

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 Tuesday, 29 October 2019 at 10.00 am at Polaris Ballroom, Level 1, Novotel & Mercure Singapore on Stevens, 28 Stevens Road, Singapore 257878.

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**

#### **PROPOSED RENEWAL OF THE SHARE PURCHASE MANDATE**

# APPENDIX II

## DEFINITIONS

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

<b>"AGM"</b>	:	Annual general meeting to be held on Tuesday, 29 October 2019 at 10.00 am at Polaris Ballroom, Level 1, Novotel & Mercure Singapore on Stevens, 28 Stevens Road, Singapore 257878
<b>"Board"</b>	:	The board of Directors of the Company for the time being
<b>"CDP"</b>	:	The Central Depository (Pte) Limited
<b>"CEO"</b>	:	Chief Executive Officer
<b>"Companies Act"</b>	:	The Companies Act, Chapter 50 of Singapore, as amended, supplemented or modified from time to time
<b>"Company"</b>	:	Oxley Holdings Limited
<b>"Director"</b>	:	A director of the Company for the time being
<b>"FY"</b>	:	Financial year ended, or as the case may be, ending 30 June
<b>"Group"</b>	:	The Company and its subsidiaries
<b>"Latest Practicable Date"</b>	:	9 September 2019, being the latest practicable date prior to the printing of this Appendix
<b>"Listing Manual"</b>	:	The Listing Manual of the SGX-ST, as amended, supplemented or modified from time to time
<b>"Market Day"</b>	:	A day on which the SGX-ST is open for trading in securities
<b>"SGX-ST"</b>	:	Singapore Exchange Securities Trading Limited
<b>"Share Purchase Mandate"</b>	:	The general mandate given by Shareholders to authorise the Directors to purchase Shares on behalf of the Company in accordance with the terms set out in this Appendix and the rules and regulations set forth in the Companies Act and the Listing Manual
<b>"Shareholders"</b>	:	Registered holders of Shares, except where the registered holder is CDP, the term <b>"Shareholders"</b> shall, in relation to such Shares, mean the Depositors whose securities accounts maintained with CDP are credited with the Shares
<b>"Shares"</b>	:	Ordinary shares in the capital of the Company
<b>"SIC"</b>	:	The Securities Industry Council of Singapore

## APPENDIX II

<b>“subsidiary holdings”</b>	:	Shares referred to in Sections 21(4), 21(4B), 21(6A) and 21(6C) of the Companies Act
<b>“Take-over Code”</b>	:	The Singapore Code on Take-overs and Mergers, as amended, supplemented or modified from time to time
<b>“treasury shares”</b>	:	Issued Shares of the Company which were (or are treated as having been) purchased by the Company in circumstances which Section 76H of the Companies Act applies and have since purchase been continuously held by the Company
<b>“\$” and “cents”</b>	:	Singapore dollars and cents respectively
<b>“%” or “percent”</b>	:	Percentage or per centum

The terms **“Depositor”**, **“Depository Agent”** and **“Depository Register”** shall have the meanings ascribed to them respectively in Section 81SF of the Securities and Futures Act, Chapter 289 (as amended or modified from time to time).

Words importing the singular shall, where applicable, include the plural and *vice versa*. 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 as for the time being amended or re-enacted. Any word defined under the Companies Act or any statutory modification thereof and not otherwise defined in this Appendix shall have the same meaning assigned to it under the Companies Act or any statutory modification thereof, as the case may be.

Any reference to a time of day in this Appendix is made by reference to Singapore time unless otherwise stated.

Any discrepancies in the tables in this Appendix between the sum of listed amounts and the totals thereof shown are due to rounding.

# APPENDIX II

## 1. INTRODUCTION

Shareholders had first approved the Share Purchase Mandate at the extraordinary general meeting held on 28 October 2015 to enable the Company to purchase or otherwise acquire issued Shares. The Share Purchase Mandate was renewed at subsequent annual general meetings. The authority conferred on the Directors under the current Share Purchase Mandate will expire at the AGM to be held on 29 October 2019.

Accordingly, the Directors propose to seek the approval of Shareholders for the renewal of the Share Purchase Mandate. The purpose of this Appendix is to provide Shareholders with information in relation to the proposed renewal of the Share Purchase Mandate.

## 2. RATIONALE FOR THE SHARE PURCHASE MANDATE

The rationale for the Share Purchase Mandate includes the following:

- (a) The Share Purchase Mandate would give the Company the flexibility to undertake purchases of its Shares at any time, subject to market conditions, during the period when the Share Purchase Mandate is in force. Share purchases provide the Company with a mechanism to return surplus cash over and above its ordinary capital requirements and investment needs to its Shareholders in an expedient and cost-efficient manner.
- (b) The Share Purchase Mandate will allow the Directors to exercise greater control over the Company's share capital structure, dividend policy and cash reserves, with a view to enhancing the net tangible assets and/or earnings per Share.
- (c) The purchase or acquisition of Shares under the Share Purchase Mandate will help to mitigate short-term share price volatility by stabilising the supply and demand of issued Shares and offset the effects of short-term share price speculation, thereby supporting the fundamental value of the issued Shares and bolstering Shareholders' confidence.

The purchase or acquisition of Shares will only be undertaken if the Directors believe that it can benefit the Company and Shareholders. Shareholders should note that purchases or acquisitions of Shares pursuant to the Share Purchase Mandate may not be carried out to the full 5% limit as authorised. No purchase or acquisition of Shares will be made in circumstances which would have or may have a material adverse effect on the liquidity of Shares or the financial condition of the Company and the Group or result in the Company being delisted. The Directors will use their best efforts to ensure that after a purchase or acquisition of Shares pursuant to the Share Purchase Mandate, the number of Shares remaining in the hands of the public will not fall to such a level as to cause market illiquidity or adversely affect the orderly trading and listing status of the Shares on the SGX-ST.

### 3. AUTHORITY AND LIMITS OF THE SHARE PURCHASE MANDATE

The authority and limitations placed on purchases or acquisitions of Shares by the Company under the proposed Share Purchase Mandate, if renewed at the AGM, are summarised below:-

(a) Maximum Number of Shares

The Company may purchase only Shares, which are issued and fully paid-up. The total number of Shares that may be purchased is limited to that number of Shares representing not more than 5% of the issued Shares (excluding any treasury shares and subsidiary holdings) as at the date of the AGM at which the resolution renewing the Share Purchase Mandate is passed (the “**Approval Date**”), unless the Company has thereafter, at any time during the Relevant Period, reduced its share capital in accordance with the applicable provisions of the Companies Act, in which event the total number of issued Shares of the Company shall be taken to be the total number of issued Shares as altered (excluding any treasury shares and subsidiary holdings). “**Relevant Period**” means the period commencing from the date on which the Share Purchase Mandate is renewed and expiring on the date on which the next annual general meeting of the Company is held or is required by law to be held, whichever is the earlier.

For illustrative purposes only, based on the issued share capital of the Company as at the Latest Practicable Date of 4,155,743,684 Shares (excluding 9,300,000 treasury shares held by the Company and no subsidiary holdings), and assuming that the number of issued Shares (excluding treasury shares and subsidiary holdings) of the Company remains unchanged up to the date of the AGM, not more than 207,787,184 Shares, representing 5% of the issued Shares (excluding treasury shares and subsidiary holdings) as at that date, may be purchased or acquired by the Company pursuant to the Share Purchase Mandate.

(b) Duration of Authority

Purchases of Shares may be made, at any time and from time to time, from the Approval Date up to the earliest of:-

- (i) the date on which the next annual general meeting of the Company is held or required by law to be held;
- (ii) the date on which Share purchases have been carried out to the full extent of the Share Purchase Mandate; or
- (iii) the date on which the authority conferred by the Share Purchase Mandate is varied or revoked by an ordinary resolution of Shareholders in general meeting.

(c) Manner of Purchase

Purchases of Shares may be made on the SGX-ST (“**Market Purchases**”) and/or otherwise than on the SGX-ST, in accordance with an equal access scheme (as defined in Section 76C(6) of the Companies Act) (“**Off-Market Purchases**”).

Market Purchases refer to purchases of Shares by the Company effected on the SGX-ST through one or more duly licensed stockbrokers appointed by the Company for the purpose.

## APPENDIX II

Off-Market Purchases refer to purchases of Shares by the Company made under an equal access scheme or schemes for the purchase of Shares from Shareholders. The Directors may impose such terms and conditions, which are not inconsistent with the Share Purchase Mandate and the Companies Act, as they consider fit in the interests of the Company in connection with or in relation to an equal access scheme or schemes. Under the Companies Act, an equal access scheme must satisfy all the following conditions:-

- (i) offers for the purchase or acquisition of issued shares shall be made to every person who holds issued shares to purchase or acquire the same percentage of their issued shares;
- (ii) all of those persons shall be given a reasonable opportunity to accept the offers made; and
- (iii) the terms of all the offers are the same, except that there shall be disregarded:-
  - (aa) differences in consideration attributable to the fact that offers may relate to shares with different accrued dividend entitlements;
  - (bb) (if applicable) differences in consideration attributable to the fact that offers relate to shares with different amounts remaining unpaid; and
  - (cc) differences in the offers introduced solely to ensure that each person is left with a whole number of shares.

In addition, the Listing Manual provides that, in making an Off-Market Purchase, the Company must issue an offer document to all Shareholders, which must contain at least the following information:-

- (i) the terms and conditions of the offer;
  - (ii) the period and procedures for acceptances;
  - (iii) the reasons for the proposed share purchase;
  - (iv) the consequences, if any, of share purchases by the Company that will arise under the Take-over Code or other applicable take-over rules;
  - (v) whether the share purchase, if made, could affect the listing of the Shares on the SGX-ST;
  - (vi) details of any share purchases made by the Company in the previous 12 months (whether Market Purchases or Off-Market Purchases), giving the total number of Shares purchased, the purchase price per Share or the highest and lowest prices paid for the purchases, where relevant, and the total consideration paid for the purchases; and
  - (vii) whether the Shares purchased by the Company will be cancelled or kept as treasury shares.
- (d) Maximum Purchase Price

The purchase price (excluding brokerage, stamp duties, commissions, applicable goods and services tax and other related expenses) to be paid for the Shares will be determined by the Directors.

## APPENDIX II

However, the purchase price must not exceed:-

- (i) in the case of a Market Purchase, 105% of the Average Closing Price (as defined below); and
- (ii) in the case of an Off-Market Purchase pursuant to an equal access scheme, 120% of the Average Closing Price (as defined below),

(the **"Maximum Price"**) in either case, excluding related expenses of the purchase.

For the above purposes:-

**"Average Closing Price"** means the average of the closing market prices of a Share over the last five Market Days on which transactions in Shares were recorded, preceding the day of the Market Purchase by the Company or, as the case may be, the day of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted for any corporate action that occurs after such five-Market Day period; and

**"day of the making of the offer"** means the day on which the Company announces its intention to make an offer for the purchase of Shares from Shareholders, stating the purchase price (which shall not be more than the Maximum Price calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase.

#### 4. STATUS OF PURCHASED SHARES

Any Share which is purchased by the Company is deemed cancelled immediately on purchase (and all rights and privileges attached to that Share will expire on cancellation) unless such Share is held by the Company as a treasury share.

(a) Cancelled Shares

Where Shares purchased or acquired by the Company are cancelled, the Company shall:

- (i) reduce the amount of its share capital where the Shares were purchased or acquired out of the capital of the Company;
- (ii) reduce the amount of its profits where the Shares were purchased or acquired out of the profits of the Company; or
- (iii) reduce the amount of its share capital and profits proportionately where the Shares were purchased or acquired out of both the capital and the profits of the Company,

by the total amount of the purchase price paid by the Company for the Shares cancelled.

Shares which are cancelled will be automatically delisted by the SGX-ST, and certificates in respect thereof will be cancelled and destroyed by the Company as soon as reasonably practicable following such cancellation. The total number of issued Shares will be diminished by the number of Shares purchased or acquired by the Company which are cancelled and not held as treasury shares.

# APPENDIX II

## (b) Treasury Shares

Under the Companies Act, Shares purchased or acquired by the Company may be held or dealt with as treasury shares. According to the key provisions on treasury shares under the Companies Act:

### (i) *Maximum Holdings*

The number of Shares held as treasury shares cannot at any time exceed 10% of the total number of issued Shares.

### (ii) *Voting and other Rights*

The Company will not have the right to attend or vote at meetings and/or to receive any dividends in respect of treasury shares. However, the allotment of treasury shares as fully paid bonus shares is allowed. Also, a subdivision or consolidation of any treasury share into treasury shares of a smaller amount is allowed so long as the total value of the treasury shares after the subdivision or consolidation is the same as before.

### (iii) *Disposal and Cancellation*

The Company may dispose of treasury shares at any time in the following ways:

- (aa) selling the treasury shares for cash;
- (bb) transferring the treasury shares for the purposes of or pursuant to any share scheme, whether for employees, directors or other persons;
- (cc) transferring the treasury shares as consideration for the acquisition of shares in or assets of another company or assets of a person;
- (dd) cancelling the treasury shares; or
- (ee) selling, transferring or otherwise using the treasury shares for such other purposes as may be prescribed by the Minister for Finance.

## 5. SOURCE OF FUNDS

The Companies Act permits the Company to purchase its Shares out of capital or profits so long as the Company is solvent. For this purpose, the Company is solvent if at the date of the payment for the Shares, the following conditions are satisfied:-

- (a) there is no ground on which the Company could be found to be unable to pay its debts;
- (b) if (i) it is intended to commence winding up of the Company within the period of 12 months immediately after the date of the payment, the Company will be able to pay its debts in full within the period of 12 months after the date of commencement of the winding up; or (ii) it is not intended so to commence winding up, the Company will be able to pay its debts as they fall due during the period of 12 months immediately after the date of the payment; and

- (c) the value of the Company's assets is not less than the value of its liabilities (including contingent liabilities) and will not, after the purchase of Shares, become less than the value of its liabilities (including contingent liabilities).

The Company intends to use internal sources of funds, or a combination of internal resources and external borrowings, to finance purchases of its Shares.

### 6. FINANCIAL EFFECTS

It is not possible for the Company to realistically calculate or quantify the impact of purchases that may be made pursuant to the proposed Share Purchase Mandate on the net tangible asset value and earnings per Share as the resultant effect would depend on factors such as the aggregate numbers of Shares purchased, the purchase prices paid at the relevant times, whether the Shares purchased or acquired are held in treasury or immediately cancelled on purchase or acquisition, how the Shares held in treasury are subsequently dealt with by the Company in accordance with Section 76K of the Companies Act, and the amounts (if any) borrowed by the Company to fund the purchases.

Where the purchase of Shares is made out of distributable profits, such purchase (including costs incidental to the purchase) will correspondingly reduce the amount available for the distribution of cash dividends by the Company. Where the purchase of Shares is made out of capital, the amount available for the distribution of cash dividends by the Company will not be reduced.

Where the purchase of Shares is financed through internal resources, it will reduce the cash reserves of the Group and the Company, and thus the current assets and shareholders' funds of the Group and the Company. This will result in an increase in the gearing ratios of the Group and the Company and a decline in the current ratios of the Group and the Company. The actual impact on the gearing and current ratios will depend on the number of Shares purchased or acquired and the prices at which the Shares are purchased or acquired.

Where the purchase or acquisition of Shares is financed through external borrowings or financing, there would be an increase in the gearing ratios of the Group and the Company, and a decline in the current ratios and shareholders' funds of the Group and the Company, with the actual impact dependent on the number of Shares purchased or acquired and the prices at which the Shares are purchased or acquired.

For illustrative purposes only and on the basis of the following assumptions:-

- (i) that the issued share capital of the Company as at the Latest Practicable Date of 4,155,743,684 Shares (excluding 9,300,000 treasury shares held by the Company and no subsidiary holdings), remains unchanged up to the date of the AGM, and not more than 207,787,184 Shares, representing 5% of the issued Shares (excluding treasury shares and subsidiary holdings) as at that date, may be purchased or acquired by the Company pursuant to the Share Purchase Mandate;
- (ii) that the purchase or acquisition by the Company of 207,787,184 Shares, representing 5% of its issued Shares (excluding treasury shares and subsidiary holdings) as at the Latest Practicable Date, was made on 30 June 2019;
- (iii) that, in the case of Market Purchases, the Company purchased or acquired Shares at the Maximum Price of \$0.342 for each Share (being 105% of the Average Closing Price as at 30 June 2019), and, in the case of Off-Market Purchases, the Company purchased or acquired Shares at the Maximum Price of \$0.391 for each Share (being 120% of the Average Closing Price as at 30 June 2019);

## APPENDIX II

- (iv) that the purchase or acquisition of Shares by the Company, which required funds amounting to, in the case of Market Purchases, \$71,125,553, and in the case of Off-Market Purchases, \$81,286,346, was financed entirely using its internal sources of funds; and
- (v) that the purchase or acquisition of Shares was made entirely out of profits and the Shares were held as treasury shares after the purchase or acquisition,

the financial effects of Share purchases by the Company pursuant to the Share Purchase Mandate on the audited consolidated financial statements of the Group for the financial year ended 30 June 2019 ("FY2019"), are set out below.

### Scenario 1

*Market Purchases of 207,787,184 Shares made entirely out of profits and held as treasury shares*

	Group		Company	
	Before Share Purchase \$'000	After Share Purchase \$'000	Before Share Purchase \$'000	After Share Purchase \$'000
<b>As at 30 June 2019</b>				
Share capital	275,922	275,922	275,922	275,922
Treasury shares	(3,943)	(75,069)	(3,943)	(75,069)
Retained earnings	993,498	993,498	447,701	447,701
Other reserve	234,793	234,793	(19,273)	(19,273)
Shareholders' funds	1,500,270	1,429,144	700,407	629,281
Net tangible assets	1,564,633	1,493,507	700,407	629,281
Current assets	3,818,094	3,746,968	1,208,631	1,137,505
Current liabilities	2,381,548	2,381,548	1,835,059	1,835,059
Working capital	1,436,546	1,365,420	(626,428)	(697,554)
Total liabilities	4,689,049	4,689,049	2,321,188	2,321,188
Cash and cash equivalents	474,407	403,281	265,669	194,543
Net profit attributable to owners of the Company	139,786	139,786	N.M <sup>(4)</sup>	N.M <sup>(4)</sup>
Number of Shares (excluding treasury shares) ('000)	4,155,743	3,947,956	4,155,743	3,947,956
<b>Financial Ratios</b>				
Net tangible assets per Share <sup>(1)</sup> (cents)	37.65	37.83	16.85	15.94
Earnings per Share (cents)	3.36	3.54	N.M <sup>(4)</sup>	N.M <sup>(4)</sup>
Gearing ratio <sup>(2)</sup> (times)	2.06	2.22	0.57	0.75
Current ratio <sup>(3)</sup> (times)	1.60	1.57	0.66	0.62

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### Notes:-

- (1) Net tangible assets per Share is computed based on total net assets less deferred expenditure, other intangible assets and non-controlling interests, divided by the number of issued Shares.
- (2) Gearing ratio equals total borrowings less cash and cash equivalents divided by total equity.
- (3) Current ratio equals current assets divided by current liabilities.
- (4) N.M. denotes not meaningful.

### Scenario 2

*Off-Market Purchases of 207,787,184 Shares made entirely out of profits and held as treasury shares*

	Group		Company	
	Before Share Purchase	After Share Purchase	Before Share Purchase	After Share Purchase
	\$'000	\$'000	\$'000	\$'000
<b>As at 30 June 2019</b>				
Share capital	275,922	275,922	275,922	275,922
Treasury shares	(3,943)	(85,229)	(3,943)	(85,229)
Retained earnings	993,498	993,498	447,701	447,701
Other reserve	234,793	234,793	(19,273)	(19,273)
Shareholders' funds	1,500,270	1,418,984	700,407	619,121
Net tangible assets	1,564,633	1,483,347	700,407	619,121
Current assets	3,818,094	3,736,808	1,208,631	1,127,345
Current liabilities	2,381,548	2,381,548	1,835,059	1,835,059
Working capital	1,436,546	1,355,260	(626,428)	(707,714)
Total liabilities	4,689,049	4,689,049	2,321,188	2,321,188
Cash and cash equivalents	474,407	393,121	265,669	184,383
Net profit attributable to owners of the Company	139,786	139,786	N.M <sup>(4)</sup>	N.M <sup>(4)</sup>
Number of Shares (excluding treasury shares) ('000)	4,155,743	3,947,956	4,155,743	3,947,956
<b>Financial Ratios</b>				
Net tangible assets per Share <sup>(1)</sup> (cents)	37.65	37.57	16.85	15.68
Earnings per Share (cents)	3.36	3.54	N.M <sup>(4)</sup>	N.M <sup>(4)</sup>
Gearing ratio <sup>(2)</sup> (times)	2.06	2.24	0.57	0.78
Current ratio <sup>(3)</sup> (times)	1.60	1.57	0.66	0.61

# APPENDIX II

## Notes:-

- (1) Net tangible assets per Share is computed based on total net assets less deferred expenditure, other intangible assets and non-controlling interests, divided by the number of issued Shares.
- (2) Gearing ratio equals total borrowings less cash and cash equivalents divided by total equity.
- (3) Current ratio equals current assets divided by current liabilities.
- (4) N.M. denotes not meaningful.

**Shareholders should note that the financial effects set out in this Section 6 are purely for illustrative purposes only. In particular, it is important to note that the above analysis is based on historical FY2019 numbers and are in no way indicative of the Company's actual financial position or a forecast of the Company's financial figures.**

The Company will take into account both financial and non-financial factors (for example, share market conditions and the performance of the Shares) in assessing the relative impact of a Share purchase before execution.

## 7. LISTING RULES

Under the Listing Manual, a listed company may purchase shares by way of Market Purchases at a price per share which is not more than 5% above the average of the closing market prices of the shares over the last five Market Days, on which transactions in the shares were recorded, before the day on which the purchases were made and deemed to be adjusted for any corporate action that occurs after the relevant five-day period. The Maximum Price for a Share in relation to Market Purchases by the Company, referred to in Section 3(d) above, conforms to this restriction.

The Listing Manual specifies that a listed company shall report all purchases or acquisitions of its shares to the SGX-ST not later than 9.00 a.m. (a) in the case of a Market Purchase, on the Market Day following the day of purchase or acquisition of any of its shares and (b) in the case of an Off-Market Purchase under an equal access scheme, on the second Market Day after the close of acceptances of the offer. Such announcement must include details of the date of the purchases of the shares, the total number of shares purchased, the number of shares cancelled, the number of shares held as treasury shares, the purchase price per share or the highest and lowest prices paid for such shares (as applicable), the total consideration (including stamp duties and clearing charges) paid or payable for the shares, and the cumulative number of shares purchased. Such announcement will be made in the form prescribed by the Listing Manual.

While the Listing Manual does not expressly prohibit any purchase of shares by a listed company during any particular time or times, because the listed company would be regarded as an "insider" in relation to any proposed purchase or acquisition of its issued shares, the Company will not undertake any purchase or acquisition of Shares pursuant to the proposed Share Purchase Mandate at any time after a price sensitive development has occurred or has been the subject of a decision until the price sensitive information has been publicly announced. In particular, in observing the best practices recommended in the Listing Manual on securities dealings, the Company will not purchase or acquire any Shares through Market Purchases during the period of two weeks immediately preceding the announcement of the Company's quarterly results or one month immediately preceding the announcement of the Company's full-year results, as the case may be, and ending on the date of announcement of the relevant results.

## 8. LISTING STATUS ON THE SGX-ST

The Company is required under Rule 723 of the SGX-ST Listing Manual to ensure that at least 10% of its issued Shares (excluding treasury shares, preference shares and convertible equity securities) are in the hands of the public. The “**public**”, as defined in the Listing Manual, are persons other than the Directors, CEO, substantial shareholders and controlling shareholders of the Company and its subsidiaries, as well as the associates (as defined in the Listing Manual) of such persons.

As at the Latest Practicable Date, there were approximately 772,506,363 issued Shares in the hands of the public (as defined above), representing 18.59% of the total number of issued Shares (excluding treasury shares) of the Company. Assuming that the Company purchases its Shares through Market Purchases up to the full 5% limit pursuant to the Share Purchase Mandate and holds the purchased Shares as treasury shares, the number of issued Shares in the hands of the public would be reduced to 564,719,179 Shares, representing 14.30% of the total number of issued Shares (excluding treasury shares) of the Company. As at the Latest Practicable Date, the Company held 9,300,000 treasury shares.

Under the Companies Act, in the event that the number of Shares held as treasury shares by the Company at any time exceeds 10% of the total number of issued Shares at that time, the Company shall dispose of or cancel the excess treasury shares within 6 months.

In view of the foregoing, the Company is of the view that there is, at present, a sufficient number of Shares in public hands that would permit the Company to potentially undertake purchases of its Shares through Market Purchases up to the full 5% limit pursuant to the Share Purchase Mandate without:-

- (i) affecting adversely the listing status of the Shares on the SGX-ST;
- (ii) causing market illiquidity; or
- (iii) affecting adversely the orderly trading of Shares.

## 9. TAX IMPLICATIONS

When a company purchases its own shares using its distributed profits or contributed capital, it will be regarded as any other disposal of shares by the shareholders from whom the shares are acquired.

For income tax purposes, whether or not the proceeds received by the Shareholders are taxable in the hands of the Shareholders who sell their Shares to the Company for which the purchases were made out of distributed profits or contributed capital will depend on whether such proceeds are receipts of an income or capital nature.

**Shareholders should note that the foregoing is not to be regarded as advice on the tax position of any Shareholder. Shareholders who are in doubt as to their respective tax positions or the tax implications of Share purchases by the Company, or, who may be subject to tax whether in or outside Singapore, should consult their own professional advisers.**

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## 10. IMPLICATIONS OF TAKE-OVER CODE

### (a) Obligation to Make a Take-over Offer

If as a result of any purchase or acquisition by the Company of its Shares, a Shareholder's proportionate interest in the voting capital of the Company increases, such increase will be treated as an acquisition for the purposes of the Take-over Code. If such increase results in a change in control, or as a result of such increase a Shareholder or group of Shareholders acting in concert obtain or consolidate control, it may in certain circumstances give rise to an obligation on the part of such Shareholder or Shareholders to make a take-over offer under Rule 14 of the Take-over Code.

The circumstances under which Shareholders, including Directors and persons acting in concert with them respectively will incur an obligation to make a take-over offer under Rule 14 after a purchase of Shares by the Company are set out in Appendix 2 ("**TOC Appendix 2**") of the Take-over Code.

In relation to Directors and persons acting in concert with them, Rule 14 provides that unless exempted (or if exempted, such exemption is subsequently revoked), Directors and persons acting in concert with them will incur an obligation to make a take-over offer if, as a result of a purchase of Shares by the Company:-

- (i) the percentage of voting rights held by such Directors and their concert parties in the Company increases to 30% or more; or
- (ii) if they together hold between 30% and 50% of the Company's voting rights, their voting rights increase by more than 1% in any period of six months.

Under TOC Appendix 2, a Shareholder not acting in concert with the Directors will not be required to make a take-over offer under Rule 14 if, as a result of the Company purchasing its Shares, the voting rights of such Shareholder would increase to 30% or more, or, if such Shareholder holds between 30% and 50% of the Company's voting rights, the voting rights of such Shareholder would increase by more than 1% in any period of six months. Such Shareholder need not abstain from voting in respect of the resolution authorising the Share Purchase Mandate.

### (b) Persons Acting in Concert

Under the Take-over Code, persons acting in concert comprise individuals or companies who, pursuant to an agreement or understanding (whether formal or informal) co-operate, through the acquisition by any of them of shares in a company to obtain or consolidate control of that company. Unless the contrary is established, the following persons, *inter alia*, will be presumed to be acting in concert: (i) a company with any of its directors; and (ii) a company, its parent, subsidiaries and fellow subsidiaries, and their associated companies, and companies of which such companies are associated companies, all with each other. For this purpose, ownership or control of 20% or more of the equity share capital of a company will be regarded as the test of associated company status.

(c) Effect of Rule 14 and Appendix 2 of the Take-over Code

As at the Latest Practicable Date, Ching Chiat Kwong, Low See Ching and Shawn Ching Wei Hung, who are Directors of the Company and persons acting or deemed to be acting in concert with each other, and Gold Crescent Holdings Limited, a company which is wholly-owned by Ching Chiat Kwong, collectively held approximately 70.07% of the voting rights in the Company. They would not be obliged to make a take-over offer under Rule 14 of the Take-over Code as a result of any purchase of Shares by the Company under the Share Purchase Mandate.

**Shareholders who are in doubt as to whether they would incur any obligation to make a take-over offer as a result of any purchase of Shares by the Company pursuant to the Share Purchase Mandate are advised to consult their professional advisers and/or the SIC and/or other relevant authorities at the earliest opportunity.**

## 11. REPORTING REQUIREMENTS

Within 30 days of the passing of the Shareholders' resolution to renew the Share Purchase Mandate, the Directors shall lodge a copy of such resolution with the Registrar of Companies (the "**Registrar**").

The Directors shall lodge with the Registrar a notice of share purchase within 30 days of a share purchase. Such notification shall include the date of the purchase, the number of Shares purchased by the Company, the number of Shares cancelled, the number of Shares held as treasury shares, the Company's issued share capital before and after the purchase, the amount of consideration paid by the Company for the purchase, whether the Shares were purchased out of the profits or the capital of the Company, and such other particulars as may be required in the prescribed form.

Within 30 days of the cancellation or disposal of treasury shares in accordance with the provisions of the Companies Act, the Directors shall lodge with the Registrar the notice of cancellation or disposal of treasury shares in the prescribed form.

## 12. SHARE PURCHASES IN THE PREVIOUS 12 MONTHS

No Shares had been purchased by the Company in the 12 months preceding the Latest Practicable Date pursuant to the existing Share Purchase Mandate.

# APPENDIX II

## 13. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

The interests of the Directors and substantial Shareholders in the share capital of the Company as at the Latest Practicable Date, as recorded in the Register of Director's Shareholdings and the Register of Substantial Shareholders kept by the Company, are as follows:-

	Direct Interest		Deemed Interest	
	Number of Shares	% <sup>(1)</sup>	Number of Shares	% <sup>(1)</sup>
<b>Directors</b>				
Ching Chiat Kwong	1,734,601,411	41.74	10,960,576	0.26
Low See Ching	1,166,174,778	28.06	-	-
Shawn Ching Wei Hung	237,364	0.01	-	-
Ng Weng Sui Harry	467,020	0.01	-	-
Phua Sian Chin	-	-	-	-
Lim Yeow Hua @ Lim You Qin	-	-	-	-
<b>Substantial Shareholders (other than Directors)</b>				
Tee Wee Sien	470,796,172	11.33	-	-

**Note:**

(1) Percentage computed based on the total number of issued Shares excluding treasury shares of the Company, being 4,155,743,684 Shares, as at the Latest Practicable Date.

## 14. DIRECTORS' RECOMMENDATION

Having fully considered the rationale for the renewal of the Share Purchase Mandate set out in this Appendix, the Directors believe that the renewal of the Share Purchase Mandate is in the best interest of the Company. The Directors recommend that Shareholders vote in favour of the resolution to approve the renewal of the Share Purchase Mandate to be proposed at the AGM.

## 15. ANNUAL GENERAL MEETING

The AGM, notice of which is set out in the Annual Report 2019 of the Company, will be held on Tuesday, 29 October 2019 at 10.00 am at Polaris Ballroom, Level 1, Novotel & Mercure Singapore on Stevens, 28 Stevens Road, Singapore 257878, for the purpose of considering and, if thought fit, passing with or without any modifications, the Ordinary Resolution relating to the renewal of the Share Purchase Mandate as set out in the Notice of AGM.

## 16. 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 Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., 50 Raffles Place, #32-01 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 72 hours before the AGM.

## 17. 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 proposed renewal of the Share Purchase 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 Polaris Ballroom, Level 1, Novotel & Mercure Singapore on Stevens, 28 Stevens Road, Singapore 257878 on Tuesday, 29 October 2019 at 10.00 am for the following purposes:-

## AS ORDINARY BUSINESS

### Resolution 1

1. To receive and adopt the audited financial statements for the financial year ended 30 June 2019, together with the Statement by Directors and Independent Auditor’s Report.

### Resolution 2

2. To declare a final one-tier tax exempt dividend of \$0.0068 per ordinary share for the financial year ended 30 June 2019.

### 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 Shawn Ching Wei Hung who is retiring pursuant to Articles 104 and 114 of the Articles and who, being eligible, offers himself for re-election as a Director.

### Resolution 5

5. To approve the payment of Directors’ fees of \$202,460 for the financial year ending 30 June 2020, to be paid quarterly in arrears. [FY2019: \$202,460]

### Resolution 6

6. To re-appoint RSM Chio Lim LLP as the Company’s Independent Auditor and to authorise the Directors to fix their remuneration.
7. To transact any other ordinary business that may be properly transacted at an Annual General Meeting.

## AS SPECIAL BUSINESS

### Resolution 7

8. 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 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,

# NOTICE OF ANNUAL GENERAL MEETING

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 and subsidiary holdings) 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 and subsidiary holdings) 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)]

## Resolution 8

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

"Authority to allot and issue shares under Oxley Holdings Limited Scrip Dividend Scheme

That pursuant to Section 161 of the Companies Act, Chapter 50 and the Listing Manual of the Singapore Exchange Securities Trading Limited, authority be and is hereby given to the Directors of the Company to allot and issue from time to time such number of shares in the capital of the Company as may be required to be allotted and issued pursuant to the Oxley Holdings Limited Scrip Dividend Scheme."

[See Explanatory Note (ii)]

# NOTICE OF ANNUAL GENERAL MEETING

## Resolution 9

10. 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 Appendix I to the Annual Report 2019 (the **“Appendix I”**) with the interested person described in the Appendix I, 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 I 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 (iii)]

## Resolution 10

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

“Share purchase mandate

That:

- (a) for the purposes of Sections 76C and 76E of the Companies Act, Chapter 50 (the **“Companies Act”**), the exercise by the directors of the Company of all the powers of the Company to purchase or otherwise acquire ordinary shares (**“Shares”**) in the issued share capital of the Company not exceeding in aggregate the Prescribed Limit (as hereafter defined), at such price or prices as may be determined by the directors of the Company from time to time up to the Maximum Price (as hereafter defined), whether by way of:
- (i) market purchases (each a **“Market Purchase”**) on the Singapore Exchange Securities Trading Limited (**“SGX-ST”**), through one or more duly licensed stockbrokers appointed by the Company for the purpose; and/or
  - (ii) off-market purchases (each an **“Off-Market Purchase”**) effected otherwise than on the SGX-ST in accordance with any equal access scheme as may be determined or formulated by the directors of the Company as they consider fit, which scheme shall satisfy all the conditions prescribed by the Companies Act,

and otherwise in accordance with all other laws, regulations and rules of the SGX-ST as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (the **“Share Purchase Mandate”**);

# NOTICE OF ANNUAL GENERAL MEETING

- (b) the authority conferred on the directors of the Company pursuant to the Share Purchase Mandate may be exercised by the directors of the Company at any time, and from time to time, during the period commencing from the passing of this Resolution and expiring on the earliest of:
- (i) the date on which the next annual general meeting of the Company is held or required by law to be held;
  - (ii) the date on which Share purchases have been carried out to the full extent of the Share Purchase Mandate; or
  - (iii) the date on which the authority contained in the Share Purchase Mandate is varied or revoked by an ordinary resolution of shareholders of the Company in general meeting;

- (c) in this Resolution:

**“Prescribed Limit”** means 5% of the total number of issued Shares (excluding any treasury shares and subsidiary holdings) of the Company as at the date of the passing of this Resolution, unless the Company has reduced its share capital in accordance with the applicable provisions of the Companies Act, at any time during the Relevant Period (as hereinafter defined), in which event the total number of issued Shares of the Company shall be taken to be the total number of issued Shares as altered (excluding any treasury shares and subsidiary holdings);

**“Relevant Period”** means the period commencing from the date of the passing of this Resolution and expiring on the date on which the next annual general meeting of the Company is held or required by law to be held, whichever is the earlier; and

**“Maximum Price”** in relation to a Share to be purchased, means an amount (excluding brokerage, commissions, stamp duties, applicable goods and services tax and other related expenses) not exceeding:

- (i) in the case of a Market Purchase : 105% of the Average Closing Price; and
- (ii) in the case of an Off-Market Purchase : 120% of the Average Closing Price,

where:

**“Average Closing Price”** is the average of the closing market prices of a Share over the last five (5) Market Days, on which transactions in the Shares were recorded, preceding the day of the Market Purchase by the Company or, as the case may be, the day of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted for any corporate action that occurs after such five-Market Day period;

**“day of the making of the offer”** means the day on which the Company announces its intention to make an offer for the purchase of Shares from shareholders of the Company stating the purchase price (which shall not be more than the Maximum Price calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase; and

**“Market Day”** means a day on which the SGX-ST is open for trading in securities; and

# NOTICE OF ANNUAL GENERAL MEETING

- (d) the directors of the Company be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they may consider expedient or necessary to give effect to the transactions contemplated by this Resolution.”

[See Explanatory Note (iv)]

BY ORDER OF THE BOARD

CHAN YEAN CHUN  
Company Secretary

Singapore  
7 October 2019

## Explanatory Notes:-

- (i) Ordinary Resolution 7, 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 and subsidiary holdings) 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 and subsidiary holdings) in the capital of the Company at the time Ordinary Resolution 7 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 7 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 8, if passed, will empower the Directors to issue shares in the capital of the Company pursuant to the Oxley Holdings Limited Scrip Dividend Scheme (the “**Scheme**”) if the Company decides to apply the Scheme to any dividend declared by the Company (including the final one-tier tax exempt dividend of \$0.0068 per ordinary share for the financial year ended 30 June 2019, if approved by the shareholders). Such authority will, unless previously revoked or varied at a general meeting, expire at the date of the next annual general meeting of the Company.
- (iii) Ordinary Resolution 9, 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 Appendix I to the Annual Report 2019). Such mandate will, unless previously revoked or varied at a general meeting, expire at the next annual general meeting of the Company.
- (iv) Ordinary Resolution 10 will renew the mandate to permit the Company to purchase or otherwise acquire its issued ordinary shares on the terms and subject to the conditions of the Resolution. Further details are set out in Appendix II to the Annual Report 2019.

# NOTICE OF ANNUAL GENERAL MEETING

## Notes:-

- (i) Unless otherwise permitted under the Companies Act, Chapter 50 of Singapore (the “**Companies Act**”), a member of the Company entitled to attend and vote at the Annual General Meeting (the “**AGM**”) may appoint not more than two proxies to attend and vote instead of him. A proxy need not be a member of the Company.
- (ii) A member who is a relevant intermediary (as defined in the Companies Act) may appoint more than two proxies, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member.
- (iii) Where a member appoints more than one proxy, he shall specify the proportion of his shareholding to be represented by each proxy in the instrument appointing the proxies.
- (iv) If the member is a corporation, the instrument appointing the proxy must be executed under its common seal or signed by its duly authorised officer or attorney.
- (v) The duly executed instrument appointing a proxy or proxies must be deposited at the Company’s Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., 50 Raffles Place #32-01, Singapore Land Tower, Singapore 048623, not less than 48 hours before the time appointed for holding the AGM.

## Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member’s personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the “**Purposes**”), and (ii) warrants that where the member discloses the personal data of the member’s proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member’s breach of warranty.

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# OXLEY HOLDINGS LIMITED

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

## IMPORTANT

For investors who have used their SRS monies to buy shares of Oxley Holdings Limited, this Proxy Form is not valid for use by such SRS investors and shall be ineffective for all intents and purposes if used or purported to be used by them. Such SRS investors should contact their respective agent banks/SRS operators if they have any queries regarding their appointment as proxies.

## ANNUAL GENERAL MEETING PROXY FORM

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 Polaris Ballroom, Level 1, Novotel & Mercure Singapore on Stevens, 28 Stevens Road, Singapore 257878 on Tuesday, 29 October 2019 at 10.00 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 financial statements for financial year ended 30 June 2019		
2.	Payment of final one-tier tax exempt dividend of \$0.0068 per ordinary share for the financial year ended 30 June 2019		
3.	Re-election of Mr Ching Chiat Kwong as a Director		
4.	Re-election of Mr Shawn Ching Wei Hung as a Director		
5.	Payment of Directors' fees of \$202,460 for financial year ending 30 June 2020		
6.	Re-appointment of RSM Chio Lim LLP as independent auditor		
	<b>Special Business</b>		
7.	Authority to allot and issue shares		
8.	Authority to allot and issue shares under Oxley Holdings Limited Scrip Dividend Scheme		
9.	Renewal of mandate for interested person transactions		
10.	Renewal of share purchase mandate		

(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. Alternatively, if you wish to exercise your votes both for and against the resolution, please indicate the number of shares in the respective spaces provided.)

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2019

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. Unless otherwise permitted under the Companies Act, Chapter 50 of Singapore (the "**Companies Act**"), 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.
2. A member who is a relevant intermediary (as defined in the Companies Act) may appoint more than two proxies, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member.
3. Where a member appoints more than one proxy, the proportion of the shareholding to be represented by each proxy shall be specified in this proxy form.
4. 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 81SF of the Securities and Futures Act, Chapter 289 of Singapore), you should insert that number of shares. If you have shares registered in your name in the Register of Members of the Company, 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. If no number is inserted, this proxy form shall be deemed to relate to all the shares held by you.
5. This proxy form duly executed must be deposited at the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 not less than 48 hours before the time set for the AGM.
6. 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 common seal or under the hand of a duly authorised officer or attorney.
7. 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 shall be treated as invalid.
8. 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 72 hours before the time appointed for holding the AGM, as certified by The Central Depository (Pte) Limited to the Company.
9. By submitting this proxy form, a member accepts and agrees to the personal data privacy terms set out in the Notice of AGM dated 7 October 2019.

**OXLEY HOLDINGS LIMITED**

138 Robinson Road, #30-01 Oxley Tower, Singapore 068906

Tel: 6438 0202 Fax: 6438 2020

[www.oxley.com.sg](http://www.oxley.com.sg)

Co. Reg. No. 201005612G